

## Yunus questions banks

**FROM PAGE 16**  
He suggested finding innovative solutions to the problems of the "missing middle" who are deprived of funds.

Prof Wahiduddin said the greatest limitation of the formal banking system is its inability to cater to the credit needs of the small entrepreneurs.

"Pro-market reforms of the financial sector can do little to address this problem," he said in the fifth Nurul Matin memorial lecture at the BIBM auditorium.

The former Dhaka University professor sounded a note of warning to some problem banks and excessive expenditure by banks on decoration.

"In general, the banking sector in Bangladesh is good but some problem banks can create instability any time as it happened in many countries," he noted, suggesting merger, closure or taking over the problem banks to improve their conditions.

Bangladesh Bank Governor Salehuddin Ahmed, Palli Karma Shahayak Foundation Managing Director Fakhruddin Ahmed and BIBM (Bangladesh Institute of Bank Management) Director General Ruhul Amin also took part in the discussion.

Prof Wahiduddin said banks may jeopardise their long-term financial viability by offering excessively high salaries to attract skilled managers or by declaring too high dividends to improve their standing in the share markets.

He also warned the commercial banks about engaging in the warfare of hiking up interest rates to attract deposits. "There are important issues of social responsibility for banks beyond merely engaging in market competition."

## Bimstec sets Dec

**FROM PAGE 1**  
and the 10th senior official meeting and 8th foreign ministers meeting in December 2005.

A decision was taken to enhance people-to-people contact through exchange of cultural and youth delegations and observe Bimstec tourism year 2005.

On FTA, Hemayet said the Bimstec Framework Agreement was signed last February, covering goods, services and investment. The technical committee made progress in negotiating the rules of origin and dispute-settlement issues.

He said the technical committee was asked to complete early the negotiations, taking into account the interests of LDCs within the Bimstec realm, which encompasses parts of South and Southeast Asia.

Bangladesh as the lead country placed report on trade and investment, India on transport, communications and tourism, Myanmar on energy, Sri Lanka on technology and Thailand on fisheries at yesterday's meeting.

## Another week

**FROM PAGE 16**  
take some more time to reach Dhaka," she said.

Met office sources said the average temperature this year has increased by nearly four degrees Celsius, as the monsoon is delaying.

The highest temperature ever recorded in the country - 45.4 degrees Celsius in Rajshahi in 1972 - occurred when the monsoon delayed, met office sources said.

The highest temperature in the country was recorded at 42.4 degrees Celsius in Rajshahi, when the temperature in the capital was 35.5 degrees Celsius. The temperature recorded in Sylhet was 23.4 degrees Celsius.

Meanwhile the met office forecasted that a moderate to severe heat wave may continue over Khulna division and the regions of Rajshahi, Dinajpur and Ishwardi during the period.

The met office also forecasted that rain or thundershowers accompanied by temporary gusts of wind are likely at one or two places over Sylhet, Rajshahi and Dhaka divisions. The weather elsewhere may remain mainly dry in the next 24 hours until 6:00pm today.

## AL won't join budget

**FROM PAGE 1**  
AL General Secretary Abdul Jalil however told journalists yesterday that a final decision on the budget session would be taken at a meeting of the party's parliamentary wing prior to the session.

The main opposition that returned to the House in May last year ending an 11-month boycott again started keeping off parliament proceedings from the 15th session this year.

They boycotted the 15th session in protest against the speaker's refusal to adjourn the session after adopting an obituary reference on former finance minister and AL lawmaker Shah AMS Kibria.

The party first joined the present parliament on June 24, 2002, after an eight-month boycott protesting what it said was mass rigging in the October 2001 general elections that sent the BNP-Jamaat-led coalition to power.

The AL lawmakers stormed out of the House on June 25 in 2003 after a minister cast aspersions on Opposition Leader Sheikh Hasina.

Sources said the boycott this time might continue for long as there is no risk of loss of membership of

Prof Wahiduddin raised some unresolved questions regarding financial market's role in supporting a broad based and pro-poor growth in Bangladesh.

