

Ministers take
a swipe
at Saifur

By Staff Correspondent

Finance Minister SAMS Kibria, joined by some other ministers, yesterday lashed out at his predecessor Saifur Rahman for what they said criticising the proposed budget just for the sake of criticism and not basing it on facts and figures.

Referring to the former finance minister's reported reaction to the budget for the next fiscal, Kibria said he had only made sweeping comments.

"I do not find any justification for these sweeping remarks. The reaction of leaders, particularly those who are Chartered Accountants, should have a minimum standard of using statistics," he said at the post-budget press conference.

Kibria said Bangladesh Bureau of Statistics (BBS) is the only reliable source of information which is used in all cases.

"As an economist, I have made budget proposals which are required for economic growth and continued development of the country, whereas the former finance minister

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**Bangladeshis
among 130
held in Turkey**

ANKARA, June 9: Turkish police arrested 90 foreigners today in northwestern Turkey as they attempted to cross the border into Greece, news reports said, according to AP.

The would-be immigrants — including Iranians, Iraqis, Palestinians, Bangladeshis, Afghans, Moroccans and Syrians — were detained near the towns of Uzunkopru, Meric and Ipsala on the Turkish-Greek border, the NTV news channel said.

Meanwhile, 40 refugees from Nigeria, Pakistan and war-torn Sierra Leone were detained near Izmir in western Turkey, Anatolia said. Police said the 36 men and four women were planning on entering Greece by sea.

It was not clear when the second set of arrests were made.

Thousands of immigrants from Asia, the middle East and Africa are caught each year in Turkey as they try to enter Greece, from where they hope to move on to prosperous European Union countries.

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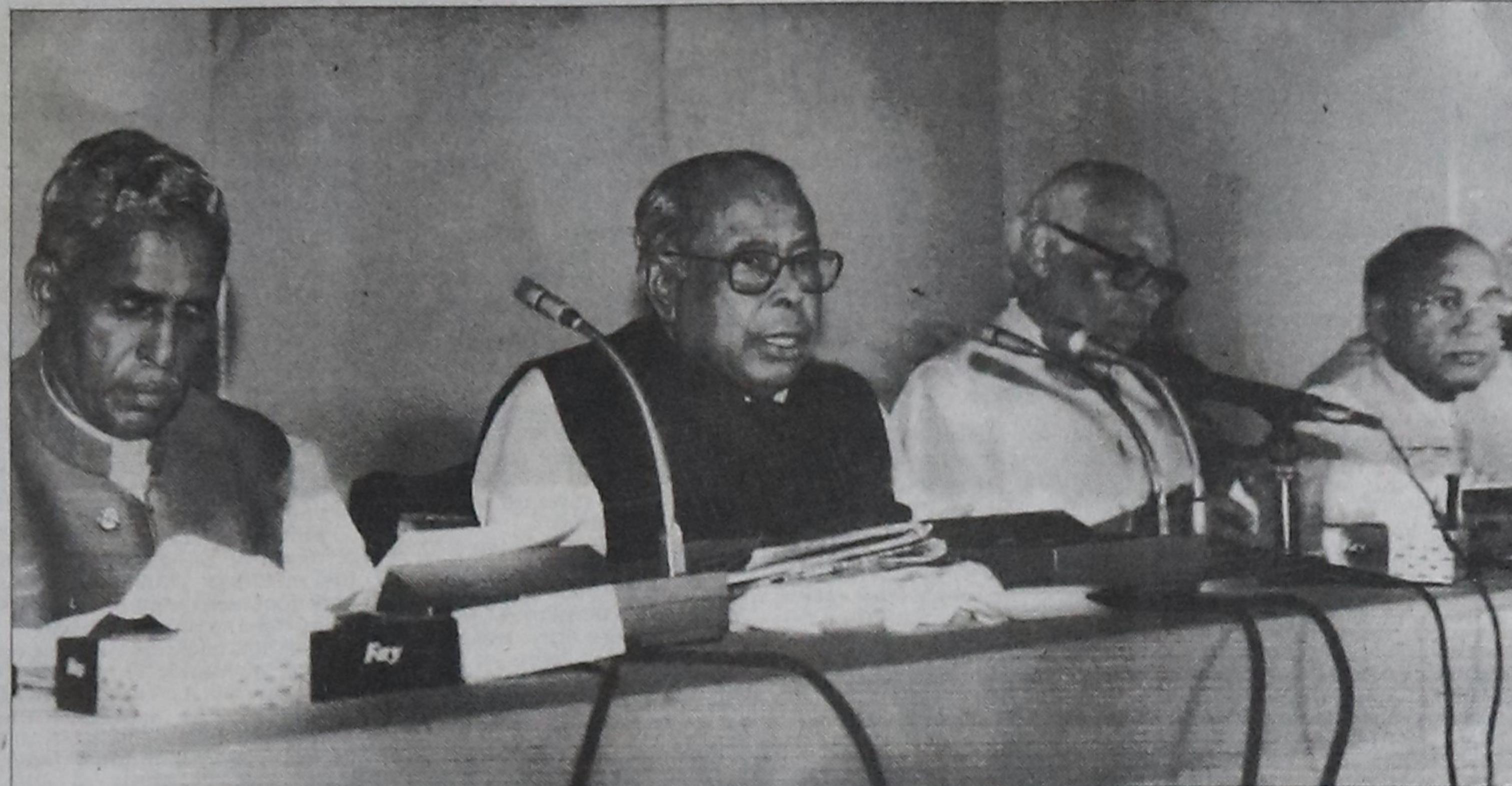
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June Sun Rises Sun Sets
10 6-45 pm
11 5-10 am

