

Murder witness stabbed to death

OUR CORRESPONDENT, Narsingdi

Police yesterday recovered the body of a man, who was a witness in a murder case, in Narsingdi's Shibpur upazila.

Ahmedul Kabir, 37, of Chakradha union was found dead in the field of Baroigaon Government Primary School in the morning.

Md Farid Uddin, officer in charge of Shibpur Police Station, said Ahmedul was a witness of a case filed over the murder of two people — Jalal Mia, 35, and his brother Khurshed Alam, 30, in 2014.

Kabir's brother, Lelin Mia, said his death is likely linked to his testimony in the case. "A few men came to our house on Sunday at 11:55pm. They wanted to talk to Kabir so he went out with them. Later in the morning, we found his body near the school."

Multiple stab wounds were found on the victim's body, said Mohammad Mahmudul Kabir Bashar, residential medical officer at Narsingdi Sadar Hospital.

An investigation is underway to determine the motive behind the murder, said OC Farid Uddin said.



Prime Minister Sheikh Hasina in conversation with Congress Parliamentary Party Chairperson Sonia Gandhi, her son Rahul Gandhi and daughter Priyanka Gandhi at the ITC Maurya Sheraton Hotel in New Delhi yesterday.

AC land torches bales of maize stored in union office yard

OUR CORRESPONDENT, Thakurgaon

The Assistant Commissioner (Land) in Thakurgaon's Haripur upazila yesterday torched several piles of maize plants stored by farmers in the yard of Bhaturia Union Land Office.

Earlier, AC Abdullah Al-Noman Sarkar had ordered the farmers to move their crops and free up space at the yard, said Bhaturia Union Chairman Md Shahjahan.

"In response, the farmers had requested the official for some time. But AC Noman did not listen to the farmers and set fire to their crops without notice Monday evening."

Victims Shahidul, Johurul, Biplob, and Solim of Chapshar cluster village said they had picked the maize plants and stacked them in four piles in the yard away from the office building like every year as they have no space to harvest crops in their village. Of the four piles, two still had crops that were to be harvested.

The union chairman also said AC Noman threatened him with dire consequences when he came to the spot and stood by the people.

AC Noman, however, could not be contacted as he didn't pick up calls from this correspondent. Upazila Nirbahi Officer Md Arifuzzaman said he would notify the higher authorities.

According to media reports, AC Noman was recently transferred to Thakurgaon from Lalmonirhat for harassing local journalists.

Economic immorality called out

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and then withdrew it too. But nobody was caught."

He said if Tk 10 lakh is transferred via banks, the BFI notices it and is supposed to detect the source.

"The atmosphere for confidence has not been created. We see unbridled circulation of black money in the economy and capital flight."

Wahiduddin said when the economic indicators were strong, the irregularities, mismanagement, and waste were covered up. "It [the economy] had the capacity to absorb those. At present, it has no capacity to absorb this mismanagement."

The current economic crisis is not temporary, and mid- and long-term strategies are needed, he warned.

Citing mega projects, the economist said those were built with loans. He said some of them could have been built with equity sharing. "Then, it might have eased the pressure of debt repayment."

Wahiduddin said the economy is facing the challenges of stubborn inflation; erosion of foreign exchange reserves; lower revenue collection; lukewarm growth in remittance and export earnings; capital flight; indiscipline in the banking sector; massive corruption; and waste of public funds.

"In this situation, the budget was as usual ... which can be termed a sacrificial lamb that has no significant scope to do the many things that are required."

Due to lower revenue earnings, there is no scope for a budget with high expenditure, which the country requires. Considering the high inflation, the government had to contain the deficit too, he said.

In overall macroeconomic management, some basic weaknesses have been exposed.

He said low revenue collection was a big weakness, but the government has not taken any strong corrective measures.

Another weakness is the huge loans taken from internal and external sources. "If the government continues to borrow, the budget may fall into a debt trap."

Wahiduddin said the banking sector is the most sensitive to the economy. "But it is today left uncontrolled and unprotected."

"A massive qualitative change and reforms are necessary to get rid of these weaknesses. The question is whether the government's top level makes the promises and conducts the reforms. It will be clear in the coming days."

