



Workers at the Baharpur jute market in Baliakandi upazila of Rajbari are seen loading the natural fibre onto a truck bound for a local mill. Jute growers and traders have been suffering from inadequate prices recently as ongoing global economic crises have led to reduced demand.

PHOTO: SUZIT KUMAR DAS

Jute prices continue to fall

Lower exports, lack of domestic use to blame

SUZIT KUMAR DAS and
KONGKON KARMAKER

Jute growers in Bangladesh are facing deepening woes as prices of the natural fibre have been in a downward slide amid a consistent decline in exports, according to industry insiders.

Besides, sales in the domestic market are scant at best due to the government's indifference towards enforcing a law making it mandatory to pack certain commodities in jute bags.

As such, the finest quality jute is currently being sold at about Tk 2,600 per maund (37 kilograms) while it was Tk 2,700 just one month back, they said.

The price of medium quality jute fell the most, decreasing by about 20 percent year-on-year to Tk 2,100 per maund in absence of adequate demand from mills.

"The situation in the jute market is very dire as farmers are suffering for low prices," said Ganesh Chandra Saha, managing partner of International Jute Traders, a major raw jute exporter.

Saha said the falling global demand for raw jute and jute goods, such as yarn and sacks, is mainly due to the economic slowdown resulting from ongoing conflicts in major markets such as Europe and Africa.

For example, the ongoing Russia-Ukraine war, military coup in Sudan, unrest in Syria and devastating earthquake in Turkey, the main yarn importing country, has caused a slump in demand for jute goods.

Similarly, the demand for raw jute in major markets like India and Pakistan have fallen too.

This is because India, the world's biggest producer of the golden fibre, enjoyed sufficient yields this year while demand in Pakistan has been hampered



by the country's economic turmoil, he added.

Export earnings from jute and jute goods have been lodged in a downward spiral since fiscal 2021-22 and the trend has continued this year too.

Receipts from shipments of jute and jute goods dropped nearly 10 percent year-on-year to \$222 million in the July-September period of the current fiscal year, as per data of the Export Promotion Bureau.

Increased usage of jute bags in the domestic market could have cushioned farmers from the reduced global demand by helping ensure higher prices and sales at home.

However, domestic usage has not increased sufficiently even though the government framed a law making it mandatory to use jute bags for packaging 19 commodities, including rice and wheat, in 2010.

The law was enacted to protect the interests of jute growers and millers while also limiting the use of the environmentally harmful plastic bags.

"But the law has had no effect on the market," Saha said.

Echoing the same, Md Abul Hossain, chairman of the Bangladesh Jute Mills Association, said the government is "playing ducks and drakes" when it comes to enforcing the law.

"As a result, farmers will switch to other crops if they do not get enough profit from jute," he added.

Abdus Salam, a farmer based in Mominpur village under Rangpur sadar upazila, shared this line of thought, citing how traders are offering him just Tk 2,000 per maund for raw jute.

"At this rate, many growers will shift to more profitable crops like tobacco and vegetables," he said.

Abdur Razzak, a jute farmer in Sundarganj upazila of Gaibandha, said farmers would benefit from cultivating jute if prices of the golden fibre are set between Tk 2,700 and Tk 3,300 per maund.

Farmers in the country's main growing regions – Rajbari and Faridpur – are some of the worst affected by the declining

prices as they invest a lot of time and money to raise the crop.

Local growers and traders said they sold raw jute for Tk 2,600 to Tk 3,200 per maund in 2023 while the price has tumbled to just Tk 1,600 to Tk 2,600 at present.

Ramjan Ali, a jute farmer from Baliakandi upazila in Rajbari, said he had come to the Baharpur jute market to sell eight maunds of the natural fibre.

However, Ali ultimately sold his jute at loss as it was purchased for about Tk 1,700 per maund even though each maund cost roughly Tk 1,770 to produce.

With this backdrop, growers are demanding the government to intervene and ensure reasonable prices.

Contacted, Textiles and Jute Secretary Md Abdur Rauf said they are trying to enforce the law that makes it mandatory to use jute bags for packaging select goods but are facing resistance from various quarters.

He informed of two instances where officials faced backlash when trying to enforce the law.

The first was when a mobile court was attacked by traders in Dinaipur for imposing a penalty on their failure to use jute bags for packaging rice.

The second case was in Dhaka, where the mobile court was forced to return without taking action.

"Also, polythene and plastics bags have flooded the market," Rauf said.

"So, conducting drives will not ensure increased use of jute bags amid the abundance of plastic bags," he added, suggesting that other government agencies should come forward to reduce plastic usage.

Rauf also informed that another reason for their inability to enforce the law is that the Department of Jute lacks the required manpower.

Who says I am exaggerating?

MAHTAB UDDIN AHMED

There is one thing that nobody can escape and that is problems, no matter how relative it may be. There was once this young man who thought he suffered from too many problems. So, he called out to God, asking for help.

God appeared in his dream and offered to remove all his problems if he agreed to do one thing. The young man was eager to know what it was.

God said, "You have to exchange your problems with someone else's problems."

He agreed readily, and God took him to a room which was full of many bags of problems. He was told he could choose any bag he wanted in exchange for his problems.

He looked around and saw a very small bag in the corner. He picked it up wondering who was so fortunate to have so few problems, and expressed his wish to trade all his worries with this tiny bag of problems. But to his dismay, God informed him that the bag he chose was his own bag of problems!

We are often guilty of exaggerating our own problems, as aptly quoted by Kahlil Gibran, "Exaggeration is truth that has lost its temper."

