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Wishing the  
BEST  
for the  
3rd Millennium

JAISTHA 24, 1407 BS

RABIUL AWAL 4, 1421 HIJRI

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Historic  
June 7  
today

By Staff Correspondent  
Bangladesh Awami League has charted an elaborate programme to observe the historic June 7 today.

The ruling party will hoist party and national flags atop Bangabandhu Bhaban, central office and all front organisation offices across the country.

Eleven people were shot dead by police and EPR members in Dhaka and Narayanganj this day in 1966 during a hartal called for the release of the Bangabandhu and other leaders detained for launching the six-point movement.

President of the party Prime Minister Sheikh Hasina will place wreaths at the portrait of Father of the Nation Bangabandhu Sheikh Mujibur Rahman at Bangabandhu Bhaban at 8 a.m. Awami League will hold a grand workers' rally at the Tejgaon Polytechnic Institute ground at 3 p.m. on June 12. Prime Minister Sheikh Hasina is expected to address the function as chief guest.

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**BNP reaction**  
'If MPs quit, PM will be busy protecting power'

BNP yesterday blasted the Prime Minister's observations about forfeiting the boycotting MPs' memberships, saying that her desire for holding parliamentary by-election to Opposition seats would be dashed, reports UNB.

"Your desire will not come true. If Opposition's parliament memberships are forfeited and we resign, you will be busy protecting power rather than going for by-election," said BNP Secretary General Abdul Mannan Bhuiyan.

On Monday, Prime Minister Sheikh Hasina said the government would go for holding by-election if Opposition members of parliament lost seats due to crossing the red mark of 90 days' abstention from the

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**Zila Parishad Bill placed without major changes**

By Staff Correspondent  
Parliamentary standing committee on local government ministry brought yesterday the Zila Parishad Bill back to the House almost unchanged.

The bill seeks restoration of elected local government body at the district level. Introduced in the last session of parliament, it was sent to the standing committee for scrutiny.

But the committee did not

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**Budget: Its Rhetoric and Economic Expansion Path**

by Anu Muhammad

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Govt proposes legislation to allow insurance in capital market

OPEC's price stability pact stalls before launch

DSE, CSE price quotations

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**Prayer Timings**

June 7

Fajr 4:15 4:45

Zohr 1:00 1:30

Asr 5:00 5:15

Magrib 6:50 6:55

Esha 8:15 8:45

Source: Islamic Foundation

# The Daily Star

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## PM tells Jatiya Sangsad

# Granting of bail holds back corruption cases

By Staff Correspondent

Prime Minister Sheikh Hasina said yesterday that granting of bail to defendant is holding back progress in corruption cases.

"Once a corruption case goes to court, it doesn't see light of the day... the defendant roams freely taking anticipatory bail while the case is put in the cold," she said while replying to questions in parliament. "As a result, steps to remove corruption from the society always do not get anywhere."

The prime minister disclosed in the House that 13,104 corruption cases are pending with the Bureau of Anti-Corruption, of which 4,816 are under trial. She said such cases often failed to make progress since court grants ad-interim bails to defendants, particularly the influential ones.

The Leader of the Opposi-

tion (Khaleda Zia) is the one being granted such bail," she said. The Anti-corruption Bureau either have sued or is investigating charges against 70 BNP MPs during the tenure of the previous government on charge of abusing the PM's Relief Fund, said Hasina. She said the bureau is functioning independently.

The prime minister claimed her government tried to act tough against corruption but "it's not an easy task when every section of the society is infected with corruption."

She said corruption and terrorism had taken roots in the society because of long absence of democracy and trial against corruption. Hasina blamed the post-75 rulers who "grabbed power at gunpoint, used state fund to form political parties and corrupt people."

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## Defaulters use political high-ups to influence bank boards

### Dialogue on Ethics in Banking told

By Staff Correspondent

Leading economist of the country Prof Rehman Sobhan strongly criticised the present political structure, saying that long hands of defaulters reach the power lobby and influence closed boards.

