


POSSIBLE EFFECTS

AGRICULTURE

- Irrigation, tilling, threshing costs to rise
- Farmers to count increased production cost
- Transport costs of farm produce to go up

FOOD SECURITY

- Overall acreage of paddy may decline
- Import dependency for food to increase
- Food and nutrition security of poor to be affected



FUEL PRICE HIKE

NOV 2021

Diesel and kerosene prices were raised by **23%** (from Tk 65 a litre to Tk 80 a litre)

AUG 2022

Prices of all petroleum products went up

Diesel & kerosene:



42.5% (from Tk 80 a litre to Tk 114 a litre)

Petrol:

51% (from Tk 86 a litre to Tk 130 a litre)

Octane:

51.7% (from Tk 87 a litre to Tk 135 a litre)





TRANSPORT

- Bus fare to shoot up
- Truckers to hike fare too

INDUSTRY

- Overall production cost to rise
- Export competitiveness to erode



OVERALL IMPACT

- Inflation to go up
- Real income of common people to fall

‘Humanity playing with a loaded gun’

UN chief warns over nuclear weapons

AFP, Hiroshima

“Humanity is playing with a loaded gun” as crises with the potential for nuclear disaster proliferate worldwide, UN head Antonio Guterres said in Hiroshima yesterday, the 77th anniversary of the first atomic bomb attack.

At an annual memorial, Guterres warned of the risk posed by crises in Ukraine, the Middle East and the Korean peninsula as he described the horrors endured by the Japanese city.

“Tens of thousands of people were killed in this city in the blink of an eye. Women, children and men were incinerated in a hellish fire,” he said.

Survivors were “cursed with a radioactive legacy” of cancer and other health problems.

“We must ask: What have we learned from the mushroom cloud that swelled above this city?”

Around 140,000 people died when Hiroshima was bombed by the United States on August 6, 1945, a toll that includes those who perished after the blast from radiation exposure.

Strike on Zaporizhzhia nuclear plant

Kyiv, Moscow trade blame as fighting rages

AFP, Kyiv

Kyiv and Moscow yesterday accused each other of striking Europe's largest nuclear site, causing a reactor stoppage as three grain ships departed Ukraine under a deal to avert food shortages.

Russian troops have occupied the Zaporizhzhia nuclear plant in southern Ukraine since the early days of their invasion and Kyiv has accused them of storing heavy weapons there. Moscow, in turn, has accused Ukrainian forces of targeting the plant.

“Three strikes were recorded on the site of the plant, near one of the power blocks where the nuclear reactor is located,” Ukraine's state-run nuclear power plant operator Energoatom said in a statement.

“There are risks of hydrogen leakage and radioactive spraying. The fire danger is high,” Energoatom said. It did not report any casualties.

It said staff of Russian nuclear operator Rosatom had hastily left the plant before the attacks, which damaged a power cable and forced one of the reactors to stop working.

Ukraine President Volodymyr Zelensky in his daily video address said Russia

should “take responsibility for the very fact of creating a threat to a nuclear plant”.

“Today, the occupiers have created another extremely risky situation for all of Europe: they struck the Zaporizhzhia nuclear power plant twice. Any bombing of this site is a shameless crime, an act of terror,” he said.

“There are risks of hydrogen leakage and radioactive spraying. The fire danger is high.”

Plant operator Energoatom said.

The Ukrainian foreign ministry earlier said the “possible consequences of hitting a working reactor are equivalent to using an atomic bomb”.

The defence ministry in Moscow denied the reports.

“Ukrainian armed units carried out three artillery strikes on the territory of the Zaporizhzhia nuclear power plant and the city of Energodar,” it said.

Moscow meanwhile announced on Friday that it was imposing entry bans

on 62 Canadian citizens including government officials.

The Russian foreign ministry said the list included figures known for “their malicious activity in the fight against the ‘Russian world’ and our traditional values”.

In Ukraine, a controversy has flared over accusations that it is violating international law and endangering civilians in its fight against the Russian invasion.

Amnesty International released a report on Thursday listing incidents in 19 cities and towns where Ukrainian forces appeared to have put civilians in harm's way by establishing bases in residential areas.

President Zelensky equated the accusations to victim-blaming. In his evening address on Thursday, he said the rights group had sought to offer “amnesty (to) the terrorist state and shift the responsibility from the aggressor to the victim”.

