

# Musharraf's men hold the key

AFP, Reuters, Islamabad

The EU yesterday slammed Pakistan's electoral process as "seriously flawed" due to state interference, while an anti-US Islamic alliance prepared to flex its muscles in a hung parliament.

With nearly all the votes counted by 4:00pm, the six-party Muttahidda Majlis-e-Amal (MMA) Islamic alliance had won 45 seats, a stunning gain over 1997 elections when the fundamentalists took only four.

A party backing Pakistan's president and military ruler Pervez Musharraf was by far the strongest faction with 78 seats.

Analysts predicted the real horse-trading was to begin once parliament, suspended since Musharraf's military coup three

years ago, convened later this month.

The unprecedented gains for hard-line Islamic groups threatened to change the political landscape in Pakistan and undermine Islamabad's support for the US-led war on terror.

But observers from the EU issued a damning report on the poll yesterday, slamming the authorities for using state resources to back particular parties and changing the constitution so the military retained ultimate power in Pakistan.

The EU said PML (QA) had been one of the main beneficiaries of official attempts to interfere in the election.

But with no single party gaining a majority, newspapers predicted an intense period of political jockeying,

and commentators and diplomats said it was hard to imagine a stable coalition government emerging in Pakistan. "The rocky road ahead," was how one newspaper put it in an editorial on Saturday.

The emergence of the religious right as the dominant force in the two provinces bordering Afghanistan could also complicate US efforts to track down al-Qaida and Taliban militants thought to be sheltering there, diplomats said.

"Ever since the war on terror began we had a perfect interlocutor in Musharraf, because as president he was pretty much in control of everything," said one Western diplomat.

"We always knew that after the elections everything would become much more complicated anyway

because there are so many more players to deal with," he said. "All this does is complicate things even more."

Even with the support of many independent candidates, it was likely PML (QA) would be forced to enter an uneasy coalition either with one of Musharraf's fiercest critics or with the hard-line Islamic parties.

With divisions even within PML (QA), "it is quite an unstable situation," said retired general Talat Masood.

In one corner lies the Pakistan Peoples Party of exiled former Prime Minister Benazir Bhutto, with 62 seats, which has already dismissed the election as rigged.

In another lies the Muttahidda Majlis-e-Amal (MMA), a disparate grouping of six religious parties

which exploited anger at Pakistan's cooperation with Washington in the war on terror to win 49 seats, up from just two in 1997.

Both parties are likely to play hard ball, with the PPP said in one newspaper to be demanding the prime minister's job and MMA leaders saying they would only form a government which supported "Islamic objectives."

One of those objectives during the MMA's election campaign was the removal of US bases in Pakistan and an end to the hunt for Taliban and al Qaeda militants who have fled to the country from Afghanistan.

But MMA vice-president Qazi Hussein Ahmed gave an early indication on Friday that his members would not follow suit.

# Massive financial reforms after IMF review: Saifur

STAFF CORRESPONDENT

The government will initiate a massive financial sector reform to cushion it from external shocks after a visiting IMF-World Bank mission makes its recommendations.

An IMF-WB joint team is now in the city to make a stock-taking of the financial sector. The team will draw up an aide memoire and place it before the IMF board for possible assistance.

"We will initiate a massive reform in the financial sector to make it more effective," Finance Minister M Saifur Rahman told newsmen after a meeting with the team yesterday.

However, Saifur ruled out any immediate steps to allow autonomy

to the Bangladesh Bank, an issue raised by the IMF-WB team during the meeting.

The team, according to sources, mentioned that there are 'subtle controls' of the finance ministry on the central bank.

"We want autonomy of the central bank, but things are not still in shape to do that," Saifur said after the meeting.

He said the central bank would be reformed before giving it autonomy.

Saifur also mentioned that although opening up of the financial sector is a must in a globalised economy, but the government would not do it in haste.

"If we open up our financial sector abruptly, it may create trouble

as was the case for some of the Southeast Asian countries," he added.

To a question, Saifur said he has no intention to devalue taka in the face of a sudden rise in dollar rates in the kerb market.

