

# 'Hard, tense time ahead'

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swapping places with it, has been running for decades. The outside world rarely pays attention because nothing seems to change.

Recently, though, the squabbling has turned into a crisis, which threatens to make life still worse for the 170m poor Muslims who suffer under one of the world's worst governments. Since Bangladesh's political leaders show no interest in their fate, outsiders need to do so.

When Sheikh Hasina, leader of the Awami League and current prime minister, and Khaleda Zia, leader of the Bangladesh Nationalist Party (BNP), alternated in power in the 1990s, things were pretty bad, but in the past decade they have got worse. The administration Mrs Zia headed from 2001 to 2006 was a brutal kleptocracy. It was followed by army-backed unelected technocrats. Then in 2008 the Awami League swept to power in a landslide victory. The League has 229 of 300 parliamentary seats compared with 31 for Mrs Zia's BNP. Sheikh Hasina has used this mandate to consolidate power and hound her enemies, real and imagined.

There has been a spate of mysterious disappearances. This month 33 senior members of the opposition were arrested on charges of vandalism and arson. A war-crimes tribunal to investigate the atrocities in Bangladesh's war of independence in 1971 some of the bloodiest in modern history now looks like an attempt to discredit the BNP and its Islamist allies. And the hounding of Mohammad Yunus, a pioneer of microfinance, creator of the Grameen Bank and a Nobel laureate, is seen as payback for his temerity in 2007 in trying to launch a "third force" in politics. Meanwhile, journalists and activists face intimidation and worse, and the vibrant NGOs that keep the spirit of democracy alive worry that proposed legislation would leave them at the mercy of government whims.

Last year the League did away with the provision that caretaker administrations should oversee elections. The arrangement was not ideal. In January 2007 protests led by the League, convinced that the BNP would rig an election, led to a coup. But without some assurance of fair play the BNP will boycott the next election, due in 2014. So there is the prospect of yet more protests, which in Bangladesh often take the form of crippling strikes. There is also the real prospect of utter political paralysis, risking even worse turmoil on the streets.

**THE ONLY VOICE IN DHAKA**  
The outside world is trying to do its bit. The World Bank has scrapped a deal to pay for a big bridge because of its suspicions of corruption. EU ambassadors have denounced the treatment of Mr Yunus and the harassment of activists. Hillary Clinton flew to Dhaka this month to stand by Mr Yunus.

But the government seems unmoved. In a snub to Mrs Clinton, it announced a review into ownership of Grameen, a move to take over (and probably destroy) the bank. The only country to have much influence in Dhaka is India. Until recently the regional superpower tolerated Sheikh Hasina's excesses, in part because Bangladesh has cracked down on Islamists. India now seems to be hedging its bets between the two parties. But if it still wants to have a functioning democracy next door, it needs to speak out far louder in favour of it.

**POLITICS IN BANGLADESH: BANGED ABOUT**  
The prime minister sets the country on a dangerous path

Inching through the crowded streets of Bangladesh's capital brings both exhilaration and frustration. Dhaka's garishly painted tricycle rickshaws, battered buses, occasional goats and luxury cars somehow all manage to creep onward. Drivers skilled at furious honking are also masters of compromise and smiles.

If only the bitter politicians could prove so deft. Some 18 months before a general election, Bangladesh suffers street protests. Opposition leaders are sent to jail, and disappearances

and murders are widely blamed on an old rivalry for power. A confrontation over the next poll who should oversee it, and whether it will be fair is already so strident that some observers doubt a contested one will be held at all. Meanwhile, Bangladeshis fret over prices of food and fuel, chronic power cuts and broken promises of new roads.

As the leader of the Bangladesh Nationalist Party (BNP), Khaleda Zia, tells it, all ills lie at the government's door. She ticks off a list of wicked acts she blames on her antagonist in an ancient rivalry, the prime minister, Sheikh Hasina. A young BNP politician abducted a month ago and very probably murdered. Two others killed earlier. Some 33 opposition figures, including senior MPs, dumped in jail this month over a trumped-up case of arson. In all, she says, 3,000 BNP members have been arrested. "It is to intimidate, to create a sense of fear."

