

## FRENCH PAYOUT SCANDAL

## IMF chief grilled for second day

AFP, Paris

IMF chief Christine Lagarde's future was at stake yesterday as French prosecutors grilled her for a second day to decide if she should be charged over a state payout to a disgraced tycoon when she was finance minister.

Lagarde was questioned for 12 hours on Thursday over her 2007 handling of a row that resulted in 400 million euros (\$515 million) being paid to controversial business figure Bernard Tapie.

Lagarde has downplayed the investigation, but the stakes are high for both her and the International Monetary Fund, which has expressed confidence in its first woman leader.

She could eventually be named an assisted witness, whose status falls between that of simple witness and formal investigation and implies there is some evidence against the person questioned, or placed under investigation -- the closest equivalent in French law to being charged.

But she would not be

## 18-party calls

FROM PAGE 1

a press briefing in the party's Nayapaltan headquarters yesterday afternoon.

The alliance and its key component Jamaat-e-Islami have already enforced four nationwide hartals this month protesting "police atrocities" on Hefajat-e-Islam activists on May 5 in Dhaka and the capital punishment to Jamaat leader Muhammad Kamaruzzaman for war crimes.

On May 19, Home Minister Muhiuddin Khan Alamgir and LGRD Minister Syed Ashraf Islam had made confusing statements on the "ban" on rallies and meetings. Their statements prompted widespread criticism from a cross section of people.

The home minister said the government would not permit any meeting or demonstration in Dhaka for an indefinite period to avoid anarchy. However, Ashraf said, "The ban on political meetings across the country would remain in force for a month to ensure smooth relief and rehabilitation activities in the Mahasen-ravaged areas."

Until yesterday, the government did not issue any circular over the ban.

Meanwhile, Dhaka Chamber of Commerce and Industry (DCCI) yesterday wrote to opposition leader Khaleda Zia urging her to withdraw tomorrow's hartal or keep the capital out of its purview to help them hold a scheduled discussion with US business delegates successfully.

In a statement, the chamber said about 40 business delegates would join the programme.

automatically forced to resign from the IMF if she is charged.

The chic Lagarde, considered one of the world's most powerful women, won respect as France's first female finance minister for her no-nonsense style, intellect and style.

She greeted journalists but did not make any statements upon her arrival at the courthouse on Friday.

Criminal charges against Lagarde would mark the second straight scandal for an IMF chief, after her predecessor Dominique Strauss-Kahn, also from France, resigned in disgrace in 2011 over an alleged assault on a New York hotel maid.

The IMF reiterated its support on Thursday, with a spokesman saying: "The executive board has been briefed on that matter, including recently, and continues to express its confidence in the managing director's ability to effectively carry out her duties."

The investigation concerns Tapie, a former politician, who went to prison for match-fixing during his time as president of French football club Olympique de Marseille.

Prosecutors working for the Court of Justice of the Republic (CJR), which probes cases of ministerial misconduct, suspect he received favourable treatment in return for supporting Nicolas Sarkozy in the 2007 presidential election.

They have suggested Lagarde -- who at the time was finance minister -- was partly responsible for "numerous anomalies and irregularities" which could lead to charges for complicity in fraud and misappropriation of public funds.

## BNP's Ariful gets

FROM PAGE 16

to convince the three to back off, went down the drain, sources added.

In the meeting, they were informed of the decision by the party chairperson.

The three -- city unit Vice-President Nasim Hossain, General Secretary Abdul Quaiyum Jalali, and Swetchasebak Dal central committee Vice-President Shamsuzzaman -- were also asked to quit the mayoral campaign to ensure Arif's triumph over ruling alliance-backed candidate Badar Uddin Ahmed Kamran.

They appealed to the chairperson for selecting any of them other than Arif, said Sylhet city BNP President MA Haque, adding that the decision, however, came in favour of Arif, also a former BNP president of city unit.

Jamaat would withdraw their candidate from the mayoral race if only Arif was chosen from the BNP, sources said.

It will help Arif win support from 18-party alliance,

merous anomalies and irregularities" which could lead to charges for complicity in fraud and misappropriation of public funds.

The investigation centres on her 2007 move to ask a panel of judges to arbitrate in a dispute between Tapie and Credit Lyonnais, the collapsed, partly state-owned bank, over his 1993 sale of sports group Adidas.

Tapie had accused Credit Lyonnais of defrauding him by consciously undervaluing Adidas at the time of the sale and argued that the state, as the former principal shareholder in the bank, should compensate him.

His arguments were upheld by the arbitration panel but critics claimed the state should not have taken the risk of being forced to pay compensation to a convicted criminal who, as he was bankrupt at the time, would not have been able to pursue the case through the courts.

The payment Tapie received enabled him to clear his huge debts and tax liabilities and, according to media reports, left him with 20 million to 40 million euros which he has used to relaunch his business career.