Hossain Zillur Rahman, executive chairman of the Power and Participation Research Centre, said, "The budget has been framed following the recommendations of the International Monetary Fund, the oligarchs, and bureaucrats."

"It was framed ignoring the concerns of the hardworking entrepreneurs and other real actors in the economy."

Following the IMF's recommendations, the budget's growth has been contained. It is focused on the preparation for graduation from the LDC group, he said.

The government has not taken any measures to reform the banking and revenue sectors. Instead, it allowed amnesty for legalising undisclosed money.

"This is an unjust step," he said, adding that such a measure was taken to please the oligarchs.

A former adviser to a caretaker government, Zillur said the government did not take steps to improve the business climate.

He said the tax-free income remains unchanged despite high inflationary pressure, and the target to raise more revenues through value-added tax impacts people irrespective of their incomes.

He listed five major challenges confronting the country: unfavourable macroeconomic conditions; the cost of living crisis; the joblessness of young people; the unfriendly business climate; and the moral value crisis.

Zillur termed the targets for curbing inflation and raising private investment "unrealistic" as there was no indication how these would be reached.

"If the government cannot reduce inefficient loans for budget implementation, control corruption that has already become institutionalised, and make the bureaucracy service-oriented, the economy will be in a huge crisis in the coming days."

He said an administrative reform commission was necessary. The bureaucrats' attitudes seem colonial, and the people face challenges in getting services from public agencies, he added.

Former Bangladesh Bank governor Salehuddin Ahmed said the government should reduce the size of the ADP (annual development programme) by Tk 1,00,000 crore to Tk 1,50,000 crore so that the budget deficit drops massively and so does the need for bank borrowing.

"The operating expenditure should also be reduced. If such bold decisions are made, banks will be able to lend more to the private sector. Otherwise, the government will borrow hugely from banks, squeezing

"It is changing the tax structure at will."

Salehuddin said there was no accountability in public spending.

Ahsan H Mansur, executive director at the Policy Research Institute, said fixing the interest rate to a single digit, keeping the exchange rate the same, and inefficiency in financial management, especially the banking sector, have created the macroeconomic problems.

He expects inflation to come down after a few months if the government can continue the contractionary monetary policy and supportive exchange rate management.

"If the central bank does not intervene in the banking interest rate, the exchange rate will remain at the existing stage. Then, inflation will be tamed."

Ahsan said the budget has some inconsistencies.

For example, the government has targeted to raise private investment to GDP ratio to 27 percent from the existing 23 percent. He questioned how the investment would be financed.

This is because the banking sector is already in a liquidity crunch due to the huge default loans. Moreover, the government will take 76 percent of new deposits, around Tk 1,70,000 crore, to finance its budget deficit.

"If the rest is to go to the private sector, investment cannot be raised to the targeted level, he added. "The banking sector is not in a position to lend a huge amount."

He urged the government to publish a white paper on how the banking sector got into the current situation.

Mansur suggested that the private sector borrow from abroad if the exchange rate remains stable for a few months.

"If they take up loans from external sources, they will get financing at a lower rate, and it will boost the foreign exchange reserves."

According to Mansur, the government has not cut its spending in the budget; rather, it only squeezed

its growth of spending.

"If it cuts expenditures by a significant amount, the private sector can get financing."

The government spends around 42 percent of its total expenditure on operations, which is a lot higher considering its service quality.

He said the US is run by 11 ministries, but Bangladesh has ministries manifold of that.

"Bangladesh does not need so many ministries, and the government should cut spending on the bureaucracy."

About the huge spending in the power sector, he said the government should renegotiate and revisit the power-related agreements to reduce costs, be it with Adani Power or local companies.

"The government needs to raise revenue by expanding the tax net. Due to the failure of this sector, the government has been forced to make its budget loan-dependent."

With the existing low revenue collections, it cannot be a developed nation, Mansur said, adding that easy government services have to be ensured so that people feel encouraged to pay taxes.

On the newspaper sector, Salma Islam, editor and publisher of the Daily Jagantor, said the industry is facing myriad challenges. "The government should announce this as an industry."