Amnesty said a four-month investigation had found that the Ukrainian military had established bases in schools and hospitals, and launched attacks from populated areas.

Towards a breaking point?

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is, the real cost will be lot more. The price hike will have a multiplier effect,” she added.

The price of rice – the staple has seen an 11.2 percent rise from last year's – will see a further jump, the expert worries.

As Bangladesh saw the lowest rainfall in July in 41 years, many Aman farmers have been using diesel-run pumps to irrigate. But diesel is now

almost one and a half times more expensive, she said.

“Some farmers may choose reducing their production, which could jeopardise food security. We may even have to import rice.”

Traders in Karwanbazar are already feeling the pinch.

Mohammad Sabui, owner of Bikrampur Alu Bhandar, said he used to pay Tk 15,000 as fare for a truck of potatoes. But he had to hire each truck

for Tk 21,000 yesterday morning.

The potato prices today will reflect the new transport cost, he explained.

Yesterday, bus fares also went up.

For the regular middle class office-goer, the 50 percent rise in petrol and octane prices will deliver the final nail. These are the commuters who had pinched pennies to afford a motorcycle – 35 lakh of these vehicles are on the roads, and considered the primary vehicle for many.

The hikes come at a time when wage growth in Bangladesh declined to a seven-year low, according to BBS.

Saiful Islam, a shopkeeper at a kitchen market in the capital's Sheorapara, said broiler chicken has been the main source of protein for his two secondary-school children as fish is too expensive for him.

“The rising costs might make me stop eating chicken too,” he lamented yesterday.

Chinese FM arrives in Dhaka

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Md Shahriar Alam, state minister for foreign affairs, received the Chinese minister there.

Obaidul Quader, minister for road transport and bridges and also the general secretary of the ruling party, hosted a dinner in honour of the Chinese foreign minister in the evening.

International relations analyst said China is likely to deepen engagement with Bangladesh, especially when the global geopolitical polarisation is sharpening.

US House Speaker Nancy Pelosi's visit to Taiwan last week has further angered China, prompting it to

conduct military exercise in the Taiwan Straits.

Bangladesh will make a strong point on the repatriation of the Rohingyas.

The country will also focus on trade and investment.

Bangladesh imports nearly \$13 billion worth products from China, but its exports to China is below a billion.

Foreign ministry officials said Bangladesh will seek duty-free facilities for 100 percent products for their export to China.

Abdur Razzaque said Bangladesh can also get agriculture technology from China.

Should’ve been done in phases

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“This has more to do with buying some fiscal space,” said Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue.

The demand for fuel is inelastic, so a price hike – and the accompanying cutback in subsidy – will fill up the state coffers, he said.

It would, undoubtedly, further fuel inflation, which remains well above fiscal 2021-22's targeted 5.6 percent.

The government could have withdrawn the duties and taxes on fuel imports or gone for the price hike in stages to not pile on the misery on the common people, who are already grappling with a cost of living crisis, Rahman said.

manner, then the higher price of fuel would have been more tolerable, said Mansur, also a former economist of the IMF.

“If it was done in a planned manner, this massive hike would not have happened and at this moment, when the other countries are slashing their fuel price. But we got a big hit. We never do anything in a planned manner. It was the same in the case of the exchange rate.”

The forward expectations of fuel are on the decline in the global market,

pricing formula without delay.

“There would be transparency then. People would have gotten the assurance that the fuel price would come down when it drops in the global market,” he added.

Nasrul Hamid, the state minister for power, energy and mineral resources, assured that the price would come down when it drops in the global market.

The 42.5 percent increase in the price of diesel brought it on par with that in India, with whom Bangladesh

BUS ROUTE	NEW RATE (per km)	PREVIOUS RATE (per km)	RISE
Long distance bus	Tk 2.20	Tk 1.8	22.22%
City bus (Dhaka, Ctg)	Tk 2.50	Tk 2.15	16.28%
Minibus (Dhaka, Ctg)	Tk 2.40	2.05	17.07%

according to Mansur.

“From now, the government should link the price of fuel with the global market. Then the price fluctuations would be acceptable and there would not be any politicisation of the fuel price. The linkage is very important,” he said.

Hussain cited the case in India, where the fuel prices are linked.