There is plenty more darkness about. In recent months Bangladesh has endured a spate of other mysterious killings a Saudi diplomat shot dead; a trade-union activist tortured and murdered; a pair of journalists butchered after investigating corruption. This correspondent was trailed in Dhaka by a pair of secret-service men on a motorbike. A rumour of a bizarre coup attempt, in January, was used by the government to get closer political control over the army.

One of the country's best known figures, Muhammad Yunus of Grameen Bank, has been harassed for some time. An increasingly paranoid Mrs Hasina sees him as a political threat. This month in Dhaka Hillary Clinton, America's secretary of state, met the Nobel laureate and assured him of her support. It brought no relief. Ministers snipe at him, and the government has just ordered yet another official review of his bank.

"We are very worried that the commission has been formed and terms of reference include ownership," says Mr Yunus. In effect, the government is seeking ways to grab Grameen, which is 97%-owned by its poor members, many of them women. Officials are also bent on settling scores with Mr Yunus, who oversees an ungainly charitable empire that includes a telecoms company as well as the bank. Over a lavish dinner, a group of government spies brags of having a thick file of allegations ready against the "money-monger".

**ENGINE TROUBLE**  
The list of gripes against the government is long. Corruption is pervasive enough for donors to be alarmed. The World Bank has scrapped funding for a bridge over the Padma river. Japan, the largest single giver of aid, has just sent its deputy prime minister to Dhaka to demand a clean-up. In a case of recent graft, a railway minister, who quit after police found sacks of cash in his aide's car, was suddenly cleared by an internal inquiry of any corruption and reinstated to the cabinet. Meanwhile, strong doubts persist about the fairness of democracy. The United States's ambassador in Dhaka this week repeated Mrs Clinton's warning that the next election must be "participatory", ie, run fairly so the opposition will take part.

Most telling would be a shift in India's attitude. Long a close ally of Sheikh Hasina's Awami League cheering her crackdown on Islamic extremists and insurgents from India's north-east, and being open to more trade India's ruling Congress party may now, sensibly, be hedging its bets. Pranab Mukherjee, India's finance minister, called on Mrs Zia recently, inviting her back to Delhi. Mrs Zia chuckles that she will go after Delhi's summer heat is past. She also calls the neighbour a "friend", a possible hint of change in a party that often seeks popularity by bashing India.

As Sheikh Hasina looks ever more strident, people may start tiptoeing away from her. Not every ill in Bangladesh can be laid at the prime minister's door. Although she did mess with the constitution, scrapping arrangements she had previously insisted on in opposition for a neutral caretaker to run the government for three

months before election day, she now appears to want to keep her options open, possibly in order to be better able to skew the outcome of the next election. Meanwhile, Mrs Zia's party orders street protests and hunger strikes, and threatens angry mass rallies in June. The sad result is that politics grows more polarised and confrontational.

Still, Mrs Hasina is not quite the all-powerful bogeywoman her bitterest opponents suggest. Certainly she seems set on cracking down on civil groups, for example with a new bill to put non-government organisations more firmly under political control. But it is hard to see how the murders and attacks on activists and journalists help her government, other than to spread a general sense of intimidation.

The opposition, too, has a reputation for thuggery, corruption and intimidation, and does not bother much to hide it. A veteran leader of the BNP says that, should his party boycott the next election, 20 days of street protests by BNP supporters would then be followed by violent attacks by his party workers on their rivals.

The shame of it all is how little heed the squabbling politicians pay to what should matter more: keeping the economy growing and reducing poverty further. In the face of electricity shortages, blocked roads and land disputes, the Bangladesh economy has been doing remarkably well. Its clothing industry has the potential to generate over \$40 billion a year from exports, according to McKinsey, a consultancy.

Indicators of well-being have been improving. If annual economic growth of over 6% is sustained, a country that not long ago was a byword for poverty can contemplate reaching middle-income levels in barely a decade. But that needs single-minded focus by the government on dealing with the country's economic bottlenecks and social needs. Instead, like Dhaka's wretched roads, politics looks jammed. Uncertainty leading up to the next election, and growing anxiety among diplomats and foreign observers of Bangladesh, suggest a hard, tense time ahead. More than anyone, blame the driver.