Tapie, who recently purchased a newspaper group in the south of France, and has acquired a luxury yacht, a Bombardier jet and several top properties in the south of France and Paris, said in an interview on Friday that he had "less than 100 million euros" from the payout if one deducted the taxes he paid and what he owed his creditors.

the BNP insiders expect.

Against this backdrop, it is not clear whether the three deprived BNP leaders will withdraw from the race.

"We are yet to decide in this regard. We will talk to the well-wishers and party men in a day or two before taking a decision," Nasim Hossain told The Daily Star yesterday.

Sylhet city Awami League president and immediate past mayor Badar Uddin Ahmed Kamran is to run in the mayoral race as a candidate of Sammilita Nagorik Committee headed by businessman Rahmatulla Jahangir.

On the other side, 18-party alliance-backed Sammilita Nagorik Jote is extending its support to Arif. Principal Ataur Rahman chaired a meeting Wednesday to form Jote's committee.

Tomorrow [May 26] is the last date for withdrawal of nomination for Sylhet City Corporation election.

Symbol will be allocated on the day after tomorrow [May 27].

## Japan PM Abe heads to Burma

BBC ONLINE

Japanese PM Shinzo Abe is heading to Burma in the first visit by a Japanese head of government since 1977.

A business delegation will accompany Abe, who is keen to strengthen economic ties with Burma.

Japan is a key aid donor to Burma, and maintained trade relations with the country during its years of rule by military junta.

Abe is expected to announce \$980m (£648m) in development aid during his visit, reports said.

Abe will also meet Burmese opposition leader Aung San Suu Kyi, who he met in Japan last month, AFP news agency reported.

"We will seek to further enhance Japan-Myanmar relations, which have been kept sound for a long time through [Tokyo's] support to [the country's] reforms," Japan's Chief Cabinet Secretary Yoshihide Suga said on Wednesday, using Burma's official name.

## AL leaders

FROM PAGE 16

On Thursday, BNP national standing committee, the highest policymaking body of the main opposition, urged the government to sit for talks on formation of an election-time non-party neutral government.

AL insiders allege the appeal was made through a press release to make people forget the 48-hour ultimatum BNP Chairperson Khaleda Zia had issued on May 4, a day after the prime minister had asked her to sit for a dialogue anytime, anywhere.

AL Organising Secretary AFM Bahauddin Nasim said, "If BNP was really serious about the talks it would have joined the whole budget session and place their proposal on the poll-time government in parliament."

He said the door for dialogue would remain open.

Meanwhile, AL Joint Secretary General Hanif, also a special assistant to the premier, alleged that the demand for caretaker government was not BNP's main agenda; rather it wanted to hinder war crimes trials and save Khaleda's sons -- Tarique Rahman and Arafat Rahman Koko -- from the charges they were facing.

## Commuter

FROM PAGE 16

Another, named "Chittagong-Laksham Commuter Train", will make one round trip between Chittagong and Laksham daily. The maximum fare for this 132km route is Tk 60.

Each DEMU has three coaches with a capacity of 300 passengers.

The DEMU can make faster trips as it has engines at both ends and moves at a speed of 80km per hour, said Sukumar Bhowmick, Chittagong divisional railway manager.

So far, 14 DEMUs have been imported from China, and six more will soon arrive, according to the railway sources.

## N Korea town opens to Western tourists

AFP, Beijing

North Korea's authorities have opened the border town of Sinuiju to Western tourists, Chinese-based travel agencies said, despite international tensions over Pyongyang's nuclear test in February.

The move opens up the possibility of foreign tourists being able to make day tours to the secretive state, a considerably cheaper option than the more expensive multi-day trips currently on offer.

The country is largely sealed off from outsiders, with Western travellers allowed in only on strictly controlled tours.

After heightening its rhetoric in past weeks in response to international sanctions, Pyongyang has sent mixed messages in recent days, both firing short-range missiles and sending a top envoy to China who pledged to promote peace.

Simon Cockerell, co-founder of Beijing-based Koryo Tours, which specialises in trips to North Korea, said it had been seeking permission to add Sinuiju, opposite the Chinese city of Dandong, to its itineraries for years.

Now that it had been granted, his company hopes to begin offering day trips for 1,200 to 2,000 yuan (\$200 to \$330) from

next month.

"There's a different feeling there, as it's a major area for trade with China. They have a lot of Chinese goods. And every day you can see Dandong, so much richer, on the other bank," he said.

On a planning visit earlier this week he was greeted with an electric sign reading: "Warmly welcome Simon Cockerell David".

It is the main crossing between the two countries, and Sinuiju was previously open to Chinese visitors.

Gareth Johnson, director of Young Pioneer Tours, said Sinuiju would provide a lower-cost way to see North Korea as it could be done in a day.

"To go on a tour, it's three days minimum. We are the cheapest, but it is still too expensive for some people."

The North remains a niche tourist destination, with the five main agencies arranging trips to the country sharing 4,000 to 5,000 Western tourists per year.

"Of course, it is not mass tourism. My clients are people who are interested in politics, social matters, and discovering different things," Cockerell said.

