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FOUNDER EDITOR: LATE S. M. ALI

Why burden people with higher bills?

Raising power tariffs could push up an already high inflation

The Bangladesh Energy Regulatory Commission (BERC)'s decision to increase power prices by 16.7 percent on average, amid a persistently high inflation, comes across as unempathetic towards consumers, given that the underlying inefficiencies in the power sector remain unaddressed. What makes this raise, effective from June, even more shocking is the BERC chairman's admission that the impact of this move has not been assessed, and that the only factors considered were power generation, procurement and import costs, transmission and distribution expenses, and government subsidies provided to the Bangladesh Power Development Board (BPDB). In other words, consumers, who have been grappling with an average inflation of nine percent for the last three years, had little voice in BERC's decision.

In fact, even residential consumers who use only a fan and a light—lifeline users consuming up to 50 units of electricity a month—will see a 14.9 percent increase in their electricity bills in July. Thankfully, the BPDB has requested to cancel raising the tariff for lifeline users and those consuming up to 75 units of electricity. We hope BERC will consider this request and do the needful. However, the increase will not be easy for the crores of consumers who will see their electricity bills soar, particularly as the price hike comes in the midst of summer, when the sweltering heat makes it impossible to do without a fan or other cooling appliances.

Nevertheless, the group that will be hit the hardest is farmers. Already reeling from high fertiliser prices, farmers will now face higher irrigation costs. Coupled with the increasing risks of climate-change-induced natural calamities, these added burdens could make farming less viable and contribute to further increases in food prices. Production costs across sectors will likely rise as well, further driving up inflation.

Why is the government supporting this power tariff hike, especially when the power, energy and mineral resources minister said it would not be increased for at least two years? While it is understandable that the situation has become difficult for the BNP government after the US-Iran war pushed up fuel import prices, raising the tariffs for end users cannot be the only solution. Back in February, the government said it was taking measures to renegotiate the problematic power contracts signed during the Awami League regime—one-sided deals that have been draining the national coffers, even at times when no electricity is generated. Three months later, the progress of those measures remains unknown. Even a major push towards renewables is not yet visible, which would reduce our dependency on fossil fuels.

Ironically, there is little evidence that raising power tariffs would reduce government subsidies or BPDB's financial losses. Then why add this burden on consumers? We hope that the BNP government will honour the large mandate it received from the people and make pro-people choices by revisiting BERC's decision.

Address the threat of AI-enabled fraud

NID tests exposing security risks raise concerns

Dismislab's recent findings on artificial intelligence's (AI) ability to generate altered versions of Bangladeshi National Identity (NID) cards should serve as a wake-up call for both policymakers and technology companies. According to its report, two widely used AI models—Google's Gemini and xAI's Grok—generated modified NID images using publicly available samples and user prompts, in some cases without issuing any warnings. Meanwhile, OpenAI's ChatGPT and Anthropic's Claude often warned users about legal and policy violations, but modified some documents before refusing further requests. These findings raise serious concerns about the weak safeguards across AI systems and the gap between company policies and the actual behaviour of their tools.

While the Dismislab investigation did not test whether AI-generated documents could bypass official verification systems, the fact that such documents can be created is concerning. In Bangladesh, NIDs are widely used for banking, SIM registration, employment, travel, and many other everyday services. Although official systems can detect fake documents, in many cases, people rely mainly on visual inspection. This is particularly worrying for a country like ours, which has already experienced major data breaches and repeated concerns over the security of citizens' personal information.

The inconsistency in how AI companies enforce their own rules is also concerning. All four companies whose products were tested publicly prohibit the unlawful or fraudulent use of their systems, yet some AI models generated altered government-issued identity documents despite these restrictions. The gap between Gemini's claim that it would "always refuse" such requests and the results observed during the actual testing process is unfortunate. If safety mechanisms can be bypassed so easily, the assurances from technology providers have little meaning.