## No talks

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assumed power) conspiracy have become active again taking the advantage of the misrule and failure of the government.

"We hope the government will take initiative to hold talks to ensure peaceful transfer of power and to find a way to resolve all the problems through discussion," Tariqul Islam, member of BNP standing committee, said at a press briefing at the party's Nayapalton office in the capital.

Replying a query the former posts and telecommunications minister said any talks should start outside parliament first and then it can be held inside the House. "You have seen such process in 1996," he told reporters.

The BNP leader said the country was now in a "critical juncture" and added that the US government and Amnesty International reports on human rights conditions in the country proved that the BNP was right in pointing out government's use of security forces and judiciary to repress the opposition.

Tariqul said the prime minister herself admitted that the perpetrators of 1/11 conspiracy have become active.

Party leaders Nazrul Islam Khan, Abdullah Al Noman, Asaduzzaman Ripon, among others, were present.

Meanwhile, standing committee member Rafiqul Islam Mia accused the government of abusing law through filing cases against men under speedy trial act.

"The government is abusing the law by filing cases against opposition leaders under it. But they will not be able to prevent the ongoing movement," he said at a human chain before the Jatiya Press Club.

## Water crisis

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problem of the area would be gone once those become operational.

About charging extra by tanker drivers, Tagsem said they had been taking action and they would be able to take punitive actions had they got complaints against individual drivers.

Taposhi Dhar, a resident of Mostofa Road near Green Road, said they have been getting smelly water for the last six months and had to fetch water from a Wasa pump in Farmgate every day. The pump is around half-a-kilometre away.

"My four-year-old daughter Kristi had diarrhoea twice in a week as we stopped fetching water from the pump for about 15 days last month and used the supply water instead."

Everyday several hundred people go to the pump to take water, she said.

Managing Director of Dhaka Wasa Tagsem said due to some illegal water connections, water in the pipeline get contaminated during the dry season since water pressure in the pipes remain low then.

According to Wasa, the demand for water in the city was 225 crore to 230 crore litres a day but Wasa could pump 205 crore to 210 crore litres per day.

However, the supply drops during severe load-shedding and severe power cuts in the summer have become usual. According to Bangladesh Power Development Board, the demand-supply shortfall for electricity in the capital was around 400 MW on Wednesday.

The number of deep tube wells in the capital is 618. While the number of generators is around 400, including mobile and reserve generators.

Apart from them, there are around 205 pumps with dual electric connections. However, an official of Wasa said during severe load-shedding, especially in the summer, more often than not both connections of the dual-connection pumps suffer power cuts.

## Furnace oil

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against its storage capacity for furnace oil of 35,200 tonnes. Its daily production of furnace oil is 1,000 tonnes.

The SAOCL, 50 percent stake of which is owned by Bangladesh Petroleum Corporation (BPC), totally stopped selling furnace oil five days back while the three other companies have cut sale significantly.

The move by the oil distributors prompted the BPC to write to the managing directors of Padma, Meghna and Jamuna, directing them to keep the marketing of furnace oil normal.

The letter has also been sent by The Daily Star.

The ERL, a subsidiary of the BPC, says it cannot stop the production of furnace oil in the face of falling demand, but can cut down daily production by 200-300 tonnes.

If the production of furnace oil is stopped, then ERL's entire production cycle of 15 different petroleum products from crude oil including diesel, petrol, octane and kerosene will be disrupted, officials at the ERL said.

At present, the BPC in its different depots has furnace oil more than its capacity. "The stock increased as the power stations have recently cut down their purchase amount," said BPC Director (marketing) Nurul Alam.

Another official of the BPC said under the circumstances, the ERL would have to go slow in production, as its storage capacity for furnace oil was almost full.

It could not be known why the SAOCL stopped selling furnace oil, the BPC official said, even though the company does not sell fuel to power plants.

Rab on May 20 seized 11 tank lorries and an oil tanker loaded with 3.40 lakh litres (around 290 tonnes) of furnace oil when it was being hauled for black market. A part of that consignment was released from a Padma Oil depot.

