

Spending spree before polls spells instability

Economists warn Saifur at pre-budget meet, oppose interest rate hike

REJAUL KARIM BYRON

Front-line economists and former bureaucrats yesterday apprehended that the country's macro-economic stability may take a beating if the government increases its expenditures targeting the next general elections, creating room for corruption and fund misuse.

They also opposed the central bank's move on IMF prescription to raise the already high bank interest

rates, saying an attempt to control credit to the private sector through such an artificial way would not bring any positive result for the economy.

During a pre-budget meeting with Finance and Planning Minister M Saifur Rahman at his secretariat office, they also suggested prioritising and undertaking projects under the Annual Development Programme on the basis of needs.

In response, meeting sources

said, Saifur told the economists the government did not send any instruction to the banks to increase interest rates. "Bangladesh Bank is an autonomous institution and it took the decision independently," he was quoted by a source as saying.

"I am always against increasing interest rates," he declared in the meeting.

He also urged the economists to create pressures on the politicians

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PROPOSED POWER PLANTS

Tata targets domestic market

STAFF CORRESPONDENT

India's Tata Group has proposed selling electricity for domestic consumption of Bangladesh from the group's proposed 500MW thermal and 500MW captive power stations.

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Who are to blame for price hike?

JS body raises question

STAFF CORRESPONDENT

The parliamentary standing committee on commerce ministry yesterday wanted to know who were responsible for the price hike of

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Rice procurement drive from today

Prices of rice fixed at Tk 14.50 a kg

REAZ AHMAD

After failure in foodgrain procurement drives during the last Aman and wheat seasons, the government launches an ambitious rice procurement drive from today with a target of purchasing 10 lakh tonnes of rice and paddy from farmers across the country.

With a target to collect nine lakh tonnes of rice and one lakh tonne of paddy during the current Boro season (April 25 to end of August), the government has fixed the procurement prices of rice and paddy at Tk 14.50 and Tk 9.25 per kilogram respectively.

Meanwhile, the government's food reserve has diminished to less than 4 lakh tonnes, less than half the critical food-security reserve level of 8.5 lakh tonnes.

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The low food reserve is attributed to poor procurement performances during the last Aman and wheat seasons, low production of Aman and wheat, and the release of 1.78 lakh tonnes of rice under a recently ended OMS (open market sale) programme aimed at offsetting high market price of rice.

The Aman and wheat procurement drives failed mainly because farmers sold their produce on the open market as the government offered prices were much lower.

According to food ministry statistics, the government set a target of procuring a total of 1.5 lakh tonnes of Aman rice and 73,000 tonnes of paddy during the last rice procurement seasons from November, 2004 to February, 2005, but could procure only three tonnes.

PVT FIXED PHONE Govt asked to end WorldTel exclusivity

STAFF CORRESPONDENT

Dhaka city, so far kept out of bounds for the private fixed phone licensing regime, is now likely to be opened to private fixed phone operators as a division bench of the High Court on Saturday directed the government to withdraw the exclusivity of the WorldTel Bangladesh Limited.

Earlier in July 2001, the Ministry

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CCC ELECTIONS 557 polling centres risky

BDNEWS, Chittagong

As many as 557 out of 577 polling centres for the upcoming Chittagong City Corporation (CCC) elections have been identified as risky, sources said.

Of those, 427 are more risky, the sources added.

Additional Divisional Commissioner (General) and Returning Officer Mohammad Golam Kuddus said centres with possibilities of coming under criminal

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India 'lifts' Nepal arms embargo

AGENCIES, New Delhi

India has agreed to resume military aid to Nepal following its suspension after King Gyanendra dismissed his prime minister and seized power on February 1, local media reported said yesterday.

The Hindu newspaper, quoting an unnamed senior Indian official, said New Delhi would deliver a consignment of arms to the Royal Nepalese Army "very soon".

New Delhi's reported change in stance came after a meeting between the Nepalese king and Indian Prime Minister Manmohan Singh on the sidelines of the Asia-Africa summit in Jakarta on Saturday.

The king, for his part, told Singh that democracy would be restored "sooner than later" in Nepal, the Hindu reported.

The Press Trust of India (PTI) news agency quoted Singh as telling the king that he would "look at this (request) from the proper perspective".

India had sharply criticised Gyanendra for sacking the government and suspending civil liberties in a move the monarch said was needed because squabbling political parties were unable to end a

raging Maoist insurgency that has claimed more than 11,000 lives since 1996.

Britain also suspended military aid to Nepal while the United States has threatened to follow suit.

New Delhi has been pushing for the restoration of democracy and the release of political prisoners taken into custody after Gyanendra's assumption of absolute power.

The meeting between Gyanendra and Singh, the first since the takeover, followed talks between the monarch and the Indian foreign Minister Natwar Singh on Friday.

Most Indian newspapers Sunday noted a change in India's policy towards the royal coup in Nepal with the Hindustan Times describing the meeting between Gyanendra and Singh as a "climdown" on India's part.

Reacting sharply to the reports, a key ally of India's coalition government, the Communist Party of India (Marxist), said Sunday that any planned resumption of arms sales would be "wrong and unjustified," PTI reported.

"There should be no question of

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PHOTO: AFP

A Kuwaiti security man stands guard at the Bangladesh embassy in Kuwait City yesterday. About 800 Bangladeshi workers ransacked the embassy because their Kuwaiti employers failed to pay their salary for five months.

Joy receives Tarique's bouquet

UNB, Dhaka

Sajib Wajed Joy, son of Leader of the Opposition and Awami League chief Sheikh Hasina, yesterday received a bouquet sent by Tarique Rahman, ruling BNP's senior joint secretary and son of Prime Minister Khaleda Zia.

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CIH virus warning

STAFF CORRESPONDENT

Computer users have been asked to take necessary measures to avoid possible attacks from the CIH virus,

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Prayer Timing

April 25

	Azan	Jamaat
Fair	4-25	5-00
Zohr	12-45	1-15
Asr	4-45	5-00
Maghrib	6-27	6-31
Esha	8-00	8-30

Source: Islamic Foundation