The country's political institutions are being increasingly dominated by a section of the affluent elite who exercise considerable influence on major political parties and the parliament," he said. "This in turn influences bank boards and their management to commit default by repeatedly rescheduling defaulted loans."

"Since a number of defaulters are now sitting in parliament, they have the capacity to bring their concerns directly before our legislators. A recent incident in which a Parliamentary Committee intervened to

argue for a defaulter and take the Finance Minister to task is a demonstration of the influence of defaulters on the political system," Prof Sobhan said.

He was speaking on "Ethics in Banking at the Third Nurul Matin Memorial Lecture, organised by the Bangladesh Institute of Bank Management (BIBM) at its auditorium here on Monday.

This symbiotic linkage between political and economic powers perpetuates both economic and social injustice in the banking system. It undermines efficiency and viability of the system, perpetuates inequity and denies justice to the "deprived majority," Prof. Sobhan said.

Finance Minister Shah Ahsan Kibria inaugurated the lecture as chief guest while Bangladesh Bank Governor Dr Mohammad

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## Widening gap between revenue, expenditure worries experts

By Staff Correspondent

Economists yesterday expressed their concern over the widening gap between budgetary proposals on expenditures, revenue earnings and the realised figures with slow growth in manufacturing sector, export and devaluation in rate of investment.

They said favourable macroeconomic conditions and increased growth of the country's economy in future will depend on recovery and growth of the manufacturing sector.

They reviewed developments in different sectors in the nineties at a seminar on "Bangladesh Economy 2000: Some Selected Issues" at the Bangladesh Institute of Development Studies (BIDS) here yesterday.

The seminar was chaired by Director General of BIDS Abu Abdullah. Among others, former finance minister AMA Muhib, IMF Resident Representative Ronald P Hicks, Executive Director of Centre for Policy Dialogue (CPD) Debapriya

that of defence to 17 per cent from around 15 per cent in the previous FY."

The share of social sector in the total public expenditure has declined to 24 per cent from 26 per cent, adversely affecting education and health sectors.

However, he said, the expenditures in real terms in this sector have been increasing since early nineties. But these did not have any positive reflection on quantity and quality of services, he added.

The share of debt servicing in the budget is rising and it is not likely to decline in the near future since it becomes cumulative. Its growth can only be moderated if increased revenue collections can substitute government's borrowing from internal sources and the capital market can be sufficiently improved to provide better investment opportunities to private savers compared to government bonds.

Speaking on macroeco-

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nomics, Ataur Rahman spoke on the occasion while BIDS research fellows presented papers on key issues of the economy.

Omar Haider Chowdhury of BIDS said the recent trend showed that revenue and development expenditures were more than budgeted estimates, with increasing short-fall in revenue collection. This puts the macro economic scenario in an adverse position, he observed.

"However... its severity will depend on the nature of public expenditure and the sources of funding the budget deficit."

Haider said the share of directly unproductive sector (DUS) in the total revenue expenditure has gone up from less than 50 per cent in FY91 to more than 56 per cent by late nineties. At the same time, infrastructure expenditure is also declining. "The budget for the current financial year envisages that the share of DUS will rise above the 60 per cent and

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## Dhanmondi lake project: DCC sees loss, survey shows profit

By Staff Correspondent

While DCC officials apprehend that "commercial components" of Dhanmondi lake development project will be "loss-incurring", an initial survey found that the project will earn about Tk 74 lakh per month, sources in LGRD ministry said.

The move to estimate financial cost and benefits of the project came as the ministry is trying to devise a management policy for the project which is yet to be completed. It has a total of 17 commercial structures including kiosks, restaurants, boat clubs and swimming pond.

However, one of the restaurants has already been illegally occupied by a group claiming to be members of Russel Smriti Sangsads.

Several important components of the project, such as walkway, sitting plaza and some excavation work are still incomplete due to failure of the authorities to recover encroached lands.