On the day, Padma Oil's local sale of furnace oil was 72 tonnes, Meghna sold 84 tonnes and Jamuna 117 tonnes. The SAOCL completely stopped selling furnace oil the same day.

On Thursday, Padma's sale dropped to 18 tonnes while Jamuna's dropped to 15 tonnes.

The ERL plays a vital role in supplying around 40 percent of the country's current petroleum products' demand and thus maintains stability in the petroleum products' market of the country. It sometimes becomes the only source available in the face of disruption in import.

# Polytechnic students

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demonstrations at different polytechnic institutes across the country, said a ministry handout.

The agitation of the students began from Chittagong Polytechnic Institute on Wednesday after the students took to the street on the port city following the rumour.

Several demonstrations also took place in other polytechnic institutes during the last two days across the country in this connection.

Bogra, Dinajpur, Gopalganj and Magura Polytechnic Institutes remained closed for the last two days following the students' agitation.

The Chandradighalia Polytechnic Institute authorities at Gopalganj yesterday declared the institute closed for an indefinite period following demonstration by the students on Thursday.

Talking to The Daily Star last night, Education Secretary Kamal Abdul Naser Chowdhury said the government has not brought any change in the status of the diploma engineers.

"The students of the polytechnic institutes staged demonstrations following the rumour," he said.

He also urged the students not to get puzzled or confused by such a rumour.

The probe body, headed by

the ministry's Additional Secretary Mohammad Atoar Rahman, has been asked to submit its report within seven working days.

Another handout of the ministry said the government has no plan to change the status of the diploma engineers.

Intuition of Diploma Engineers General Secretary Shamsur Rahman in a statement yesterday urged the students in all polytechnic institutes not to get confused by any rumour.

"We have directed leaders and activists of our association at district level to talk with the students and convey them the correct information," Rahman told The Daily Star last night.

Bangladesh Polytechnic Teachers' Parishad President Fakir Md Abdul Mannan said, "We do not know anything about the government's decision of changing the status of diploma engineers. I cannot understand on which ground the students are demonstrating."

Jakir Hossain Sagar, a student of electrical engineering department at Dhaka Polytechnic Institute, said they were trying to communicate with the students of other polytechnic institutes, and get them convinced.

**RANGPUR CLASH**  
The clash at Rangpur

Polytechnic Institute ensued when the students tried to obstruct holding of a recruitment exam in the institute centring a rumour that the government had downgraded the diploma engineers to class-three officials.

The disgruntled students hurled brickbats at police when the law enforcers tried to evict them from in front of the exam halls where recruitment test for the post of sub-assistant food inspector was scheduled to resume at 10:30am, witnesses said.

During the two-hour-long clashes that began at 10:30am, the students also attacked Nababganj police camp and vandalised seven vehicles including a police van, reports our Rangpur correspondent.

Police fired at least 40 rounds of tear shells and charged truncheons to disperse the agitators.

BM Enamul Haque, deputy commissioner of Rangpur, told The Daily Star the recruitment test started one hour behind the schedule.

"Normal situation is now prevailing inside the polytechnic institute," he added.

A large number of riot police have been deployed at the institute to avert any untoward incident, the SP added.

# Rights activists

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Human Rights Report denounced the Bangladesh government over the latter's human rights violation, including killing and torture by security forces and their abuses responsible for disappearances and custodial deaths.

State Minister for Home Shamsul Haque Tuku, however, rejected the report terming it "baseless and motivated".

But civil society members support the US government report that said police, Border Guard Bangladesh and Rab at times used "unwarranted lethal force".

Contacted by The Daily Star, former police chief ASM Shahjahan Khan said, "If any extrajudicial killing takes place, it goes against the rule of law."

An agency becomes morally weak when it faces criticisms from all quarters. So any allegation against any force should be probed and those guilty should be tried, said

Shahjahan, also former adviser to a caretaker government.

In many cases the guilty personnel are not punished and there are many reasons behind it, he added.

He also advocated forming commissions within the forces to check the current culture of impunity.