He said: "Could commercial banking adopt an approach to absorb the genuine losses incurred for giving collateral-free loans to small entrepreneurs and remain profitable?"

"Could there be some kind of social insurance to cover such losses," he asked.

The professor of economics said how could one ensure enough supervision to avoid wilful default by small borrowers? He suggested bank-NGO collaboration in this regard.

Prof Wahiduddin said some NGOs engaged in microcredit programmes could be turned into rural banks under an appropriate legal framework.

BB Governor Dr Salehuddin said there should be a moral pressure on the loan defaulters and application of the central bank's rules and regulations to reduce classified loans.

Banks will have to think about how the poor people could be served through various banking products, he said.

His predecessor Dr Fakhruddin suggested a code of ethics for the banks. He said the laws in the banking sector are not being practised properly.

## Mohiuddin

**FROM PAGE 16**  
Mujibur Rahman at Tungipara in Gopalganj tomorrow.

Meanwhile, Mohiuddin has finalised the draft of his much-talked-about 'city government' for greater development of the port city, and will soon submit it to the government for approval.

The proposed city government was a priority pledge in the 40-point manifesto of Mohiuddin in his mayoral race.

The proposal contains formation of an administrative structure comprising 24 departments to ensure development of Chittagong.

Sources said Mohiuddin would seek a suitable time from the PM to submit the proposed structure of city government.

## Crackdown

**FROM PAGE 16**  
police, the Rapid Action Battalion (Rab) and the Coast Guard to assist the DNC in their operations at the borders with India and Myanmar.

The meeting proposed providing firearms to the DNC officials about which the home ministry will take decision after scrutiny. There was also a proposal for providing the DNC officials with cell phones.

The meeting also formed committees at three levels--17-member upazila committees led by Upazila Nirbahi Officers (UNO), 23-member district committees led by deputy commissioners (DC), and a 14-member national committee led by the home secretary--for controlling and raising awareness about narcotics.

The government will also set up billboards at bus and launch terminals and railway stations to raise awareness.

Asked to comment on a recent US State Department report that said there are "unconfirmed reports" that opium and cannabis are cultivated along the border with Myanmar and cannabis in the southern delta region, Babar said, "This is not true."

The meeting was also attended by Information Minister M Shamsul Islam, Social Welfare Minister Ali Ahsan Mojaheed, Foreign Minister M Moshed Khan, State Minister for Planning Maj Gen (ret'd) Anwarul Kabir Talukder, DNC Director General Kamaluddin Ahmed, secretaries for home and law Safar Raj Hossain and Alauddin Sarder.

Prof Wahiduddin raised some unresolved questions regarding financial market's role in supporting a broad based and pro-poor growth in Bangladesh.

He said: "Could commercial banking adopt an approach to absorb the genuine losses incurred for giving collateral-free loans to small entrepreneurs and remain profitable?"

"Could there be some kind of social insurance to cover such losses," he asked.

The professor of economics said how could one ensure enough supervision to avoid wilful default by small borrowers? He suggested bank-NGO collaboration in this regard.

Prof Wahiduddin said some NGOs engaged in microcredit programmes could be turned into rural banks under an appropriate legal framework.

BB Governor Dr Salehuddin said there should be a moral pressure on the loan defaulters and application of the central bank's rules and regulations to reduce classified loans.

Banks will have to think about how the poor people could be served through various banking products, he said.

His predecessor Dr Fakhruddin suggested a code of ethics for the banks. He said the laws in the banking sector are not being practised properly.

The proposal contains formation of an administrative structure comprising 24 departments to ensure development of Chittagong.

Sources said Mohiuddin would seek a suitable time from the PM to submit the proposed structure of city government.

The proposed city government was a priority pledge in the 40-point manifesto of Mohiuddin in his mayoral race.

## 15 injured in blast at Iraq airport

AP, Baghdad

A suicide bomber attacked the main checkpoint to Baghdad International Airport yesterday, wounding at least 15 Iraqis, the military said.

