

Food price spikes may push 40m into extreme poverty

Think tank says

REUTERS, Washington

Massive price spikes for food and energy sparked by Russia's invasion of Ukraine will push over 40 million people into extreme poverty, the Center for Global Development (CGDEV) said on Friday, warning against export curbs and sanctions on Russian food production.

In an analysis blog, the Washington-based think tank said food commodity prices since the start of the conflict have risen above levels experienced in price spikes in 2007 and 2010. It cited World Bank Research showing that the 2007 spike may have pushed as many as 155 million people into extreme poverty, and separate research showing the 2010 episode pushed 44 million into extreme poverty.

Higher prices will force "hard choices between food and other necessities."

"Price increases seen to date are already of a similar magnitude to the 2010 increases, and our analysis suggests at least 40 million people will be pushed into extreme poverty by the 2022 price spike," CGDEV researchers wrote.

The World Bank defines extreme poverty as living on less than \$1.90 a day.

The researchers said the most immediate concern was for direct wheat customers of Ukraine and Russia, which together account for more than a quarter of world wheat exports. These include Egypt, Indonesia, Bangladesh, Pakistan, Azerbaijan and Turkey, but prices will rise worldwide as importers compete for alternative supplies.

Households in low-income countries allocate nearly half of their budgets to food, and higher prices will force "hard choices between food and other necessities." The CGDEV blog urged development agencies and international finance institutions to move quickly to respond to a clear increase in humanitarian needs around the world, while wealthy governments should provide supplemental funding to the institutions well in advance of the coming food crisis.



Vietnamese dwarf palms are short in stature as the name implies, and although they have smaller lifespans compared to taller arieties, these coconut trees are comparatively faster at bearing fruit. The photo was taken recently.

PHOTO: KONGKON KARMAKER

Dwarf coconut trees offer shortcut to success

KONGKON KARMAKER

Kazi Abu Saad Chowdhury, a resident of Ghoraghat upazila in Dinajpur, has found an answer to his financial woes in the form of Vietnamese dwarf coconut trees.

Vietnamese dwarf palms are short in stature as the name implies and although they have smaller lifespans compared to taller varieties, these coconut trees are comparatively faster at bearing fruit.

While orchards growing fruits such as lychee, mango and guava are commonplace, coconut tree plantations are a rare sight in the region due to its unfavourable climate and soil composition.

But considering the high local demand for coconuts, Chowdhury dreamed of planting the exotic variety ever since he came to know of it.

Chowdhury was unemployed for a prolonged period after attaining his bachelor's degree and spent a couple of years in Dhaka searching for a job.

He eventually returned to Ghoraghat where he started a cattle farm and later engaged in aquaculture. Still though, his earnings were insufficient to meet his family's monthly needs.

Chowdhury then learned about the Vietnamese dwarf coconut tree at the end of 2017 and after gathering enough information on how to cultivate



it, he planted 50 saplings on 1.5 acres of land in the area.

Having bought the saplings for about Tk 500 per piece from the local Department of Agricultural Extension (DAE) in mid-2018, his starting cost was around Tk 70,000 while other inputs included fertiliser that had to be applied every six months.

However, he mentioned that caring for the trees did not require much labour.

After carefully nurturing the trees with advice from the DAE, Chowdhury's dream finally came true when they started bearing fruit by the end of 2020.

Yields at the time were initially limited but after finding initial success, Chowdhury expanded his coconut cultivation the following year.

Now, many local youths

in the region that have been inspired by Chowdhury are looking to produce coconuts on a commercial basis.

As each full-grown dwarf coconut tree reaches a maximum of just four or five metres in height, it is easy to pluck the low-hanging fruit.

At first, Chowdhury sold the 100 coconuts he got from 47 plants at about Tk 40-45 per piece depending on the size.

However, he stopped selling the coconuts themselves and instead concentrated on producing saplings to supply interested locals.

"These plants are a perfect fit for our climate and soil," Chowdhury said.

"I am now selling each sapling for Tk 500 to Tk 600 per piece as there is high demand from local youths who are very interested to make orchards of this exotic coconut

on their land," he added.

Chowdhury went on to say that his orchard earned him about Tk 3 lakh so far and his earnings would only grow in the future thanks to rising production.

Chowdhury cultivated an additional 50 Vietnamese dwarf coconut trees on an acre of land this year and expects a yield of about 250 to 300 pieces of the fruit from each plant.

There is high demand for green coconut round the year but demand increases manifold during Durga Puja, the largest religious festival for the country's Hindu community.

However, the local demand for coconut in the region is met by fruit brought in from the northern parts of the country.