No government uses the police force for public interest; it is used by the successive governments to serve their own interest, said Shahjahan, adding: "We didn't want police for the government but for the state."

Advocate Sultana Kamal, executive director of rights body Ain O Salish Kendra, said the US Human Rights Report 2011 is an echo of what the ASK and other local rights bodies have been saying.

"In most cases, kidnappers in guise of Rab members are picking up people but the government fails to prove that the elite force is not involved with such incidents by arresting the 'real' kidnappers," she

said.

It is government's responsibility to find any missing citizen, she added.

Contacted, State Minister for Home Tuku told The Daily Star over the phone yesterday, "One or two incidents [of human rights violation] took place, but we conducted probe into those incidents to ensure accountability of the law enforcers."

Earlier on Thursday, the junior minister rejected the report of Amnesty International, a London-based global rights body, which said extrajudicial killings in Bangladesh continued throughout 2011.

"An increasingly politicised judiciary exacerbated problems in an already overwhelmed judicial system and constrained access to justice for members of opposition parties," said the US government report revealed by US Secretary of State Hillary Clinton in Washington on Thursday.

# Top exporters

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Zaber & Zubair Fabrics, a company manufacturing various home textile products for export mostly to Europe and North America, got the award under RMG and Textile: Group A, for companies with an annual export turnover of over \$50 million.

Md Nurul Islam, chairman of Noman Group, the owning company of Zaber & Zubair Fabrics, received the award on behalf of the company.

Urmi Group, a woven garments and fabrics manufacturer, got the award under RMG and Textile: Group-B, for companies with an annual export turnover of less than \$50 million.

Director of the group Asif Ashraf received the award.

Qualitex Group, a fully export-oriented towel manufacturing company, won the award under the Exporters in the Export Processing Zones of Bangladesh category.

Qualitex General Manager Altaf Awan received the award on behalf of the company.

Pran Group and Janata Jute Mills were jointly awarded under the Exporters in the Traditional and Emerging Sectors category with an annual export turnover of more than \$3 million.

Amjad Khan Chowdhury, chief executive officer of Pran-RFL Group, which produces and reprocesses agricultural products, received the award on behalf of the company while Janata Jute Mills Director Saiduzzaman Khan received the award.

The award under Small and Medium Enterprises category with an annual export turnover of less than \$3 million went to Bay Footwear Ltd, a leather footwear manufacturer that exports vulcanised safety shoes and other shoes primarily to Europe & East Asia.

Ziaur Rahman, managing director of Bay Footwear,

received the award.

Speaking as the chief guest, the finance minister said Bangladesh had huge prospect to grow further as the country developed the necessary skills to compete in the global market.

He said the Bangladesh economy had witnessed a positive growth due to the presence of three key elements: progressive cultivator, productive industrial workers and vibrant entrepreneurs.

Atiur Rahman, governor of Bangladesh Bank, said, "Our exporters resiliently maintained positive export growth even at the peak of the global financial crisis."

He said awards like this one acclaiming excellence in export performance were important confidence boosters that inspire exporters to aim for newer heights.

HSBC's Group General Manager and Head of Commercial Banking Asia Pacific Noel P Quinn said the key activity of banking was to make good relationship with customers rather than focusing only on transactions.

He said Bangladesh was in the top 20 markets for HSBC.

Andrew Tilke, chief executive officer of HSBC Bangladesh, said, "I congratulate the winners for their achievements and also for the important role they play in Bangladesh's development and prosperity."

He said Bangladesh had three key advantages: geographical location between India and China, cost competitiveness, and strong entrepreneurial spirit fuelling economic growth of the country.

Mahbub-ur-Rahman, head of corporate banking of HSBC Bangladesh, said, "With its global presence, international connectivity and world-class trade solutions, HSBC is passionately committed to helping export-

ers unlock a world of potential."

"We want to see Bangladesh from a trade deficit country to a trade surplus country within the next 10 years," he said.

HSBC also paid special tribute to Samson H Chowdhury, the founder chairman of Square Group, who died on January 5 this year.