She proposed reducing duties and taxes on the raw materials used in publishing newspapers.

Fahmida Khatun, executive director of the Centre for Policy Dialogue, said, "The banking sector is becoming weaker and weaker. And many depositors complaining that they cannot withdraw their money."

She said the Banking Company Act has been amended to serve the interests of vested quarters and new formulas have been devised to reschedule loans.

Mahfuz Anam, editor and publisher of The Daily Star, AK Azad, publisher of the Samakal, and Dewan Hanif Mahmud, editor of the Bonik Barta, also spoke at the event.



"The government has to think seriously about the banking sector.. it should prepare a white paper on this sector. The failure of this sector will hold us back... We have destroyed the banking sector."

AHSAN H MANSUR, executive director of PRI



"There is no [government] effort to reduce costs ... An administrative reform commission is long overdue."

MOHAMMAD MUSLIM CHOWDHURY, former comptroller and auditor general

Mohammad Muslim Chowdhury, a former comptroller and auditor general, said there was no effort in cost saving, and operating expenditure eats up the lion's share of the budget.

He too said a commission for administrative reforms was long overdue.

Muslim, also a former finance secretary, said the volume of soured loans would be between Tk 4,00,000 crore and Tk 5,00,000 crore, which is huge considering the size of the budget.

Default loans amounted to Tk 1,82,295 crore at the end of March this year, according to the latest data from the Bangladesh Bank.

out the private sector and hurting job creation."

He said the government's debt is rising at a high rate, and there could be a situation where it would have to take out loans to repay loans.

"Already, our banking sector is suffering due to the huge amount of non-performing loans. Some people are taking out loans but are not repaying them. It seems the loan default has become a business model."

The former governor said the government changes the tax structure almost every year. There should be a long term plan so that businesspeople can assume what the tax structure would be.

Hasina, Modi look to foster ties further

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at her hotel in New Delhi to discuss the entire canvass of the bilateral ties.

Hasina congratulated him on becoming the cabinet minister again and invited him to visit Bangladesh, Hasan Mahmud said.

"We, the two countries, have been working to elevate and further expand our relations," Hasan Mahmud, quoted Jaishankar as saying.

Bangladesh Foreign Secretary Masud Bin Momen and PM Hasina's Press Secretary Nayeemul Islam Khan were also present during the press briefing.

Jaishankar in a post on X, formerly Twitter, said, "Honoured to call on Prime Minister Sheikh Hasina of Bangladesh today [yesterday]. The India-Bangladesh Maitri continues to advance."

Jaishankar was given charge of external affairs later in the day.

Hasina also held a meeting with Congress Parliamentary Party Chairperson Sonia Gandhi, her son Rahul Gandhi, and daughter Priyanka Gandhi Vadra at the hotel.

"CPP Chairperson Smt Sonia Gandhi ji, former Congress President Shri Rahul Gandhi, and Congress General Secretary Smt Priyanka Gandhi Vadra ji greeted Bangladesh Prime Minister Sheikh Hasina Wazed

ji and met other delegates in New Delhi today [yesterday]," Congress posted on X with a video of the meeting.

"They discussed a wide range of topics to strengthen the India-Bangladesh bond based on trust, cooperation, and a commitment to mutual growth," it added.

Hasina and Sonia embraced each other as the Bangladesh PM welcomed the Congress leader into her room. Right behind Sonia was Rahul wearing kurta-pyjama instead of his usual T-shirt and trousers, ready with a "namaste" followed by a hug. Priyanka Gandhi then entered and was also welcomed with a hug.

The bonhomie in Hasina's meeting with Sonia and her children was in keeping with the long-standing close relations between the PM and the Gandhi family, which date back to the ties between Bangabandhu Sheikh Mujibur Rahman and the then Indian PM Indira Gandhi, who played a stellar role in the liberation of Bangladesh in 1971.

Hasina wrapped up her New Delhi visit and returned home with her entourage on a special flight of Biman Bangladesh Airlines that landed at the Hazrat Shahjalal International Airport at 7:15pm yesterday.

