

## Ratan Tata flies

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has created a ripple in the country's flagging investment sector, with the World Bank (WB) committing \$2 million for a study on the investment proposals and to prepare terms and conditions by a technical committee of Petrobangla.

Donors are keen to see the single largest set of investment proposals by a foreign company in Bangladesh's history become a reality. The WB has asked the government to earmark \$2 million for Tata proposal study from a \$15 million grant it has committed to Petrobangla for preparing Gas Sector Master Plan and Strategy.

Highly placed sources said donors may desist from pushing the government on gas export once Tata's plants, which are set to create a huge domestic gas demand, are set up.

Tata will directly go to Pan Pacific Sonargaon Hotel from the airport to attend a luncheon meeting hosted by members of the Foreign Investors Chamber of Commerce and Industry.

Later on the day, Tata Group will sign an expression of interest agreement with the Board of Investment (BoI) at 7:00pm at China-Bangladesh Friendship Conference Centre. Finance and Planning Minister M Saifur Rahman, Foreign Minister M Mosharraf Khan, Industries Minister Motiur Rahman Nizami and BoI Executive Chairman Mahmudur Rahman will attend it.

He is likely to meet Prime Minister Khaleda Zia at her office during the visit. Acting WB Country Director David Hughart and ADB Country Director Toni Sibuchi will meet Tata at his hotel suite.

Tata will have one-on-one meetings with Saifur, State Minister for Energy AKM Mosharraf Hossain, State Minister for Power Iqbal Hasan Mahmood, Principal Secretary to Prime Minister Kamal Uddin Siddiqui and Mahmudur.

In an interview with an Indian business magazine recently, Tata Power Managing Director Firdose A Vandrevala said the company would initiate discussions with the Bangladesh government to set up two 500-megawatt gas-based

## DU academic activities resume today

DU CORRESPONDENT

Academic activities at Dhaka University (DU) return to normal today after 29 days of unscheduled closure due to a strike by six opposition students organisations.

The six organisations including the main opposition Awami League's student wing Bangladesh Chhatra League called the indefinite strike to press home their seven-point demand. The demands include arrest and punishment of the Jatiyatabadi Chhatra Dal (JCD) activists who attacked a rally of the combine on September 11 and resignation of the DU proctor.

However, a BoI official said Tata Group may set up a \$700 million basic steel industry in Ishwardi to produce hot rolled coil and other basic steel products. It may also invest \$700 million in the two 500-megawatt power plants likely to be set up near Ishwardi. Its proposals also include investment for a \$600 million fertiliser plant in Chittagong.

Tata is seeking a 20-year guarantee of gas supply at a price tied to an agreed formula. Tata has no investment in Bangladesh until now, but it has robust trade relations with the country.

Tata Motors has so far supplied 20,000 commercial vehicles and 1,700 Indica taxies to Bangladesh. Tata International outsourced leather worth \$4.17 million in 2003-2004 fiscal year from Bangladesh.

The Group's total turnover stood at \$14 billion and exports at \$3 billion in FY 2003-04. Tata Group comprises 80 business entities in services, materials, engineering, energy, consumer products, chemicals, communications and information systems. The Group's revenues account for almost three percent of India's GDP.

BSS adds: In the letter of interest agreement to be signed today, Bangladesh government may commit to provide uninterrupted gas supply to Tata units for 20 years.

## Criminal killed

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arrived on the scene and decided to take Wasim, ringleader of local Wasim Gang, to Detective Branch (DB) office.

"As they came out of the building, the gang operatives again opened fire on the police, who retaliated," said Senior Assistant Commissioner of DB Ashrafuzzaman. Police fired 30 gunshots during the shootout, he added.

With two bullets in his head and chin, Wasim was rushed to Dhaka Medical College Hospital at 1:05am where doctors pronounced him dead.

Wasim's nephew Mahir Hossain said the Cobra picked up his uncle soon after he went out of his Mirjhajbagh house at around 10:30pm. They took him to the bank of Balurmath canal and shot him dead.

Wasim returned from Saudi Arabia two years back and had no link with criminals, his family claimed.

Wasim's death has brought 34 the number of people killed under Rab and Cheetah custody since the anti-crime forces began operation.

## India denies

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Bangladesh territory in Sathkira is completely false," the release said.

It said the BSF has never encouraged such acts by Indian nationals. This has already been unambiguously conveyed to the BDR (Bangladesh Rifles) officials during a flag meeting held on October 8, to assess the facts in the situation.

The BSF company commander immediately rejected BDR claims that BSF personnel had used boats to enter Bangladeshi territory to breach the embankment.

The release said BSF has never indulged or connived in such illegal activities. The BSF company commander also pointed out that "if the embankment is breached as reported, the reason could be the heavy pressure of water flow by recent torrential rains and not because of any purported actions by Indian civilians."

**EC to summon**

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tested as the BNP men reportedly did not allow anyone outside of their party to file nominations.