Bangladesh currently lacks a comprehensive framework to deal with AI-enabled identity fraud. While existing laws may cover forgery and deception, the growing sophistication of AI tools requires a stronger and more coordinated response. We, therefore, urge the government to treat this issue as an emerging security risk and develop clear policies to address the risk of AI-enabled identity fraud. Authorities should strengthen digital identity verification systems, reduce reliance on visual checks, and ensure that institutions handling sensitive transactions use stronger authentication methods. At the same time, the technology companies must close the loopholes that allow their systems to generate fake identity documents. It is also important to make people aware of how these tools can be misused and how they can protect themselves from fraud.

THIS DAY IN HISTORY

Robert F. Kennedy's assassination

On this day in 1968, just moments after his victory speech for the California presidential primary, US Senator Robert F. Kennedy was fatally shot by Sirhan Sirhan.

ELECTRICITY PRICE HIKES

Why is BNP reverting to failed power policies?

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The BNP, in its election manifesto, pledged to build an affordable, reliable, and environmentally sustainable power and energy system. It promised to review existing power purchase contracts, including capacity payments, in order to reduce unnecessary and irrational expenditure while ensuring transparency and efficiency. Soon after forming the government following its electoral victory, top officials of the relevant ministry pledged that electricity prices would not be increased for two years.

Iqbal Hassan Mahmood, the minister, clearly laid out this priority then, noting that instructions were given to reduce system losses. He added, "System loss currently exceeds 7 percent. If it can be reduced to 5 percent, the government will save Tk 10,000 crore." Meanwhile, Aninda Islam Amit, the state minister, said that electricity prices had been increased repeatedly in the past, with the burden ultimately falling on ordinary people. "As a government elected by the people, we want to explore how these problems can be solved without increasing electricity prices and without causing hardship to citizens."

In reality, however, just a little over three months after these commitments were made, retail electricity prices have now increased by 16.68 percent and the wholesale tariff by 19.85 percent. The decision comes at a time when people are already under severe strain from prolonged inflation. For a considerable period, Bangladesh has recorded the highest inflation rate among South Asian countries. While inflation in most South Asian economies remains below 5 percent, Bangladesh's inflation continues to hover around 9 percent.

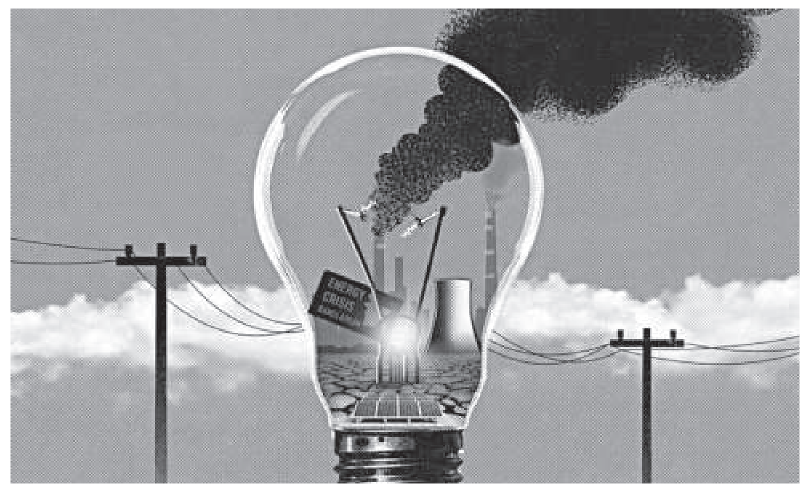
People had expected that an elected government, especially one carrying the spirit of the 2024 uprising, would finally provide relief from the scourge of persistently high inflation. Instead, the government's decision to increase both fuel and electricity prices may only intensify it. Over the past month and a half, fuel prices have already been increased twice, resulting in higher transport costs and rising prices of essential goods. Now, following the increase in electricity prices, consumers will not only pay more for electricity but will also bear the cost of higher prices for all goods and services produced using electricity. Production costs in agriculture, industry, and services will rise, creating a multiplier effect throughout the economy. Consequently, the lives of low- and fixed-income households will become even more difficult.