The explosion shortly after 9:00am destroyed several vehicles, sent up a huge cloud of black smoke, and was followed by militants firing machine guns at security forces. It also underscored the difficulties U.S. and Iraqi authorities face in curbing the rampant insurgency.

The stocktaking mission will report back to the WB top management. It will also monitor the government initiatives in June and July to meet the conditions. And, considering all these, the WB board will take the decision on the credit.

Among those ending corruption, structural reforms in the energy sector and poverty reduction feature most prominently.

The WB emphasises elimination of corruption not from a political perspective, he said, but from a purely economic one. For example, tax evasion, bank loan default and non-payment of electricity, gas and water bills are just different kinds of corruption. He cited a WB analysis that shows how acutely corruption hampers development, quipping, "The more corrupt a country the less developed it is."

Besides, without ending corruption, poverty eradication remains a remote possibility, he said, adding that is where lies the real importance of having a fully staffed and operational ACC.

He appreciated Bangladesh's achievements in human development and GDP growth but also pointed out that about 50 percent of the population are still poor. "So, the rate of GDP growth needs to be further scaled up."

Following the meeting, Saifur Rahman said the discussion with the WB mission was quite satisfactory. "They are happy with the steps we have taken in different sectors excepting a couple or two," he claimed.

The government did not provide figures for every year or the months before April.

The suicide bomber exploded his vehicle at the main checkpoint to Baghdad's airport, the U.S. military and police said. The airport is located at the end of a 10-mile-long highway dubbed by many Iraqis the "Street of Death" because it is the frequent target of suicide bombings and ambushes.

The al-Qaeda in Iraq terrorist group claimed responsibility in an Internet statement that could not be authenticated.

The meeting also formed committees at three levels--17-member upazila committees led by Upazila Nirbahi Officers (UNO), 23-member district committees led by deputy commissioners (DC), and a 14-member national committee led by the home secretary--for controlling and raising awareness about narcotics.

The government will also set up billboards at bus and launch terminals and railway stations to raise awareness.

Asked to comment on a recent US State Department report that said there are "unconfirmed reports" that opium and cannabis are cultivated along the border with Myanmar and cannabis in the southern delta region, Babar said, "This is not true."

The meeting was also attended by Information Minister M Shamsul Islam, Social Welfare Minister Ali Ahsan Mojaheed, Foreign Minister M Moshed Khan, State Minister for Planning Maj Gen (ret'd) Anwarul Kabir Talukder, DNC Director General Kamaluddin Ahmed, secretaries for home and law Safar Raj Hossain and Alauddin Sarder.

## 40 injured

**FROM PAGE 16**  
Faisal and Mafi -- involved in arms smuggling in the border area had a long rivalry over various issues including domination of the area.

Loyalists of Faisal allegedly assaulted a local woman named Hiratunnessa and mugged her belongings when she was returning home from her father's house on Tuesday night. The victim complained to Mafi about this.

Mafi then asked Faisal to return the woman's belongings snatched by his men.

This led to a gunfight between the two sides that lasted about two hours from 10:00 pm. They exchanged about 100 shots, and the fight stopped when Faisal suffered eye injury.

Ten of the injured were admitted to various health centres. The rest were taking treatment at secret places to evade arrest.

Police rushed to the spot at about midnight and chased the two groups. They fled across the border, sources said.

Faisal's men later ransacked 12 houses of Mafi's supporters.

Tension was prevailing in the area.

Police however claimed the situation was under control.

## 3 BNP men

**FROM PAGE 16**  
Mohiuddin from the rooftop of a two-storey building near the BNP office.

Witnesses said the attackers threw the bombs when Mohiuddin was coming out of the upazila BNP office at 11:40pm. Mukul and about 12 followers of Mohiuddin were accompanying him, they added.

The explosions blew up the left hand of Mukul and the right leg of both Rahim and Ismail.

They were rushed to Chuadanga General Hospital and to Kushiya General Hospital.

Mukul was shifted to National Institute of Traumatology & Orthopaedic Rehabilitation (Nitor) in Dhaka as his condition deteriorated.