The former chairman and others of Daulatkhan Municipality filed complaints with the EC against the polls and demanded its cancellation.

The EC on October 5 at a meeting with the Chief Election Commissioner (CEC) M A Syed in the chair termed the Daulatkhan municipality polls unusual and decided to probe the irregularities.

The EC decided to enquire into the allegations all by itself as the worsening law and order situation in Bhola makes it hard for local officials to probe the irregularities.

The EC did not publish official results of the Daulatkhan municipality polls in the gazette and it will not do so until the probe is complete, sources said.

Earlier, at the very beginning of the present government's assumption of office, the EC summoned the top officials of the local administration of Chittagong at its secretariat as not a single vote was cast in the Swadip municipality polls. It was then found that voters could not exercise their rights due to threat by the ruling party activists.

The EC decided to hold the polls again by deploying army, but the court following a petition stayed the election.

Siddique further said that all the staff of DTCB are not at all happy to work there due to interference from outside.

## Youth lost to joblessness

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engaged in household work.

A survey of Bangladesh Bureau of Statistics (BBS) in 2000 found 2.40 crore, or 39.9 percent of the country's 6.02-crore labour force, including child labour, as either unemployed or underemployed. The population was then 12.98 crore.

Third, underemployment is much higher in rural areas than the urban ones exacerbating the imbalance in spatial development.

The cost of mitigating the adverse consequences of these exclusionary employment trends may be more than that for implementation of a universal unemployment allowance scheme, Debapriya observed.

According to the United Nations Development Programme, poverty in Bangladesh is widespread with an estimated 49.8 percent of the population living below the national poverty line.

Unemployment and underemployment keep the poverty cycle going, notes the UNDP, adding, lack of job opportunities and limited agricultural land make it difficult for people, especially those in rural areas, to break the vicious cycle.

Rushidan Islam Rahman, research director of Bangladesh Institute of Development Studies (BIDS), said though unemployment and underemployment rates are high the main problems are low productivity and income of workers.

The last survey on labour force the BBS conducted was in 2000 and researchers believe there has been no reason for the employment scenario to improve in the following years. They say if the unemployment rate is updated it will produce a more alarming picture than the last.

One observes three very disturbing trends in the employment situation, said Debapriya:

First, contrary to the global trend, probability of remaining jobless is higher for the educated workforce.

Second, there is also a mismatch in demographic profile, as reemployment possibility for retrenched old workers is very low in the newly created job placements.

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Citing the very low salary structure of garment workers, many of whom get a mere Tk 1,000 per month, she said, "In many cases, the wage is too little even for an individual to live on. How can he or she then contribute to the family?"

The prevalence of joblessness among the educated youths has been on the rise fuelling their frustration, observed Rushidan identifying limited number of new jobs and

poor standard of education as the main culprits.

According to a World Bank study, a continuation of the current low-growth trends in Bangladesh would only see the problem aggravated over time. Only high-growth rates along with labour market flexibility can make a dent in the syndrome.

The economy managed only a 4-percent annual GDP growth over the last 25 years leaving it distressingly dependent on foreign assistance for development, it said.

"Should this lacklustre performance be repeated in the next 25 years, the pressure of population, urbanisation and environmental degradation could leave Bangladesh right where it started – at the bottom of the ladder of low-income economies. This is totally unacceptable," said the bank in 'Bangladesh 2020: A Long-Run Perspective Study'.

To achieve a substantial reduction in unemployment, Bangladesh needs to create over 5 crore jobs in the next 25 years, the bank projected.

Debapriya said, "We will have to engage the labour force in waged jobs, particularly in the labour-intensive manufacturing sector. But, other than garments, there is no significant diversification in the industrial structure."

"It also needs to be investigated whether, in a capital-scarce and labour-abundant country like Bangladesh, we are getting labour substituted by capital because of adverse relative pricing of the two factors," he said.

Presently two lakh people are going abroad every year and the country will have to expand and strengthen this overseas employment trend, he felt.

## Plan for mass promotion

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They also said separate summary of each listed official along with their brief service records has been sent to the intelligence agencies and the Bac to report whether the listed officials are having any link with corruption and their political allegiance.

The establishment ministry will prepare a preliminary list on the basis of the reports from the concerned agencies and then it will be sent to the Prime Minister's Office (PMO) for informal approval.

On approval of the PMO, the Superior Selection Board (SSB) will finally recommend the list.

"We are now waiting for the reports of the intelligence agencies. We will make no delay to prepare list of officials for promotion to the two top positions of the administration as there are big vacancies at those levels," said a senior official of the Ministry of Establishment.

According to an official estimate, currently 54 officials are enjoying the rank and status of secretary, but of them only seven are from regular service. Of the regular service secretaries, three are due for retirement by December this year.

The estimate also observes that

five full-fledged and four acting secretaries are on contract. However, contracts of six of them are due to expire by the year-end. Besides, four secretaries and five acting secretaries have been appointed from the President's 10 percent quota.