The reasons for our tendencies to magnify our problems beyond the truth can be many. We may do it to get attention, sympathy, and appreciation.

It usually stems from our sense of not getting adequate attention or a desire to be taken more seriously. By making our problems sound more serious or worse than they are, we, in fact, hope to stir more positive responses from the people around us.

According to a 2019 survey by YouGov, 59 percent of Americans admit to exaggerating their problems sometimes, often, or always, while only 9 percent say they never do so.

The most common reasons for exaggerating problems are to get sympathy or attention (28 percent), to make a story more interesting (25 percent), or to vent frustration (24 percent). The most common topics for exaggerating problems are work (37 percent), health (29 percent), and relationships (28 percent).

People exaggerate their problems to justify their emotions or actions. They may feel guilty and ashamed of how they handle

their problems and try to rationalise or defend their feelings or behaviours by exaggerating them.

Another reason is to avoid taking responsibility for our own problems, as exaggeration helps externalise them, making them more uncontrollable giving a leeway to escape from our own flaws or challenges.

The practice of exaggerating problems is rampant in every sphere of life, from personal to corporate, particularly in the sub-continent. Every other person seems to have an attitude that he or she is carrying the nation's problems on their back. But this attitude can have grave adverse consequences for all concerned, namely miscommunication and conflict with others.

Exaggerating our problems may create a false impression that others may not agree with or understand. But more importantly, it leads to mistrust or loss of credibility and social mockery or even isolation.

We fail to realise that when we exaggerate our problems, we focus more on the negative aspects of our lives, overlooking our strengths and achievements. As a result, it lowers our self-esteem and prevents us from finding fulfilment in life.

Therefore, it is essential to be honest about our problems and call a spade a spade. In fact, it can earn us more social credibility and respect and, more importantly, help us channel our energy towards the solution.

Try not to exaggerate your own importance, your status, or your own problems. Remember, you are not a big deal. You are a dot in the universe. You are one out of a few billion people. You are one out of countless trillions of living things. You are not a big deal and neither are your problems.

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Sri Lanka cuts interest rates

AFP, Colombo

Crisis-hit Sri Lanka cut interest rates by 100 basis points Thursday as the second instalment of an IMF bailout was held up after the government missed several loan conditions.

The Central Bank of Sri Lanka (CBSL) said it reduced the benchmark lending rate to 11 percent as year-on-year inflation fell sharply last month to 1.3 percent, compared to a peak of nearly 70 percent a year earlier.

The latest policy rate reduction came as the government failed to secure the second tranche of \$330 million out of the \$2.9 billion four-year bailout agreed with the International Monetary Fund in March.

Colombo had hoped to get the second instalment last month after the first review of the IMF program.

However, the international lender noted that Sri Lanka had, among other things, fallen short of the agreed revenue targets and needed to increase tax collection.

Sri Lanka was also yet to finalise a restructuring plan with its private and bilateral lenders after defaulting on its \$46 billion external debt in April last year.

CBSL said it hoped the latest rate cut, which comes on top of two in June and July, would help revive the economy.

"The financial sector is urged to pass on the benefits of the continued easing of monetary conditions to individuals and businesses adequately and swiftly, thereby supporting the envisaged rebound of the economy," the bank said.

The IMF said last week that Sri Lanka's economy had shown early signs of stabilisation, but recovery was "not yet assured".

Choppy waters as Europe navigates China-US rivalry

REUTERS

At a World Trade Organization event in September, former British prime minister Gordon Brown voiced out loud the fear that has quietly started to echo in the halls of power across Europe.

"Europe does not want to end up squeezed between America and China, either a Chinese colony or an American colony," he said of a scenario in which rivalry between China and the United States could lead to a world of two hostile power axes.

"For even if Europe would always choose America, upon whom its security depends, it also knows that its lifeblood, far more so than for the USA, is trade," added Brown, who since quitting UK politics has taken senior UN roles on global issues.

The fracturing of the rules and bonds tying the global economy together – so-called "geo-economic fragmentation" – seemed implausible only a few years ago. Now, it is a headline topic at the International Monetary Fund's annual meeting of economic leaders in the Moroccan city of Marrakech next week.

Nowhere is it more pressing than for Europe, whose wealth has always relied on

trade, from its rapacious colonial history through to its reinvention as self-styled champion of WTO rules.

Together, the 27 countries of the European Union make up the world's biggest trade bloc, accounting for 16 percent of world imports and exports.

That also makes them highly reliant on goods from elsewhere, ranging from critical raw materials to blood plasma.

But tariffs and other trade curbs are rising as governments seek to counter populist rivals who have snapped up the votes of those left behind by two decades



In this file photo, Chinese and US flags flutter outside the building of an American company in Beijing.

PHOTO: REUTERS/FILE

of rapid globalisation including China's entry into the global trading system.

Both the United States and Europe have been hardening their stance towards Beijing while stressing the rules of world trade must be fairly applied. But Washington, some observers argue, is already testing how far those rules can be stretched.

"Europe's clear belief in holding to WTO principles in a world where the other two big powers don't really hold to them limits, in some ways, its opportunities for cooperation with the United States," Brad Setser, a trade veteran who has advised the Biden administration, told a Brussels audience last month.

One sign of that was the strain in talks on a US-Europe "green steel" club erecting trade barriers to box out China. The main EU concern is that the US proposals could break WTO rules by discriminating against third parties.

Back in 2020 there was a sigh of relief among most European governments when Joe Biden replaced Donald Trump as president. But they now recognise that any US consensus for free trade has long gone and that they must adapt – preferably before a 2024 US election that might return Trump to the White House.