



Consumers brace for price shocks

Rising prices of essentials, electricity costs make Ramadan a challenge for low, fixed-income people

SHAHEEN MOLLAH and AZMIN AZRAN

Consumers are bracing for multiple price shocks ahead of Ramadan that usually marks a period of high household spending.

One major shock comes from a spike in the prices of essential goods. To make matters worse, electricity prices are set to go up by 34 and 70 paise per unit effective from March. This represents a 7-10 percent jump from a year earlier.

This comes at a moment when the government struggles to contain stubbornly high inflation. The Consumer Price Index climbed 45 basis points to 9.86 percent in January from the previous month, defying measures undertaken by the central bank to curb inflation.

The Daily Star visited 11 kitchen markets across the capital in the last two days, including markets in Mirpur, Purba Shewrapara, Kachukhet, Mohakhali, Gulshan, Korail, and Karwan Bazar to gauge how price shocks affect the people on the margins.

Following recent surges, market prices appear stable. Yet for lower and fixed-income groups, prices are out of reach already, and things may go from bad to worse when the new electricity prices come into effect.

Hazera Begum, a worker at a sweatshop, and her husband Alpon Miah, a labourer, said their combined monthly income of around Tk 20,000 is not enough to support two school going children and elderly family members in the village.

After paying Tk 3,500 in rent at Korail slum and spending for food, utilities and transport, they have very little left to send back home. Five years ago, they made less money, but were able to save. But their income has remained static in the last couple of years while rent has gone up by Tk 700 in January. With rising electricity prices, they fear it may go up again.

"Tk 200 used to be enough to buy groceries. Now, Tk 300 is not enough," said Alpon Miah.

Hazera Begum said that their diet consists of cheap fish twice a week, and shutki, dal, and eggs with rice on most days.

The price of daily essentials has become a thorn in the side of people of different social strata. Mohammad Hasan, staff member at a mobile shop of the government's subsidised open market sale programme in Purba Shewrapara, said, "Since anyone can buy food from our truck, house owners and solvent people along with the poor are queuing up behind our shop these days."

The common varieties of dates -- a must have iftar item for many -- are going for Tk 500-1,100 a kg in Karwan Bazar and Kachukhet, up from last Ramadan's Tk 250-450. This has happened even though the government reduced import tariffs on rice, sugar and dates earlier this month.

Soybean oil prices have gone down recently. A five-litre bottle which was previously Tk 835-840 now goes for Tk 810-820.

Traders say that despite tariff reduction, sugar is now going for Tk 140-160 a kg, up by Tk 5-10 from last week.

Among other Ramadan staples, chickpeas are being sold for Tk 95-

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BURIGANGA BLACKENED ... The Buriganga is now more of a mixture of pollutants -- chemical, household and medical wastes, sewage, dead animals, plastics and oil -- instead of the thriving river it once used to be. The intense degradation of its water quality has long been detrimental to the environment and the river ecosystem. The photo was taken from the Sadarghat launch terminal in the capital recently.

PHOTO: AMRAN HOSSAIN

Stop extortion to contain prices of essential items

Urge leaders and representatives from different trade bodies

STAFF CORRESPONDENT

Business leaders yesterday expressed anger over extortion in the supply chain of commodities, pinning the nuisance as a major barrier to containing the prices of essentials.

Traders are forced to pay money at multiple stages to bring a product from the grass root level to the wholesale markets in the divisional cities, said Saidur Rahman, general secretary of Karwan Bazar Kanchamal Arod Malik Samity, at a meeting organised by the country's apex trade body.

The meeting, which took place at the Federation of Bangladesh Chambers of Commerce and Industry's office in the capital's Motijheel, was to review the production, import, storage, supply and prices of essential commodities ahead of Ramadan.

Extortion takes place when a commodity-carrying transport enters the upazila towns from village markets, Rahman said.

"When the truck enters a district town from upazila, another round of extortion takes place. When the truck enters the highway, there is another round. The final round of extortion takes place when the truck enters the divisional cities."

As a result, the transport cost of the products increases, Rahman said.

Even when buying from the wholesale markets, the retailers have to pay Tk 200 just to load the goods onto the trucks, said Md Salahuddin, president of New Market Kanchabazar Babosayi Samity.

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Cabinet expansion on cards

PM considers including several new members

STAFF CORRESPONDENT

Prime Minister Sheikh Hasina is mulling over the expansion of the cabinet with new faces.