When asked, one of the top officials at the PMO said that the government is currently discouraging contract at the top level of the civil administration. Yet there are possibilities that a few officials holding important positions might get fresh contract because at present the administration seriously lacks qualified and competent people for top positions.

Meanwhile, sources said the government has also plans to give promotion to some 100 senior assistant secretaries of 1984 batch, who were dropped from promotion earlier, to the post of deputy secretary.

PMO sources said that the government is sincere about removing the promotion backlog aiming to mitigate frustration among the lower and mid-level civil servants. A decision has been taken to ensure promotion of the officials at all times gradually in order to bring satisfaction in the administration.

## US, Iraqi forces

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of unwanted nuclear material. Inspectors from ElBaradei's International Atomic Energy Agency (IAEA), who established that Saddam Hussein had abandoned any nuclear weapons programme before the war, have not been allowed to move about Iraq freely by the US.

Apart from a couple of limited checks on the main nuclear facility at Tuwaitha last June after reports of looting - and with no teams now on the ground - the IAEA has to rely on satellite imagery and other sources.

In a letter to the UN Security Council, ElBaradei said buildings related to Iraq's previous nuclear programme appeared to have been systematically dismantled and equipment removed.

"The disappearance of such equipment and materials may be of proliferation significance," the IAEA director general warned.

Sensitive technology such as rocket engines has turned up for sale abroad, ElBaradei said.

However, high-precision "dual-use" items including milling machines and electron beam welders appear to have disappeared, as has material such as high-strength aluminium.

ElBaradei called on any state with information on the location of such items to inform his agency.

The US removed nearly two tonnes of low-enriched uranium from Iraq earlier this year. The IAEA has verified that 550 tonnes of nuclear material still remain at Tuwaitha.

In the northern Iraqi city of Mosul, a suicide car bombing struck a US army convoy, killing two Iraqis and one US soldier, and wounding 27, hospital sources said.

The blast rattled the city and blew a five-foot crater in the road, an AFP correspondent said.

Another two Iraqis were killed in a firefight between insurgents and US forces in the rebel-held town of Ramadi.

Further west in the town of Hit a fierce three-hour battle raged between marines and insurgents who had fired at them from a mosque, said a US military statement, without detailing casualties.

A local hospital said three Iraqis were wounded in the fighting.

In northern Babil province, south of Baghdad, two suspected insurgents were killed and a marine wounded as US troops continued their one-week joint operations with Iraqi forces in the area, said the military.

Meanwhile a US air strike targeting foreign militants destroyed a restaurant in Falluja's main street, killing two guards and reducing it to a pile of crushed concrete and twisted metal.

The US military said it was a "precision strike" on a meeting place for militants loyal to Jordanian Abu Musab al-Zarqawi, who has a \$25 million US bounty on his head.

On the other hand UN nuclear watchdog has warned that equipment and materials that could be used to make nuclear arms have been vanishing in Iraq since the invasion. Satellite images show entire buildings have been dismantled without any record being made, said Mohamed ElBaradei, the head of the UN nuclear watchdog.

Iraq's US-backed leaders have not reported to the UN on the state of nuclear plants despite a duty to do so. But they have asked the UN to help sell.

The finance minister gave the directive when leaders of Bangladesh Pharmaceutical Importers' Association (BPIA) led by its President Md Serajul Islam met the minister in the morning. NBR officials were also present there.

According to the BPIA, as many as 40 categories of various lifesaving foreign drugs are awaiting clearance mostly at Chittagong Port for weeks due to a dispute between the NBR and BPIA over payment of duty on the import of the lifesaving drugs.

The NBR demanded duty on the plea that the lifesaving drugs are also used for other purposes, while BPIA leaders argued that all lifesaving drugs are duty-free. This led to a deadlock, adding to the sufferings of patients short on such medicines.

The lifesaving drugs waiting at the port include drugs for heart diseases, cancer, malaria, tuberculosis and liver diseases.

On BPIA's written plea, the finance minister also asked the NBR officials to consider not charging VAT at the rate of 1.5 percent on retail sales of imported drugs, as VAT was not included in fixing the maximum retail prices.

## AL working out

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The meeting decided to stage demonstration in Dhaka and elsewhere of the country on October 20 in protest against price hike of essentials.

He said fresh committees of party's thana units are yet to be formed, although initiatives have been taken to complete the process. Once the committees are formed, party workers' participation in the coming movements will be larger, he said.

The meeting condemned the scrapping of four-star general rank of former army chief and now AL leader Mustafizur Rahman.

The leader of the opposition may visit the US to attend a world summit of women leaders on October 28 and 29, Jalil told journalists.

A party leader said Sheikh Hasina may leave Dhaka for the US on October 21, AL sources said. She will spend some time with her son and daughter.

told the meeting that there were some organisational problems in the party.