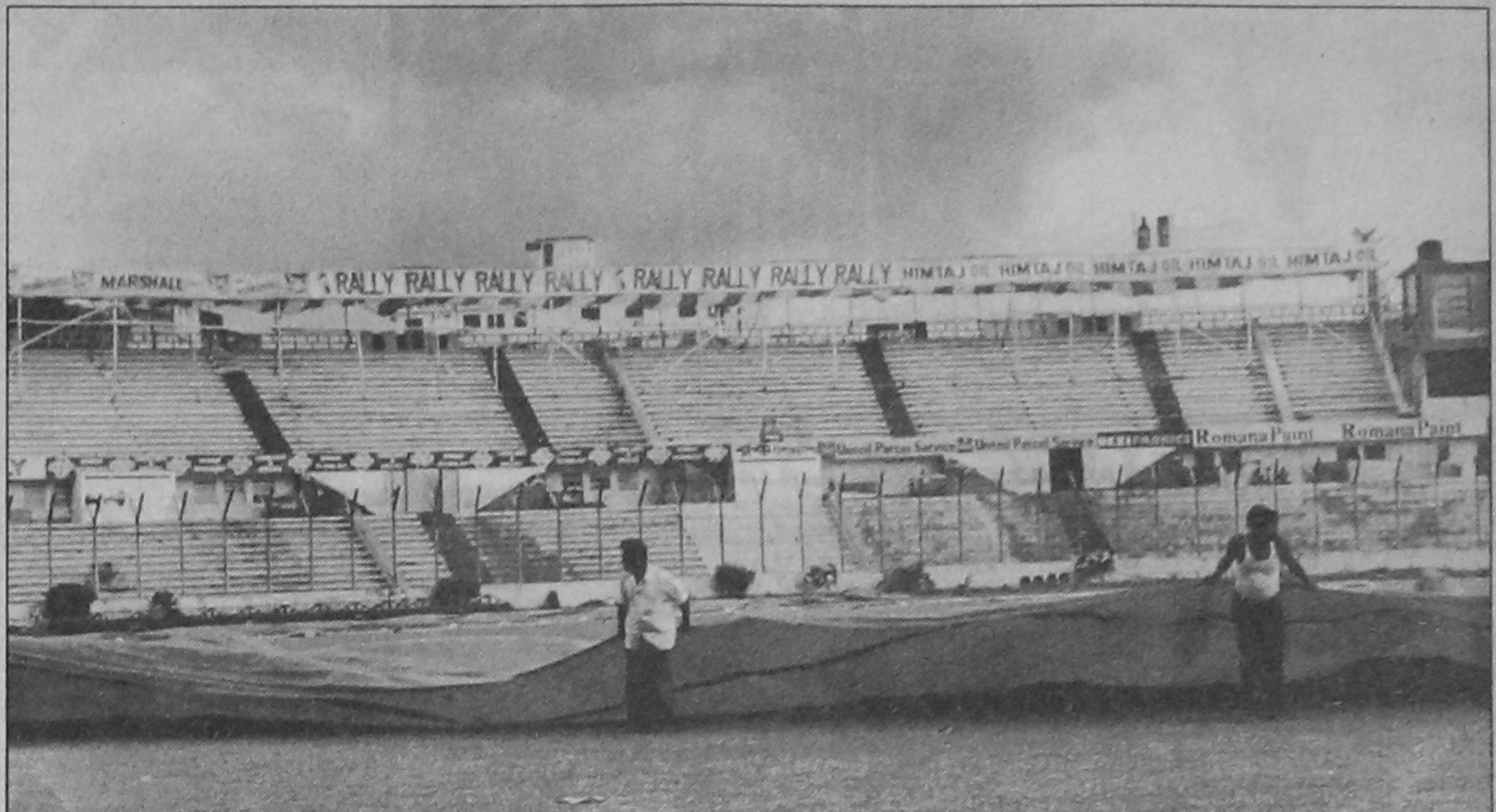
Sources said DCC has sub-

mitted a draft management plan for the project to the LGRD Ministry. The draft suggests formation of a committee to be headed by DCC's Chief Executive Officer to run the project. It also suggests that DCC's Superintending Engineer should head the monitoring cell.