"I do not believe in devaluation," he told newsmen.

He also said the foreign exchange reserve position is 'very good', which means that the banking system is capable of meeting the market demand.

The joint IMF-WB mission has initiated a three-day review of the country's financial sector to assess its strengths, weaknesses and vulnerability to external shock.

## Dividend raise SEC seeks answer from Beximco Pharma

STAFF CORRESPONDENT

The Securities and Exchange Commission (SEC) has summoned 10 directors of the Beximco Pharmaceuticals to explain why they raised the company's declared dividend for last year through a special board meeting.

The directors include Beximco Chairman ASF Rahman, Vice-chairman Salman F Rahman and Chief Executive Officer Nadim Shafiqullah. They have been asked to appear before the Commission on Wednesday and Thursday.

SEC officials said Beximco Pharma had proposed 10 per cent dividend, which was raised by another five per cent by adjourning the annual general meeting for 15 minutes and holding a board meeting on June 29.

Talking to The Daily Star, SEC officials said such a practice of changing dividend could be very harmful for the overall capital market.

"If this is allowed, then other companies would be under pressure from shareholders to raise dividend, leading to chaos in AGMs," one SEC official said.

SEE PAGE 11 COL 2



# A night to adore beauty

## Kushum crowned Lux-Ananda Dhara Miss Photogenic

STAR REPORT

At a grand evening at the Bangladesh-China Friendship Conference Centre in the city on October 11, Kushum Sikder, a BBA student of North South University, picked up the crown of Lux-Ananda Dhara Miss Photogenic Bangladesh 2002. A grand prize of taka one lakh, in cheque, was handed out to the winner.

Farhana Dipti, a college student, and Sonia Hossain Tina, a student of North South University, were adjudged first and second runners-up respectively.

Aupi Karim, a former Lux-Ananda Dhara winner, read out the three top winners' names while last year's winner Shuvra Das handed over her crown to Sikder.

Awards for two more categories 'Miss Close-up Best Smile' and 'Miss Sun silk Best Hair', introduced for the first time, went to Ishnat Zerir Urmi and Srabanti Dutt Tinni respectively. Ishita, a past winner of the crown, and Tazeen, a drama actress, read out these two names

SEE PAGE 11 COL 7



Beauty on the catwalk... the ten finalists of the Lux-Ananda Dhara Miss Photogenic Bangladesh 2002.

## BNP men beat up Jamaat activists at Paltan

STAFF CORRESPONDENT

A group of BNP activists beat up workers of Jamaat-e-Islami and tore up their banners over sitting arrangements at the ruling alliance's Paltan Maidan meeting yesterday.

Witnesses said Jamaat-Shibir workers reached the meeting venue early and sat in front of the dais. Activists of the BNP and its front organisations came later in group processions and tried to go in front of the dais, but they were resisted by Jamaat-Shibir men.

At one stage, BNP activists started using force to occupy the place and began snatching banners from Jamaat-Shibir workers. Finally, activists of BNP and its student front JCD attacked and forced them to vacate the front side of the meeting.

Witnesses said BNP activists beat Jamaat supporters with poles used for banners. Two central leaders of Jamaat rushed to the spot from the dais to save their activists.

BNP leaders and law enforcing agency personnel quickly brought the situation under control before Prime Minister Khaleda Zia arrived at the meeting venue.

## BR set to lose Tk 8,178 cr from AJM

UNB, Chittagang

With the closure of Adamjee Jute Mills, realisation of over Tk 8,178 crore by Bangladesh Railway (BR) in respect of maintenance charge has become uncertain.

Negligence of BR authorities would be mainly responsible for the probable financial loss, railway sources said.

They said Bangladesh Railway constructed 6.02 kilometres of train line from Chashara of Narayanganj to Adamjee in 1953 at a cost of Tk 1.27 crore. On the other hand, Adamjee spent Tk 11.52 lakh in the project.

An agreement on the siding line was signed between Adamjee Jute Mills and railway authorities in 1957. According to the agreement, Adamjee agreed to pay 6 per cent service charge on the investment of the railway and 2.5 per cent as maintenance charge.