Prayer Timings

June 10
Fajr 4-15 4-45
Zohr 1-00 1-30
Asr 5-00 5-15
Maghrib 6-50 6-55
Esha 8-15 8-45

Source: Islamic Foundation



Finance Minister Shah AMS Kibria talks to newsmen at yesterday's post-budget conference at the Planning Division conference room. Water Resources Minister Abdul Razzak is on his right while Education Minister AHSK Sadek and Industries Minister Tofail Ahmed are on his left.

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Hartal on Monday

By Staff Correspondent
The opposition alliance has called for a countrywide dawn-to-dusk hartal on Monday to protest the proposed "anti-people" national budget.

The decision was taken at a meeting of the Central Liaison Committee held at 29 Minto Road yesterday evening, with BNP Secretary General Abdul Mannan Bhuiyan in the chair.

Bhuiyan said the opposition parties have been forced to go for the shutdown since the budget does not reflect the interests of the common people, especially the farmers, workers, teachers and government employees.

It aims to protect the interest of the Awami League men who made illegal money. He said the proposed budget is a document of failures of the government. It has again proved that the AL is totally incompetent to run the country.

The budget does not show a way as to how to resolve the growing unemployment problem, improve the deteriorating law and order situation and other pressing issues, including the power supply, he added.

Bhuiyan said the introduction of the new provision for borrowing from banks by the government is unprecedented. He called upon the countrymen to build a mass resistance against the government and the "anti-people" budget. He also urged the people to make the Monday's hartal a success.

BNP leaders Tarigul Islam, M. Shamsul Islam, MP, M. Morshed Khan, MP, Sadek Hossain Khoka, MP and Anwar Zahid; Jatiya Party Secretary General Nazirul Islam and party leaders Kazi Firoz Rashid, A. B. M. Golam Mostafa, Mostafa Jamal Haider and Shah Mohammad Abu Zafar; Jamaat Secretary General Matiur Rahman Nizami and its leaders Mohammad Kamaluzzaman and Abdul Qader Molla attended the meeting.

However, no representative from the Islami Oikya Jote attended the meeting. BNP leader Anwar Zahid during the press briefing said the IOJ representatives could not attend the CLC meeting "because of their illness."