Multiple sources in the government and the ruling Awami League said the changes may happen by Saturday.

The reason it may happen before Saturday is because President Mohammed Shahabuddin, who has to administer the oath taking of new cabinet members, will be leaving for the UK and the UAE on Sunday for around 15 days, said several sources concerned.

Neither any minister, a state minister nor a deputy minister has been appointed to the Ministry of Labour and Employment and the Ministry of Cultural Affairs. In previous AL governments, two ministers were appointed to these ministries.

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COCAINE SMUGGLING Dhaka a vital cog in the wheel

MOHAMMAD JAMIL KHAN

On January 25, Nomthandazo Towera Soko, a Malawian national, landed in Dhaka with 8.3 kilograms of cocaine. A nurse by profession, she was hoping to earn \$3,000-\$4,000 for bringing the drug to Bangladesh.

On successful delivery of the consignment, Soko would have gotten the amount deposited to her Nigerian bank account.

That transfer would have been done by Ezech Emmanuel Chidera, a Nigerian national who is studying at a private university in Dhaka on a scholarship.

Chidera and his girlfriend handle the bank accounts from which payments are made to the mules for each leg of the consignment's transit to its final destination in Europe or the US.

The couple work for Don Franki alias Jacob Franki, who has been residing in Bangladesh for the last nine years in the guise of a garment trader.

For Soko, that payout never materialised as she got caught with the cocaine at the Hazrat Shahjalal International Airport, in what was a record bust of the powerfully addictive stimulant drug.

She along with seven others have so far been arrested, all believed to be cogs of a transnational drug trafficking ring that smuggles cocaine from Africa to Europe or the US via India and Bangladesh, said officials at the Department of Narcotics Control (DNC).

DNC has arrested Chidera along with Cameroonian Kelvin Yenge, Nigerians Nonso Ezema Peter alias Oskar and Ndulu Ebuka Stanley alias Podosky, Tanzanian Mohamedi Ali Mohamedi and Bangladeshi nationals Saiful Islam Rony and Asaduzzaman Apel.

The mastermind Franki though managed to flee to Nigeria. Six of the arrestees have given their confessional statements.

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Bangladesh has been used as a transit route for cocaine smuggling for a decade now.

BUSINESS

CLIMATE CHANGE MAY COST RMG SECTOR \$27B A YEAR BY 2030

Bangladesh could lose a staggering \$27 billion in annual apparel exports by 2030 if it does not adopt a climate-adaptive approach due to high-heat and floods, according to a new study. About 2.5 lakh employees in the sector will lose their jobs due to such climate-induced disruptions by the year. The study -- Climate Resilience and Fashion's Costs of Adaptation -- was jointly conducted by Cornell University and Schroders.

STORY ON B1



The Buriganga-2 bridge, otherwise known as Babu Bazar bridge, saw long tailbacks throughout yesterday as the Buriganga-1 bridge, or the Postgola bridge, has been shut down for repair work. The work, which started on February 22, will continue till March 8 and the bridge, which connects Dhaka to 21 districts, will be closed for days in different phases.

PHOTO: PALASH KHAN

Police push for host of benefits

High-ups meet cabinet secy, ask for raising IGP's expenditure limit, interest-free loans

STAFF CORRESPONDENT

Police high-ups have sought an increase in the Inspector General of Police's spending limit on construction and equipment purchase.

The IGP can currently spend a maximum of Tk 5 crore on building construction and Tk 2 crore on purchasing equipment.

The officers placed the demand before Cabinet Secretary Md Mahbub Hossain during a meeting on the second day of the Police Week 2024 yesterday at Rajarbagh Police Lines.

Their other demands include interest-free loans to buy cars, appointment of police officers as police liaison officers at Bangladesh missions abroad, and appointment of officers of the rank of superintendent of police as aide-de-camp to the prime minister and the president, said meeting sources.

An aide-de-camp is a personal assistant or secretary to a person of high rank, usually a senior military, police or government officer.

The officers also demanded upgradation of the rank of IGP to that of a four-star general.

They added that though the IGP's rank was upgraded to a senior secretary, it was not included in the order of precedence. So, the post remains equivalent to a three-star general.

Contacted, Enamul Haque Sagor, assistant inspector general (media and public relations) at Police

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