Another clause of the agreement said Adamjee Jute Mills would pay an additional 10 per cent penal interest if they failed to pay the service charges in time.

But railway authorities took no visible initiative to realise charges from the mills since 1989.

In August this year, the Accounts Office of Bangladesh Railway calculated the accumulated amount owed by the mills to be at Tk 8,178.87 crore until the closure of the mills.

But the railway authorities did not take any step to claim the money when the Adamjee Jute Mills were settling its accounts with its parties.

	Sun Rises	Sun Sets
Oct 13	5-54 am	5-36 pm
Oct 14		

  

Prayer Timings		
Oct 13		
	Azan	Jamaat
Fajr	4-45	5-10
Zohr	12-45	1-15
Asr	4-15	4-30
Maghrib	4-40	4-45
Esha	7-30	8-00

Source: Islamic Foundation

# Congress, PDB haggle over Kashmir coalition

SRINAGAR, India

India's main opposition Congress party and a regional ally haggled yesterday over the makeup of a coalition government in Indian Kashmir, with the choice of who will lead the government bedeviling negotiations.

Congress leaders went into a huddle at party headquarters in New Delhi, while their counterparts from the Peoples Democratic Party (PDP) met at their headquarters in Srinagar, Indian-administered Kashmir's summer capital.

Congress and the three-year-old PDP swept out the long ruling National Conference (NC) in just-concluded four-phase polls in the disputed Himalayan state.

The NC emerged as the single largest party, grabbing 28 legislative seats - short of the 44 needed to form a government and less than half the 57 it held in the outgoing assembly.

The Congress and PDP together notched up 36 seats in the 87-member assembly and have agreed to form a coalition, while trying to woo enough independents to give them a majority.

Following his party's drubbing, chief minister Farooq Abdullah resigned Friday and committed the NC to working as a "healthy opposition".

Most of the more than a dozen independent candidates have shown their willingness to support the Congress-PDP coalition, but the two main parties have yet to reach consensus over who will replace Abdullah as chief minister.

The Congress, which has 20 legislators, says it should have the top post because it has the most seats in the coalition.

"Being bigger in numbers, I think Congress should be given a chance to form the government and others should support it," said Saifudin Soz, a former Indian minister and a

Congress leader.

He called for Ghulam Nabi Azad to become chief minister, saying he could pull Kashmir out of its "present mess."

But the PDP is yet to concede to the demand, arguing that for a sensitive state such as Kashmir a regional party rule would be more productive in governing than the national Congress.

PDP president Mufti Mohammed Sayeed Saturday held talks with Congress chief Sonia Gandhi in New Delhi.

"We exchanged ideas on the formation of a government. We held detailed discussions," Sayeed told reporters afterwards, but did not comment on who would be the new chief minister.

He said the immediate task before Congress and PDP was how to bring other smaller parties in to form a state government.

Congress' Azad, a Muslim from

SEE PAGE 11 COL 4

## Petty criminals might be freed to ease jail congestion

UNB, Dhaka

The cabinet committee on jail reforms yesterday suggested bringing down the number of inmates in the country's overcrowded prisons by releasing prisoners under some categories.

A meeting of the cabinet committee chaired by Law, Justice and Parliamentary Affairs Minister Moudud Ahmed came up with this suggestion as it was informed that "all jails are now packed with prisoners beyond their capacity".

The meeting decided to consider exempting from charges the under-trial prisoners detained for minor offences who have already suffered imprisonment for such a period that would have been equal to or nearer their punishment on completion of trial.

IG Prison has been asked to submit a report on such under-trial

SEE PAGE 11 COL 2

# Leak in WASA line at Jatrabari pollutes supply

ABDUL KADER

A leakage in a WASA pipe is causing thousands of litres of water of the new Sayedabad Water Treatment Plant to overflow the Jatrabari intersection for the past one-month.

The leakage is causing the supply water to get polluted when the waste-mixed water from the road enters the distribution pipe.