SOE investment reaps no benefit, says Economic Review

By Staff Correspondent
The nation could not tap benefit from huge investment made in the state-owned enterprises (SOEs) because of inefficiency in the public sector.

According to the latest edition of Bangladesh Economic Review, total investment in 40 SOEs (excluding financial institutions) has been Tk 72,376 crore, or 47 per cent of the gross national production.

But, annual return was only 0.19 per cent in 1998-99, which, says the Review, is "unfortunate" and underscores the need for extensive reforms in the public sector.

As of January 2000, these SOEs owed Tk 4,437.13 crore to different banks, says the Review. Of this Tk 20,90.11 crore or 47 per cent is classified.

Bangladesh Chemical Industries Corporation (BCIC) incurred a net loss of Tk 142,37 crore in 1998-99. Its profit five years back in 1993-94 was Tk 25,48 crore.

For Bangladesh Jute Mills Corporation (BJMC) it's been downside all along. Its net loss rose to Tk 294.95 crore in 1998-99 from 64.05 crore in 1993-94.

However, Bangladesh Textile Mills Corporation (BTMC) has shown some signs of recovery, its net loss coming down Tk 153.87 crore in 1993-94 to Tk 80.33 crore in 1998-99. Again, this loss reduction is attributed to non-operation of many mills under BTMC.

One gunned down in city

By Staff Correspondent
An alleged terrorist was shot dead by a gang at Bagbanbari in South Goran area under Khilgaon thana in the city yesterday.

The victim was identified as Omar Ali, 20, a resident of South Goran.

Police said Omar was an accused in a criminal case filed with Khilgaon thana. He and his accomplices were involved in criminal activities in the area.

Omar might have been killed by the gang due to rivalry over domination in the area, police suspect.

A gang of six led by one Helal attacked and beat Omar severely and then Helal shot him in his chest and belly with a pistol. The gang fled the spot immediately, witnesses said.

A local woman took fatally injured Omar to Dhaka Medical College Hospital where he died shortly his admission, hospital sources said.

His body was sent to the hospital morgue for autopsy.

Kibria defends borrowing from banks

By Staff Correspondent

Finance Minister Shah AMS Kibria has defended government borrowing from the banking system saying it is justified when the money goes for development financing.

"The government had to borrow because of development and investment purposes. The needs for government borrowing from the banking system will be reduced in future as the revenue collection is expected to increase," he said at a post-budget press conference held at the Planning Division Conference room yesterday.

Macroeconomic instability could only occur, he said, if the wasteful expenditure.

"Instability may arise only when the size of investment and development activities is

reduced and the money is spent for luxury."

In many developed countries, development activities are financed by borrowing. Even in India borrowing by the government is more than 10 per cent of the expenditure, he added.

Inflation did not rise due to government borrowing, Kibria said, adding corrective measures would be taken if inflation went up.

"Overall economic situation is satisfactory."

Kibria hoped that many would take the opportunity to

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BNP calls budget a hoax

By Staff Correspondent

BNP has formally rejected the proposed national budget, terming it "anti-people, fabricated, false, hoax, unrealistic and imaginary."

The main opposition party said it is a document of Awami League government's "incompetence, failure and corruption."

Addressing a post-budget press conference yesterday at 29 Minto Road, the official residence of the leader of the opposition in parliament, Deputy Leader of the Opposition Prof. AQM Badruddoza Chowdhury said there the budget gives no direction and the government has miserably failed to manage the social and economic issues.

He said the government has cheated the poor and common people in this new budget but it has made provisions to give legal cover to the corrupt people.

Referring to the provision of whitening "black money" by giving 10 per cent tax, Prof. Chowdhury said the government knows that more than 50,000 Awami League men have become millionaires through illegal way in last four years.

This provision is introduced solely to allow them to make their black money white.

This system to whiten the black money by paying only 10 per cent tax will encourage corruption in the country."