"You don't go there to relax beside a swimming pool."

## Kerry meets Israelis, Palestinians in bid to revive talks

REUTERS, Jerusalem

US Secretary of State John Kerry held separate talks with Israeli and Palestinian officials on Thursday and acknowledged there was considerable skepticism that the two sides would resume peace negotiations.

There were no signs of any breakthrough as Kerry visited Israel for the fourth time in his four months in office to try to revive a peace process that has been moribund for more than two years.

Israeli-Palestinian negotiations broke down in late 2010 in a dispute over Israeli construction of Jewish settlements on occupied West Bank land that the Palestinians want as part of their future state.

"I know this region well enough to know that there is skepticism. In some quarters there is cynicism and there are reasons for it. There have been bitter years of disappointment," Kerry said as he and Israeli Prime Minister Benjamin Netanyahu posed for pictures.

"It is our hope that by being methodical, careful, patient, but detailed and tenacious, that we can lay out a path ahead that can conceivably surprise people but certainly exhaust the possibilities of peace."

Kerry met Palestinian President Mahmoud Abbas for lunch in the West Bank city of Ramallah and returned to Jerusalem to see Shimon Peres, who holds Israel's largely ceremonial post of president. He will have breakfast on Friday with Netanyahu.

Before their meeting on Thursday morning, Netanyahu said he wanted to restart peace talks.

"It's something I hope

the Palestinians want as well and we ought to be successful for a simple reason - when there's a will, we'll find a way," Netanyahu said.

The two men discussed ways to advance peace, Kerry's ideas for an economic plan to boost Palestinian growth and the "escalating violence" in neighboring Syria's civil war, a senior U.S. State Department official told reporters after the meeting.

Peres wished Kerry success in his mission but the U.S. top diplomat responded by saying success would be a prize for the adversaries, not his.

"You said that 'if you succeed' or 'if you fail' - I think it's not me, Mr. President. It really is a question of whether Israel and the Palestinians make the choices," Kerry told Peres and added that regional players had reached a "critical moment".

"This moment is a really critical moment for the region and particularly for Israel and for Palestine and for Jordan ... the importance of trying to resolve this in this moment, where there is a willingness for people to look for a way, can't be overstated," Kerry said.

Last week, Kerry telephoned Netanyahu to voice US concern at Israel's plan to declare legal four unauthorized West Bank settler outposts.

Most of the world deems all Israeli settlements in the West Bank as illegal. Israel, which captured the land in the 1967 Middle East War, disputes this. There are about 120 government-authorized settlements in the West Bank and dozens of outposts built by settlers without official sanction.

## IRS suspends division chief

AFP, Washington

The IRS placed the head of its tax-exempt organizations division Lois Lerner on administrative leave, according to an IRS statement Thursday, after she refused to testify about a scandal at the tax agency.

Lerner had come under intense criticism in recent days for failing to alert Congress about the Internal Revenue Service inappropriately scrutinizing conservative groups that were applying for non-profit status.

She also infuriated lawmakers Wednesday when she invoked her constitutional right not to testify at a hearing on the matter, yet stressed to the House Oversight Committee that "I have not done anything wrong."

In a statement introducing Lerner's replacement, acting IRS commissioner Daniel Werfel did not mention Lerner by name but said her successor, Ken Corbin, is "an ideal choice to help the exempt organization's area through this difficult period."

National Review reported that Lerner emailed colleagues Thursday to say: "Due to the events of recent days, I am on administrative leave starting today. An announcement will be made shortly informing you who will be acting while I am on administrative leave."

Lerner is a career federal employee who took over in 2006 as chief of the exempt organizations division, whose agents targeted "Tea Party" and other conservative groups with burdensome scrutiny.

## US Congressman

FROM PAGE 1

officials, workers and victims, the source added.

"This trip to Bangladesh is an important opportunity to examine the circumstances surrounding the tragic events that have taken so many lives and threaten the lives of so many others," Miller said in a statement.

"I hope to learn more about three particular aspects of these tragedies and American involvement in this burgeoning industry - worker safety and health conditions and the impact of the recently inked fire and building safety agreement, garment workers' rights to form unions without fear of retaliation or persecution, and whether Bangladesh is guaranteeing labour rights and acceptable working conditions that are expected if the United States is to maintain tariff relief provided under the Generalized System of Preferences (GSP), a decision on which is expected imminently," Miller said.

Miller, who has a long history in Congress of fighting against sweatshop and child labour, recently penned a front-page editorial on Women's Wear Daily to urge the fashion industry to come together and improve conditions in Bangladesh.

only 1 unit

**Are you the one dreaming of a sophisticated apartment at Baridhara Diplomatic Zone?**

*Top floor apartment with top of the line designer interior solution*

01729 09 11 44  
01729 09 11 46  
01729 09 11 55  
[www.apanrealestate.com](http://www.apanrealestate.com)

**Apan** real estate ltd

**WE GO BEYOND STANDARD**  
(Sister Concern of Apan Jewellers)