"This happens when the pressure of water inside the pipeline decreases after an increased flow during early morning and late night," said M Shajahan Hossain, a shop-keeper of the area.

"No steps have as yet been taken to solve the problem. Besides, this leaking of refined water is a huge wastage," he further said.

In spite of the fact that the WASA is not being able to meet the demand of 160 crore litres of water,

no steps have been taken to repair the leakage.

People of the area said this incessant flow of water has been continuing for days and various persons are using it for different purposes.

"The water is used in the servicing of buses, tempos, scooters and rickshaws. Vegetable and fish traders use it and some people also bath here," said Amir Hossain, a fruit seller.

During a visit to the spot it was found that a portion of the Jatrabari park has gone under water.

When asked, an official of zone-1 said "the zone is concerned about this and has already sent a file to the top authority."

"We are hoping it will soon be approved and we would be able to

SEE PAGE 11 COL 6

## RU Shibir roughs up JCD men

STAFF CORRESPONDENT, Rajshahi

Activists of the Islami Chhatra Shibir (ICS) of Rajshahi University (RU) beat up three activists of the Jatryatabadi Chhatra Dal (JCD), student front of the ruling BNP, after confining them to a resident hall of RU in the early hours of Thursday.

Tension between units of JCD and ICS started brewing up, after complaints were filed with the proctor and the student advisor by one of the injured yesterday.

The injured JCD activists are identified as Ashraf, Mithu and Shahidul.

Sources said, at around 12.30am on Thursday, a group of 12 ICS cadres including Abdul Hamid, Mahfuz Kabir and Sabbir, raided room No. 115 of Shaheed Shamsuzzoha Hall, known to be controlled by the ICS. They took away the three JCD activists to room No. 250 of the same hall, bringing allegation against them for 'breaking discipline' by playing cards.

After taking the JCD activists into their room (No. 250), the ICS cadres

SEE PAGE 11 COL 1

# Stem cell science offers hope to diabetics

REUTERS, Los Angeles

Type 1 diabetes patients may be able to avoid the need for daily insulin shots through transplants of insulin-producing stem cells, but the procedure faces problems finding the cells and dealing with immune-system rejection, researchers said on Friday.

"We have done 38 islet cell transplant procedures since 1999 - 87 per cent of those patients are free of insulin therapy a year after transplantation," said Dr. Jonathan Lakey, of the University of Alberta in

Edmonton.

Research from Edmonton and other islet stem cell transplantation centres is being presented at a diabetes conference this week in Anaheim, California.

Diabetes, which can lead to heart and circulatory disease, kidney failure and blindness, is caused by a shortage of insulin, a hormone that regulates blood sugar levels, or by the body's failure to respond to it.

In Type 1 diabetes, the body's immune system attacks cells in the insulin-making parts of the pancreas, called the islets of

Langerhans. The body is then unable to control blood sugar levels and insulin must be injected daily.

Type 2 diabetes, which is more common, arises when the body becomes resistant to insulin, often as a result of obesity.

Researchers have sought for decades to prove that islet cell transplantation could be a cure for Type 1 diabetes, said Taylor Mayo, a spokesman for the City of Hope Cancer Centre in Duarte, California, one of 10 research centres chosen by the US National Institutes of

Health to conduct studies aimed at duplicating on a larger scale the islet cell transplantation done in Canada.

The goal is to transplant stem cells into a patient's body where they can produce their own insulin. Research so far has been with purified pancreatic islet cells salvaged from donated organs, but experts acknowledge that there are not enough.

"Spain is the No. 1 country in terms of organ donors, but even we would only be able to cover 1 to 2 per cent of the need," said Dr. Bernat

Soria, of the Universidad Miguel Hernandez in Alicante, Spain.

His group is working on ways to generate insulin-secreting cells from embryonic stem cells and has succeeded in deriving, and successfully transplanting into mice, cells from mouse embryonic stem cells.

In the United States, there are 5,000 to 6,000 donated pancreases available each year, compared with 37,000 new cases of type 1 diabetes and the 1.5 million Americans already diagnosed with the disease,

SEE PAGE 11 COL 1