The Daily Star, Prothom Alo, KPMG and Bangladesh Brand Forum worked as HSBC's strategic partners in the initiative.

Mahfuz Anam, editor and publisher of The Daily Star; Matiur Rahman, editor and publisher of Prothom Alo; and Adeeb H Khan, senior partner of KPMG were also present.

## Govt to probe

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The Daily Star ran a report on the issue yesterday.

"The ministry will investigate the matter and take action accordingly," the minister said, addressing a seminar at Institution of Engineers, Bangladesh.

The ruling Awami League organised the seminar on the grand alliance government's three years of tackling environment degradation, successes, and future challenges.

Hasan Mahmud said he has heard of the news published in The Daily Star yesterday. "I'll read it thoroughly and start investigation."

He said anyone or any institution can appeal to the ministry to get a fine reduced and the ministry can review it.

The minister thanked The Daily Star for its continuous efforts on environmental issues. He, however, criticised an earlier report headlined "A wild wish for hippo" published in the English daily.

## Sahara

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Corporation Limited.

Subrata Roy, who came to Dhaka on Tuesday on his first trip here, said they have plans to invest in around 10 projects here.

He said the conglomerate is keen to build Sahara's first project "New Dhaka" around the capital with all modern amenities. Sahara has sought 1 lakh acre free land from the government to implement the project under which they will sell apartments.

"We visited two places yesterday [Thursday]. One is beside an under-construction 300-foot road, around 25 kilometres off the city [near Purbachal], and another near Sunvalley Housing [at the eastern part of Dhaka]," he told The Daily Star after the press meet.

Earlier, Subrata Roy told journalists, "Six months back, in our proposal to the Bangladesh government we asked for land [for the housing project]. We will build all infrastructures there. The government does not even need to invest since we will put all the money in."

"We have talked about the proposal with the prime minister. It is now under consideration," he said.

Asked what would be the company's stance if environmentalists express concern over the housing project, he said, "If we find any allegation to be genuine, Sahara is always ready to address it."

He said the newly formed company, Sahara Corporation Limited, will look after Sahara's business in Bangladesh. Registration process of the firm is underway.

Sheikh Fazle Hossain Fahim, nephew of Prime Minister Sheikh Hasina, has been made its director. "Fahim will be our guide here and act as a mentor," Subrata said.

About the housing project, he said they would not build any concrete jungle; rather they would provide the people with a "complete lifestyle".

"In Dhaka, only houses have been built, not lifestyle. Everyone bought lands and built vertical buildings, thus turning it into a concrete jungle."

He also said they want to work with the people who are involved in the housing sector. "We'll complement but not compete with the existing businesses. We want to work together."

The Sahara chairman said during his three-day visit he had several meetings with the top officials of Bangladesh Bank and Board of Investment (BoI) and placed a number of investment proposals for at least 10 sectors in Bangladesh.

So far, total investment in Bangladesh by different Indian investors is only \$600 million, said the Indian business tycoon.

Subrata Roy said they also have plans to invest outside Dhaka. Sahara group is also keen to invest in Bangladesh's tourism sector and also shared a plan for taking up a project in the Sundarbans, he added.

Sharing his bitter experience of a proposed tourism project with the West Bengal government in the Sundarbans, he said it was stalled because of the outcry of the environmentalists.

"That project can be initiated here as the larger part of the Sundarbans falls in Bangladesh," he said, adding that a proposal on this issue was submitted to the government on Thursday.

Subrata said they are interested to do something for Bangladesh cricket too.

"The Sahara logo has been on the jersey of Indian cricket team for the last 10 to 12 years. I am not announcing but it may be possible to see the same logo on the jersey of Bangladesh cricket team too."

Asked about the reason behind coming to Bangladesh, Subrata Roy said, "After India, this is the land which seems to me as my land. Doing business is not the lone reason for coming here. I have an emotional attachment with this country as my maternal root is from Bikrampur of Bangladesh."

Besides that, he said, the country made a tremendous progress and "there are many things to do for this country".

Asked about Sahara's investing in the pretext of Bangladesh's current political turmoil, he said, "We want to work here. But if we are treated with suspicion... we will loose spirit."