“Even after the hike, the government is saying that it would be racking up losses. But in India, where the price is the same, the sellers are not counting losses. It is because they have cracked a beneficial pricing formula – India has daily price adjustments.”

Hussain went on to urge the government to come up with a fuel

shares a 4,100-kilometre border.

“If we have a difference of Tk 50, Tk 80 with India, then a huge amount of diesel is likely to go through the border,” Hamid told The Daily Star yesterday.

Earlier on July 18, the government decided to suspend electricity generation in power plants run by diesel, which accounts for the majority of fuel imports, as well as a raft of energy-saving measures.

“I said I will not use diesel for electricity generation – I cut off a thousand megawatts. Still, the demand for diesel has not decreased.”

As much as 90 percent of diesel brought into Bangladesh is used by the transport sector and for irrigation, he

said.

“We are saving in our sector, but not in the transport sector. In the last one month I have repeatedly said that you should be watchful in your fuel consumption. Use the car a little less, cut down on electricity use, reduce gas consumption. But no one listened.”

Before going ahead with the hike, the ministry considered slashing the excise duty and taxes – which go up to 37 percent – on fuel imports. But that option was ruled out as the tax collected goes to the state coffers and is used for other purposes.

In the end, the government banked on basic economics to bring down the consumption of fuel, which comprises 30-35 percent of Bangladesh's imports.

“I am raising the price because I want to save myself from bankruptcy. I have to import fuel and I have to supply,” Hamid added.

US asst secy Sison

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issue are also expected to be discussed during the visit.

The US assistant secretary has already visited India. She will go to Kuwait as part of her tri-nation visit from August 2-10.

During her stay in Bangladesh, Sison will have consultations on a range of US multilateral priorities, including combating food insecurity, advancing global health, addressing human rights and humanitarian needs, peacekeeping and peacebuilding, and support for Rohingya refugees.

Case filed against 2 union-level BCL leaders for rape

A CORRESPONDENT, Rangamati

A case was filed against two leaders of Bongaltoli union Bangladesh Chhatra League, along with three of their cohorts, on Friday on charges of raping a 21-year-old college student in Rangamati's Baghaichari upazila.

The victim's father said, even though the incident occurred on July 15, he delayed filing the case with Baghaichari Police Station due social stigma and pressure from locals to go for an arbitration.

The accused are Bongaltoli BCL's President Jishu Chawdhury, 27, it's general secretary Biplab Barua Sohel, 26; and Md Arif, 26, Md Rassel, 29 and Amal Barua, 45.

According to the case, Biplab lured the victim out of her house around 9:00pm and took her to his house, where he and the others raped her.

After the case was filed, she was sent to Rangamati General Hospital for tests and kept in police custody, the father said yesterday.

Md Anwar Hossain, OC of Baghaichari police, said a drive is going on to arrest the accused.

2 more die from Covid

STAFF CORRESPONDENT

Two more people died from Covid-19 in the 24 hours till 8:00am yesterday.

During the same period, at least 220 people tested positive for the viral infection, said a press release of the Directorate General of Health Services.

The positivity rate stood at 5.56 percent against a total of 3,959 samples tested across the country.

Of the dead, one was from Rajshahi division while the other from Khulna.

With the latest count, the total number of fatalities rose to 29,304, and cases to 2,00,7,119, the DGHS said.

Rare flooding traps 1,000 people in US Death Valley

AFP, LOS ANGELES

Major flooding in California's Death Valley on Friday stranded approximately 1,000 people, buried cars and shut down all roads into and out of the famously parched national park.

No injuries were reported, according to the National Park Service, but around 60 cars were bogged down under several feet of debris.

“Unprecedented amounts of rainfall caused substantial flooding,” the National Park Service said in a statement, adding that “there are approximately 500 visitors and 500 staff currently unable to exit the park,” which is in Eastern California's Mojave Desert.

The floodwaters tore up sections of paved roads and pushed dumpster containers into parked cars, causing the vehicles to collide. The rain also flooded offices and hotels, the park said.

The park service added that all roads serving the park will remain off-limits until officials can determine the extent of the damage.

A total of 1.46 inches (3.7 centimeters) of rain fell in the park's Furnace Creek area, almost tying the previous daily record of 1.47 inches. The average annual rainfall is less than two inches a year.

Higher temperatures caused by climate change mean the atmosphere holds more moisture, unleashing more rain.