He said the provision to allow a person to bring 10 kg of gold by paying Tk 200 per kilo as fax is also to facilitate the AL men whiten their black money.

The deputy opposition leader said although the fi-

nance minister did not say anything about imposition of new tax, the budget indirectly proposed to impose new tax and collect Tk 1040 crore in the name of expansion of tax base, VAT net and strengthening of the tax administration.

On allocation of Tk 395 crore for the food sector and Tk 228 crore for the Prime Minister's Office, he said these allocations have been made to advance Awami League's election agenda. The allocation for the PMO is 120 per cent higher than the previous year's.

He said if there is any substance in the government's claims that the country has achieved food autarky, then why such huge allocation for the food sector? The figures

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Conservatively pro-active Debapriya defines proposed budget

By Staff Correspondent

He thanked the finance minister for showing in his budget proposal how the government is going to finance the deficit but expressed concern at the overall budget deficit that surpassed the safe limit of 6 per cent of GDP.

He also contradicted the overall budget deficit figures shown in the budget. According to Dr Bhattacharya, the budget deficit is 6.9 per cent of the GDP for the current fiscal (1999-2000). However, the budget document shows it at 5.8 per cent of the GDP. He also said the budget deficit would be 6.97 per cent of the GDP in the next fiscal. But, the budget document says it will be 5.9 per cent through

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Politics, bureaucracy blocking Japanese investment

FBCCI Director Abdul Haq, however, said the possibility of taking Bangladeshi workers in Japan right now was thin.

"It's a matter totally depending on the ministry of justice," he told a Bangladeshi questioner at the press meet.

He said if the political instability could be overcome, Bangladesh would be a tremendous destination for foreign investment, especially from Japan.

Bangladesh's labour is cheaper from security perspective, it enjoys very good position, it has no ethnic problem and war like in Sri Lanka," said JBJCCEC Chairman.

Replying to a query he said the problem regarding KAFCO would not be a major problem for Japanese investment in Bangladesh. "The major problem is political instability, not go to Bangladesh.

Uzuhiko, who signed a joint declaration along with Bangladesh side leader and

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KAFCO.

But, Katsumi Hsara, the former representative of Japan External Trade Organisation (JETRO) in Dhaka, said KAFCO is the major factor for his country's investment in Bangladesh.

"Japanese investment in Bangladesh will not be encouraged if KAFCO failed following change of stand of Bangladesh government from its agreement," he said.

HSara, who visited Dhaka this week ahead of today's investment conference and currently stationed at JETRO's head office in Tokyo, listed various other hurdles to Japanese investment.

He said the problems are political instability, frequent shutdowns, bureaucratic red tape, foreign exchange instability, lack of infrastructure.

Replies to a query he said the problem regarding KAFCO would not be a major problem for Japanese investment in Bangladesh. "The major problem is political instability, not go to Bangladesh.

In his speech, Kibria actually addressed the SOE issue, delving in rhetoric and much-known privatisation policies, which have resulted in even much more known results.

While doing so, he could not shrug off the figure that the country will lose this year alone a mammoth Tk 3100 crore as SOE haemorrhage.

In his own words, "We have reached the conclusion from our experience over the last four years that in order to globalise our economy successfully, we will have to 'indigenise' our reform process. For example, strategy for privatisation by the present government has undergone significant changes owing to indigenisation of policies in this area."

So, what are those policies? Workers of the to-be privatised SOEs would be paid off before the hand-over, looking at the feasibility of handing over units to workers and selling off lands separately.

But banks were not in a posi-

Telephone lines
to double
by 2001

Star Report

The number of telephone connections in the country will more than double by the year 2001.

"By the year 2001, total telephone connections in public as well as private sector will be around 12 lakh," Finance Minister SAMS Kibria said while presenting the national budget for fiscal 2000-2001 in parliament on Thursday.

The minister said, "Telecommunication is of paramount importance in the globalised economic system. Therefore, immediately after assumption of office, the present government initiated actions for expansion of the