The rationale behind the tariff increase appears to be reducing government expenditure on subsidies in the power and energy sectors and meeting conditions set by the International Monetary Fund (IMF). However, increasing prices is not the only way to reduce subsidies, which can also be reduced by lowering production costs. Moreover, it is necessary to examine where these subsidy payments are going and whether they are justified.

To understand how subsidies can be reduced, one must first examine why they are necessary in the first place. Subsidies are required because the Bangladesh Power Development Board (BPDB) is forced to purchase electricity at high prices from privately owned independent power producers (IPPs) that rely on imported and expensive fuels. A significant portion of these subsidies is spent on capacity payments. Due to fuel shortages, a substantial share of installed power generation capacity remains idle throughout the year but, under existing contracts, BPDB, as the sole purchaser of electricity, must pay capacity charges to power plants even when it does not buy any electricity from them.

As private-sector generation capacity expanded over the years, capacity payments increased correspondingly, and so did BPDB's financial losses. Successive governments responded by raising electricity tariffs. During the previous Awami League government, electricity prices were increased 12 times at the wholesale level and 14 times at the retail level over 15 years, ostensibly to reduce losses and subsidy requirements. But neither losses nor subsidies declined. Instead, repeated tariff hikes became a recurring reality. Clearly, this is not a sustainable solution to reducing subsidies. We must focus on lowering the cost of electricity generation itself.

This can be achieved in the short term by revising unequal contracts with private power producers and reducing the burden of capacity payments. Pakistan provides an instructive example. Pakistan's power sector also suffered from excessive capacity payments and dependence on expensive fuel imports. But it has recently achieved significant progress through a series of reforms, including renegotiation of IPP contracts, pricing electricity in local currency, and reducing returns on equity.



VISUAL: **ANWAR SOHEL**

For instance, the Pakistani government cancelled contracts with six independent power producers and renegotiated agreements with 16 others, converting them to a "take and pay" model while reducing capacity charges. It also amended power purchase agreements to replace dollar-denominated pricing with pricing in Pakistani rupees. Meanwhile, the rate of return on equity for state-owned power plants was reduced from 30 percent to 13 percent. To achieve this success, the government had reportedly warned IPPs that they must either agree to renegotiate their contracts, face cancellation, or undergo forensic audits—and the strategy worked. Renegotiating contracts with just 14 IPPs generated total savings of Rs 1.4 trillion.

Pakistan has also reduced fuel import costs by rapidly expanding solar power generation. Through lower import duties on solar panels and incentives for establishing rooftop solar systems, renewable energy deployment has accelerated significantly. Between January 2022 and December 2025, Pakistan added solar generation capacity equivalent to nearly one-fifth of its total power generation, while reduced LNG consumption has enabled the country to avoid approximately $12 billion in fuel imports.

Bangladesh could likewise significantly reduce electricity generation costs by renegotiating or cancelling IPP contracts, converting agreements from capacity-payment structures to take-and-pay arrangements, pricing electricity in taka rather than dollars, and expanding its renewable energy capacity. The previous interim government did not implement any such reforms, but it did establish a committee to review power contracts signed under special legislation during the Awami League era. Towards the end of its tenure, the committee submitted its final report, highlighting irregularities and corruption in the procurement of electricity from private power producers at inflated prices as well as the practice of paying capacity charges.

According to the committee, these contracts enabled the purchase of electricity from furnace-oil-based plants at prices 40-50 percent above market rates and from gas-fired plants at prices 45 percent above market rates. The per-unit cost of electricity imported from India's Adani Group is Tk 4-5 higher, partly because of higher coal prices but largely due to one-sided contractual terms, high capacity charges, and provisions transferring taxes and commercial risks to Bangladesh. The committee estimated that an excess generation capacity of roughly 7,700 to 9,500 megawatts is causing an additional annual expenditure of $900 million to $1.5 billion (Tk 11,000 to Tk 18,000 crore) in capacity payments.

To address these problems, the committee recommended that contracts containing evidence of corruption as per international standards should be cancelled immediately. It also recommended targeted renegotiation of high-cost and unequal power purchase agreements.