Gas crisis hits consumers hard

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maintenance in Singapore for two and a half months. The gas supply situation in the country had been the same back then and people had to endure gas shortage.

Sabakat Sabri, a college student from the capital's East Shewrapara, said they have been facing an acute gas crisis for about a week.

"We have been living here for 15 years, but we never experienced such a bad gas supply situation," he told The Daily Star.

Sabri said they hardly have gas in the morning. "None of my family members can have breakfast at home before heading out to work. The gas pressure does not improve even around noon. That's why we have lunch late."

He said they started using an electric stove on Sunday.

Visiting five CNG filling stations in the capital over the last couple of days, this correspondent found long queues of cars and CNG-run auto-rickshaws.

At Anudip CNG and LPG Filling Station in Moghbazar, a long queue of vehicles was seen around midnight on Saturday.

Hossen Miah, an auto-rickshaw driver, was waiting for one and a half hours in front of a filling station in Satrasta area around yesterday noon. For the last couple of days, he needed at least two hours to refill.

"Be it day or night, the delay happens. As the gas pressure is low, the CNG cylinder cannot be filled. That's why drivers need to visit the filling stations more than usual," he said.

Farhan Noor, secretary of Bangladesh CNG Filling Station and Conversion Workshop Owners Association, said the normal pressure of gas is supposed to be 15 pounds per square inch (psi), but it is now 2 to 3 psi most of the time during the day.

On Saturday, locals in Narayanganj's Siddhirganj demonstrated on the Dhaka-Chattoagram highway, demanding smooth gas supply.

On June 5, President of Bangladesh Textile Mills Association (BTMA) Mohammad Ali Khokon wrote to the Petrobangla chairman demanding improvement of gas supply to the industrial belts, including Narayanganj, Narsingdi, Gazipur, Maona, Savar, Ashiila, Tongi and Sreepur.

Speaking to The Daily Star yesterday, he said there has been no improvement.

"Hundreds of factories are without gas, causing production loss," he said. Mohammad Hatem, managing director of MB Knit Fashion Ltd in Fatulla of Narayanganj, said their production was halted for four days last week.

In Savar's Ulail area, Madhumati

Tiles Ltd has been closed since June 1 due to lack of gas.

Md Salim Khalifa, general manager (accounts and finance) of the factory, said, "We had been getting gas at 3 to 5 psi for the last one and a half years. But the number reduced to 0.5 psi since the beginning of this month. We had no option but to send all 400 workers on leave."

Abu Saleh Mohammad Khademuddin, manager at the Savar zonal office of Titas Gas Transmission and Distribution Company Limited, said, "In our source supply line, the pressure was supposed to be 50 psi, but it is now around 20psi."

This newspaper could not reach Petrobangla Chairman Zanendra Nath Sarker and Titas Gas Managing Director Md Haronur Rashid Mullah for comments. They did not respond to calls yesterday.

An official of Petrobangla, wishing anonymity, said gas supply will not increase this month.

Prof M Shamsul Alam, energy adviser to the Consumers' Association of Bangladesh, said it was expected that gas supply from floating terminals would be disrupted during natural calamities.

"Such a vulnerable infrastructure is not useful for energy security ... When an LNG regasification unit stops production, there is no alternate to it," he said.

It is clear that the government is

depending on imported LNG rather than exploring local gas, he said, adding that the government has announced plans to explore 48 gas wells in three years. However, there is no reflection of this plan in the proposed budget.

"The government even fails to spend allocations for Gas Development Fund for gas exploration," he added.

Our Savar correspondent also contributed to this report.

S African parties talk coalitions

AFP, Johannesburg

South African parties were discussing forming a coalition government yesterday, as President Cyril Ramaphosa called on all groups to work together after general elections produced no outright winner.

Ramaphosa's African National Congress (ANC) won 40 percent of the vote — its lowest score ever — on May 29 and, for the first time since the advent of democracy in 1994, it needs the backing of other parties to govern.

"As the country prepares for a new democratic administration, all parties need to work together to sustain the momentum of reform, growth and transformation," Ramaphosa wrote in his weekly newsletter.