Police rushed to the scene, sealed the entire area and arrested five BNP men. They are Hamidul Azam, president of Alamdanga municipal unit, his son Hasibul Azam, nephews Rajib and Real and BNP activist Abul Kashem.

Romy Biswas on behalf of the Communist War claimed responsibility for the attack in a statement sent to the Mathabhangga office. The outfit termed Mohiuddin a class enemy but regretted the attack on Mukul.

Helal said Awami League chief

## WB wants effective

**FROM PAGE 1**  
education sector development.

STOCKTAKING

"At the moment, we are taking stock of the progress Bangladesh has made in the last two years using the DSC. We have been discussing the situation with the government," Ahmed told the press after the final round of talks with the finance minister.

The stocktaking mission will report back to the WB top management. It will also monitor the government initiatives in June and July to meet the conditions. And, considering all these, the WB board will take the decision on the credit.

Among those ending corruption, structural reforms in the energy sector and poverty reduction feature most prominently.

The WB emphasises elimination of corruption not from a political perspective, he said, but from a purely economic one. For example, tax evasion, bank loan default and non-payment of electricity, gas and water bills are just different kinds of corruption. He cited a WB analysis that shows how acutely corruption hampers development, quipping, "The more corrupt a country the less developed it is."

Besides, without ending corruption, poverty eradication remains a remote possibility, he said, adding that is where lies the real importance of having a fully staffed and operational ACC.

He appreciated Bangladesh's achievements in human development and GDP growth but also pointed out that about 50 percent of the population are still poor. "So, the rate of GDP growth needs to be further scaled up."

Following the meeting, Saifur Rahman said the discussion with the WB mission was quite satisfactory. "They are happy with the steps we have taken in different sectors excepting a couple or two," he claimed.

The government did not provide figures for every year or the months before April.

The suicide bomber exploded his vehicle at the main checkpoint to Baghdad's airport, the U.S. military and police said. The airport is located at the end of a 10-mile-long highway dubbed by many Iraqis the "Street of Death" because it is the frequent target of suicide bombings and ambushes.

The al-Qaeda in Iraq terrorist group claimed responsibility in an Internet statement that could not be authenticated.

The meeting also formed committees at three levels--17-member upazila committees led by Upazila Nirbahi Officers (UNO), 23-member district committees led by deputy commissioners (DC), and a 14-member national committee led by the home secretary--for controlling and raising awareness about narcotics.

The government will also set up billboards at bus and launch terminals and railway stations to raise awareness.

Asked to comment on a recent US State Department report that said there are "unconfirmed reports" that opium and cannabis are cultivated along the border with Myanmar and cannabis in the southern delta region, Babar said, "This is not true."

The meeting was also attended by Information Minister M Shamsul Islam, Social Welfare Minister Ali Ahsan Mojaheed, Foreign Minister M Moshed Khan, State Minister for Planning Maj Gen (ret'd) Anwarul Kabir Talukder, DNC Director General Kamaluddin Ahmed, secretaries for home and law Safar Raj Hossain and Alauddin Sarder.

Prof Wahiduddin raised some unresolved questions regarding financial market's role in supporting a broad based and pro-poor growth in Bangladesh.

He said: "Could commercial banking adopt an approach to absorb the genuine losses incurred for giving collateral-free loans to small entrepreneurs and remain profitable?"

"Could there be some kind of social insurance to cover such losses," he asked.

The professor of economics said how could one ensure enough supervision to avoid wilful default by small borrowers? He suggested bank-NGO collaboration in this regard.

Prof Wahiduddin said some NGOs engaged in microcredit programmes could be turned into rural banks under an appropriate legal framework.

BB Governor Dr Salehuddin said there should be a moral pressure on the loan defaulters and application of the central bank's rules and regulations to reduce classified loans.

Banks will have to think about how the poor people could be served through various banking products, he said.

His predecessor Dr Fakhruddin suggested a code of ethics for the banks. He said the laws in the banking sector are not being practised properly.

The proposal contains formation of an administrative structure comprising 24 departments to ensure development of Chittagong.