Chowdhury said five local youths have already established coconut orchards like his, and that such initiatives would help meet the supply deficit.

Ezamul Haque, deputy director of the Department of Horticulture under the DAE in Dinajpur, said many exotic fruits like Vietnamese dwarf coconuts were being grown in the region and its adjoining districts.

"These plants are profitable and need less labour and investment," he added.

According to data from the DAE in Dinajpur, nearly one lakh Vietnamese dwarf coconut tree saplings were sold to local farmers between 2015 and 2018.

'Happytalism' to drive sustainable business growth

SAZZADUL HASSAN

Happiness is a fundamental human goal. The General Assembly of the United Nations had recognised the relevance of happiness and well-being as universal goals back in 2012 and called for a more inclusive, equitable and balanced approach to economic growth that promotes the happiness and well-being of all human beings.

According to a UN resolution, there are three factors that hinder happiness: poverty, inequality, and environmental hazards.

This famous resolution was initiated by our neighbouring country Bhutan, who

acknowledged the value of national happiness over national income since the early 1970s. It was

Jigme Singye Wangchuck, the fourth king of Bhutan, who decided to measure the progress of his citizens by their happiness instead of by their wealth.

The king introduced the GNH (Gross National Happiness) in place of Gross Domestic Product (GDP). Eventually, in 2012 the General Assembly acknowledged

this concept and launched a project called United Nations New Economic Paradigm (NEP) with an objective to achieve the global happiness and well-being of all life on earth by 2050.

On Earth Day 2019, the NEP project called all citizens and nations to unite in making bold and swift paradigm shifts in their approach

to sustainable economic and human development, as well as to daily life

- by transitioning from capitalism to 'happytalism', a new economic system, socio-political philosophy, and human development paradigm that places the primacy of happiness, well-being, and freedom at the centre of human development and all life.

In the backdrop of the paradigm shift of the mindset of the policy-makers and ultimately the consumers, business leaders need

to incorporate the principles of happytalism into their policies and strategies to ensure sustainable business growth. From the perspective of the business, happytalism has two key components: happy consumers and happy employees.

It is generally believed that earning profit is the primary objective of business organisations. Not many organisations are so concerned about the emotional, social, or environmental impacts they have on the society they operate in.

However, off late, it is being observed that there has been increasing awareness about these important topics among policymakers and consumers as well. As a result, the regulatory environment is becoming stringent.

New regulations are being framed to protect society and its inhabitants. Corporations are being brought under intense monitoring of the regulators who are more vigilant nowadays.

One such regulatory change took place in France, where the government passed a legislation called PACTE in 2019. As a result, every company should have a corporate purpose and must care for the social and environmental issues arising from their activities.

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UKRAINE WAR

Global lenders see widespread economic fallout

AFP, London

The International Monetary Fund, the World Bank and other top global lenders warned Friday of "extensive" economic fallout from Russia's invasion of Ukraine and expressed horror at the "devastating human catastrophe".

"The entire global economy will feel the effects of the crisis through slower growth, trade disruptions, and steeper inflation, harming especially the poorest and most vulnerable," they said in a joint statement, warning that the conflict was increasing poverty.

"Higher prices for commodities like food and energy will push inflation up further."

The Ukraine crisis has sent oil prices rocketing close to record levels of \$140 per barrel, while other commodities, including aluminium, coal, copper, natural gas, nickel, tin, wheat and zinc have hit historic highs on supply fears. The statement was issued a day after a meeting to discuss the global impacts of the Ukraine war - and their individual and collective responses to the escalating crisis.

Other signatories included the Council of Europe Development Bank, the European Bank for Reconstruction and Development (EBRD) and the European Investment Bank (EIB).

"We are horrified and deeply concerned about the Russian invasion of Ukraine and the ensuing crisis," the lenders said.

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Pump jacks operate at dusk near Loco Hills in Eddy County, New Mexico. The Ukraine crisis has sent oil prices rocketing close to record levels of close to \$140 per barrel, while other commodities have also hit historic highs on supply fears.

PHOTO: AFP/FILE

Rouble down near 25pc in 4 weeks

REUTERS

The Russian rouble fell in light trading in Moscow on Friday, with trading on separate exchanges stabilising beyond 100 to the dollar, after the central bank opted to hold rates at 20 per cent and said it would start purchasing OFZ government bonds.

The central bank kept its key interest rate unchanged on Friday, in line with a Reuters poll of analysts, following an emergency rate hike in late February, but warned of higher inflation and an economic contraction this year, without giving new forecasts.

The central bank's actions have come in support of an economy buckling under the stress of sanctions from across the globe, triggered by Russia's invasion of Ukraine late last month.