The latest electricity tariff hike will increase BPDB's annual revenue by around Tk 14,000 crore. Yet capacity payments to power plants were Tk 42,000 crore in the last fiscal year, and have been increasing every year. If the contracts are revised and converted to a take-and-pay model, it would be possible to significantly reduce these enormous capacity payment costs.

But instead of taking steps to reduce power generation costs, the BNG government has chosen the same path pursued by the Awami League government, passing the burden of capacity payments on to consumers. This suggests that, much like its predecessor, the government is prioritising the interests of power-sector business groups and compliance with IMF conditions over public interests in shaping economic policies.

What the Mirpur tragedy reveals about elderly care in Bangladesh

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AISHA SIDDIKA

The death of an elderly woman in Mirpur has generated widespread shock across social media. The 75-year-old woman was reportedly found dead in an apartment after allegedly living in conditions many have described to be indicative of prolonged neglect. But beyond the grief and anger lies a broader question that we should be asking ourselves: what does this tragedy reveal about us as a society?

It is tempting to view the incident as a family matter or as the failure of a few individuals to fulfill their responsibilities towards an ageing parent. But doing so risks overlooking broader social realities. As families become smaller, migration increases, and economic pressures intensify, Bangladesh is entering a period in which questions of ageing, care, and responsibility will become increasingly important. The challenge before us is to ensure that people can age with dignity.

In Bangladesh, institutional care like in senior homes is highly stigmatised, and "ageing at home" is the baseline expectation. We naturally assume that this is the best environment to grow old in, and in many cases, it truly is. Surrounded by loved ones, familiar spaces, and cherished memories, the home can provide a sense of security and belonging that no institution can replicate. But a house alone cannot guarantee care without active emotional support and daily assistance.

An older person's well-being depends not only on physical health but also on whether they remain connected to meaningful relationships with their family and community. Social environments matter as much as physical environments in determining how people experience later life. This is where things begin to fall through the cracks in our society. We celebrate educational achievement, economic mobility, and professional success. Parents sacrifice a lot to ensure their children's futures. But success alone cannot sustain a society. Empathy, reciprocity, and a sense of responsibility towards others are equally important. A society should be judged not only by how it rewards achievement but also by how it treats those who are ageing, vulnerable, and increasingly dependent on care.

Many of us grew up in a culture of constant comparison. From childhood, we were measured against siblings, cousins, neighbours, and classmates. Success became something to be pursued relentlessly and often competitively. In such environments, social status, networking, and personal advancement can gradually become more valued than mutual support and collective well-being. Over time, these values or conditions also shape the ways we relate to one another.

Clearly, the consequences extend beyond classrooms and workplaces. When human worth becomes closely tied to productivity and achievement, relationships can become increasingly transactional. People may come to value others for what they contribute rather than for who they are. Care, patience, and reciprocity become harder to sustain when individuals are primarily judged through the lens of success. These tensions often become most visible when family members grow older and require support rather than provide it.

For this reason, the Mirpur tragedy should encourage a broader public conversation about ageing. While ageing studies have become an important area of teaching and research in many countries, the topic remains relatively absent from public debate in Bangladesh despite significant demographic changes. Questions of care, intergenerational responsibility, social support, and age-friendly communities deserve far greater attention from researchers, policymakers, educators, and citizens alike.

Perhaps, then, it is time to look beyond the rigid binary of the family home versus institutional care. Bangladesh needs a new alternative: a hybrid model of community-based care where professional medical support, senior day-spaces, and monitored caregiver networks are integrated into our existing neighbourhoods.

The tragedy in Mirpur was not only about one woman's death. It is a mirror reflecting deeper questions about the future of care, the meaning of social responsibility, and the kind of society we wish to build. Ageing is a natural part of the human life. The challenge is whether we are creating social conditions that allow people to age with dignity, respect, and belonging. It is our collective responsibility to ensure that growing old in this country never feels like a punishment, and that ageing is treated as a blessing, not as a curse. Ultimately, it all depends on the values we choose to nurture in our families, our institutions, and in ourselves.

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