Sources said Mohiuddin would seek a suitable time from the PM to submit the proposed structure of city government.

The proposed city government was a priority pledge in the 40-point manifesto of Mohiuddin in his mayoral race.

The meeting also formed committees at three levels--17-member upazila committees led by Upazila Nirbahi Officers (UNO), 23-member district committees led by deputy commissioners (DC), and a 14-member national committee led by the home secretary--for controlling and raising awareness about narcotics.

The government will also set up billboards at bus and launch terminals and railway stations to raise awareness.

Asked to comment on a recent US State Department report that said there are "unconfirmed reports" that opium and cannabis are cultivated along the border with Myanmar and cannabis in the southern delta region, Babar said, "This is not true."

The meeting was also attended by Information Minister M Shamsul Islam, Social Welfare Minister Ali Ahsan Mojaheed, Foreign Minister M Moshed Khan, State Minister for Planning Maj Gen (ret'd) Anwarul Kabir Talukder, DNC Director General Kamaluddin Ahmed, secretaries for home and law Safar Raj Hossain and Alauddin Sarder.

Prof Wahiduddin raised some unresolved questions regarding financial market's role in supporting a broad based and pro-poor growth in Bangladesh.

He said: "Could commercial banking adopt an approach to absorb the genuine losses incurred for giving collateral-free loans to small entrepreneurs and remain profitable?"

"Could there be some kind of social insurance to cover such losses," he asked.

The professor of economics said how could one ensure enough supervision to avoid wilful default by small borrowers? He suggested bank-NGO collaboration in this regard.

Prof Wahiduddin said some NGOs engaged in microcredit programmes could be turned into rural banks under an appropriate legal framework.

The minister admitted that the mission has some reservations about the energy sector, but claimed, "At the same time, they also appreciated the progress we have already made in this sector."

On the team's stance on the ACC, Saifur said, "They are neither happy nor unhappy about it." Termining the present crisis at the ACC as 'birth pains', he said like any other new organisation it too will need time to function smoothly.

Among the other WB conditions for the credit are drafting a financial reporting law providing for an independent financial oversight body, reducing loss of state-owned enterprises by at least 10 percent and limiting all arrears to PDB and Desa to three months, all by June.

The WB also wants the government to announce a time-band plan for the financial restructuring of the power sector and to increase the prices of gas and electricity.

## JS body accuses

**FROM PAGE 16**  
submitted its report to the Parliamentary Standing Committee on the Ministry of Local Government and Rural Development (LGRD) recommending realisation of the money.

"We will discuss the report at the next meeting and then take decision," Committee Chairman Abdul Mannan Talukder told The Daily Star after the meeting held at the Jatiya Sangsad Bhaban.

All members of the committee were sent copies of the probe report submitted by the convener of the probe body, BNP lawmaker Shahiduzzaman Beltu.

"In the investigation, we found him guilty and asked the parliamentary body to take action against him," Shahiduzzaman told The Daily Star.

The parliamentary body also discussed different on-going projects on arsenic mitigation across the country.

## DU campus under JCD

**FROM PAGE 1**  
campus, while the JCD activists of Sri Saimullah Hall roughed up and drove out at least two BCL activists from the hall in the early hours yesterday.

The JCD men beat up Imaul Haque Sarker Titu, a third-year student of Islamic studies, in front of the Bangla Academy in presence of the police. He was admitted to Dhaka Medical College and Hospital with serious head injuries. The other injured are Joy, Naser and Reza.

The police clubbed and chased the BCL leaders and activists who gathered at the High Court intersection and tried to take out a procession. Two BCL activists -- Titon and Limon -- were injured while Anjan, a BCL activist of Jagannath Hall, was arrested during the police action.