A Ward Commissioner, nominated by the Mayor, would be included in the committee. DCC has also proposed that the lake area between Road-27 and the bridge at Road-8 be declared a restricted area and handed over to the Bangabandhu Memorial Museum.

But a meeting held at the LGRD ministry last week asked the DCC to review the draft and focus on people's participation, mainly local residents. To attract professional and serious investors, the LGRD Ministry asked the DCC to publish a "decent" brochure.

Meanwhile, hundreds of visitors are already flocking there amid the incomplete structures.

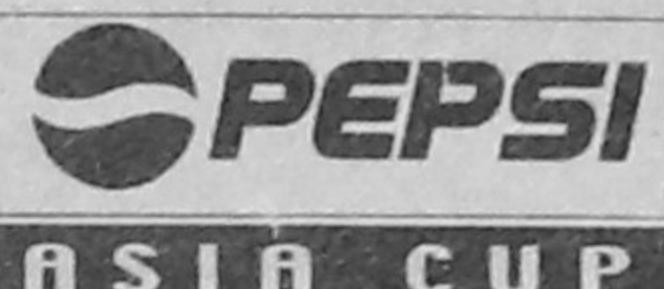


Just in case: With cloud looming over the Dhaka sky, ground staff at Bangabandhu Stadium leave nothing to chance yesterday ahead of today's Pepsi Asia Cup final.

— Star photo

## Battle for Asia Cup today

By Al-Amin



forward to frustrating the formers on yet another occasion.

The day-night match starts at 2.30 p.m., weather permitting.

The odds certainly favour Pakistan to win the seventh edition of the biennial event ahead of holders Sri Lanka, who were subjected to a demoralising seven-wicket defeat on Monday.

Having been unable to win the event since its introduction way back in 1986, Javed Miandad's men look extremely focused to put the past failures behind them. They won in the most convincing fashion all their three games against hosts Bangladesh, Sri Lanka and perennial rivals India in the group league matches, producing a blend of cricket much better than the other competitors.



Moin Khan



Sanath Jayasuriya

### Today's match

Final

Pakistan vs SL

(2-30 pm)

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## About 400 money lenders doing brisk business in Jhenidah

From Delwar Kabir

JHENIDAH, June 6: Money lenders claiming that they run banks are doing brisk business in the district, harassing people in the name of social services.

Sources said about 400 such money lenders, sometimes in the form of cooperatives, are now in operation although only 10 of these are registered with the government as cooperative societies or social welfare organisations.

Sailkupa thana of Jhenidah district is the most fertile area to run such the business. Royerabazar, Dhawra, Nagirat, Hatfajilpur, Abaipur, Kamanna, Langalbandi, Katlagari, Garaganj, Sheikhpura, Bhatai and Madandanga are

widely known for money lending business.

People who save Tk 110 a month for four years have been told that the deposit will at least be Tk 10,000 by that time. The societies charge 5 per cent interest per month on loan, debtors and borrowers alleged.

The directors of the societies decide on the system of savings, money collection and loan distribution. Some societies take Tk 110 as deposit while the figure is shown Tk 100 on ledgers, they alleged. The owners have borrowers sign the loan papers without mentioning the terms and conditions.

Local businessmen, bank

employees, school and college teachers, Union Parishad members, chairmen, local administration staff, health workers, and political activists are allegedly involved in the business.

Some local people alleged that taking money on loan from the village societies at five per cent monthly interest, some money lenders lend money among the rural people at 20 per cent interest per month.

Wahiduzzaman Pukul, executive director of Muktagan Samabaya Samity at Royerabazar said they have obtained registration from the Department of Cooperative and Rural Development.

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