**JCD GUARD**  
The JCD men of Bangabandhu Sheikh Mujibur Rahman Hall, Haji Mohammed Mohsin Hall and Suryasen Hall guarded the stretch of the road from Bangla Academy to the Institute of Fine Arts, Ziaur Rahman Hall unit JCD took position at Shahbagh intersection, Jasimuddin Hall in front of Institute of Fine Arts, Jagannath Hall at Central Shaheed Minar and Bakshibazar, Fazlul Haque Hall at Chankhar Pool, Ekushey Hall at Curzon Hall, Shahidullah Hall at High Court intersection, Saimullah Hall at Palashi and Sir AF Rahman and Sergeant Jahurul Haque Hall at Nilkhet to prevent the BCL men from getting to the campus.

Babu accused the JCD of damaging the culture of student politics by repeatedly attacking the general students and activists of other opposition student organisations.

**BCL TO FILE CASE**

Babu said he would file a case today against 21 JCD men including its DU unit President Hasan Mamun and General Secretary Saiful Islam Firoz on charges of beating up the BCL leaders and activists on the campus.

**VC SEEKS CO-OPERATION**  
Vice-chancellor Prof SMA Faiz sought co-operation of all the student organisations to maintain a congenial atmosphere on the campus. He said he would resign from his office when he would feel that he failed to handle the campus situation.

**DU GOES ON VACATION**  
The university went on a scheduled summer vacation from yesterday, with authorities postponing all scheduled examinations in the wake of continued campus violence.

## 15 cheated

**FROM PAGE 1**  
licence on May 11.

The cheated fortune seekers are Mosharrar Hossain from Faridpur, Saiful Islam, Mohammad Faruque, Abdur Rahman, Firoz Alam, Tara Miah and Golam Sarwar form Comilla, Abdur Razzaq from Sathkira, Borhan from Gopalganj, Habib from Rajshahi, Sarajahan from Munshiganj, Sujana Acharya from Chandpur, Shah Alam from Tangail and Imam Hossain from Gazipur.

Earlier, they arrived at Zia International Airport (ZIA) by a Gulf Air flight at 8:30am.

"We tried to change our fortune and paid Tk 1.7 lakh to Tk 1.8 lakh to Golden View International each. With work permit and visa, we left Dhaka in November and December last year," a victim told reporters.

They were assured of handsome salary with free food and accommodation, but only a hand full of them got jobs.

The Bangladeshis alleged 10-12 of them had to stay in a single room with minimum food.

Asked, the executive director of the agency, Rafiqul Islam claimed they should not be blamed, as the Jordanian company, Al Shaded, had not employed the Bangladeshis.

"We've compensated the victims and made payment for their return home," he told the news agency.

"We would send them abroad at our own cost if the government gave us a fresh licence," he claimed.

## AL wants judicial

**FROM PAGE 1**  
no objection if any of its leaders participate in the by-polls under the banner of Nagorik Committee.

Party presidium members will decide whether advocate Asaduzzaman, the Nagorik Committee candidate backed by opposition parties, will be allowed to contest the election with AL's election symbol boat, meeting sources said.

Accusing ruling BNP's student front Jatiyatabadi Chhatra Dal (JCD) of the recent attacks on general students of Dhaka University who were protesting the death of a fellow student in road accident, Jalil said government backed cadres are destroying atmosphere in the country's highest seat of learning.

"We demand judicial enquiry into the recent incidents of attacks on general students and opposition backed student leaders and workers by the Chhatra Dal cadres," the AL leader said while briefing newsmen after the meeting.

AL also demands judicial enquiries into all extra-judicial killings involving the Rab and in the name of crossfire, Jalil said.

"The government is using the Rab to eliminate its political opponents," he said.

Tuesday's killing of Jubo League leader Suman in Khilgaon is the latest instance that Rab is being used against the opposition, he said.

About 4000 people were killed in launch disasters in last three and a half years, but it seems that the government is totally indifferent to it, the AL leader said, adding, "How can the shipping minister continue in his office despite repeated launch disasters due to his ministry's negligence?"

Judicial enquiry is necessary to find out the real culprits whose negligence led to deaths of people, he said.

AL leaders at the meeting also criticised the government for hiking prices of fuel three times in recent days and observed that all sectors including agricultural will be affected due to it.

## 3 killed

**FROM PAGE 16**  
electric poles twisted and extensive damage caused to standing crops and vegetables.