

PRICE HIKE OF ESSENTIAL COMMODITIES AND ITS IMPACT OF GENERAL PEOPLE'S LIVING STANDARD

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ABSTRACT:

The price hike of essential commodities in Bangladesh has significantly impacted the living standards of its people. Basic necessities such as food and fuel have experienced substantial increases, leading to a rise in overall cost of living. This has particularly burdened lower-income households, causing financial strain and compromising access to vital resources. The government's measures and economic policies play a crucial role in mitigating these challenges and improving the overall socio-economic conditions of the population. There are various reasons why businesses might choose to engage in price hacking, where they frequently raise and lower prices. Such as :Product ranking,Urgency and scarcity,Testing price elasticity,Dynamic pricing,Clearing inventory, Some positiveness of price hack Increased income: By finding and reselling underpriced books, users can potentially generate significant income.Reduced costs: Price Hack can help users save money by identifying and avoiding overpriced books.Improved decision-making: The data and insights provided by Price Hack can help users make more informed decisions about which books to buy and sell.Convenience and time-saving: Price Hack automates many of the tasks involved in book arbitrage, making it a convenient and time-saving tool.

Keywords: *Pricing strategy, dynamic pricing,price optimization,competitive pricing analysis, political issues, sales and brand awareness.*

INTRODUCTION

The price hike of essential commodities is a global concern that transcends geographical borders and socio-economic boundaries. It is a complex issue that affects the daily lives of individuals, families, and communities, often amplifying existing inequalities and vulnerabilities. In the context of Bangladesh, a country with a rich cultural heritage and a dense population, the impact of rising prices of essential goods is particularly pronounced and presents multifaceted challenges. Essential commodities, including food items, fuel, medicine, and other basic necessities, form the bedrock of every society. They are the cornerstones of human well-being, ensuring nutrition, health, and sustenance. When the prices of these essential goods experience fluctuations, it triggers a chain reaction that reverberates through the social, economic, and political fabric of a nation. In Bangladesh, where a significant portion of the population

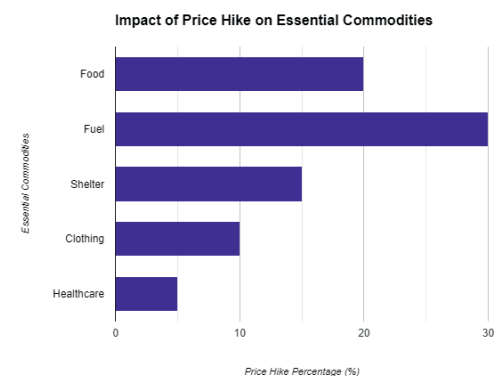
grapples with economic disparities and limited resources, the price hike of essential commodities becomes a critical issue deserving of careful examination. This introduction sets the stage for a comprehensive exploration of the price hike of essential commodities and its impact on the general people of Bangladesh. The following chapters will delve into the root causes, consequences, and potential solutions to this complex problem, aiming to shed light on the challenges faced by the people of Bangladesh and the strategies that can be employed to alleviate their hardships. Through rigorous research and analysis, we seek to provide insights into the intricate interplay of factors that underlie this issue and, ultimately, to contribute to the well-being and stability of the nation. Regenerate

PROBLEM STATEMENT

The price hike of essential commodities in Bangladesh presents a multifaceted challenge that adversely affects the

general population, particularly those in vulnerable socioeconomic strata. The persistent and sporadic increases in the prices of essential goods, including food items, fuel, and medicine, have significant repercussions on the economic stability, food security, health, and overall well-being of the people of Bangladesh. This problem is exacerbated by complex factors such as inflation, supply chain disruptions, government policies, and global market trends.

Impact of Price Hike of Essential Commodities on General People's Living Standard



Reduced purchasing power: When prices of essential commodities like food, fuel, and medicine rise, people have less disposable income to spend on other necessities or improve their living standards. This forces them to make tough choices and prioritize basic needs over other expenses. **Compromised food security:** For low-income families, rising food prices can lead to food insecurity or malnutrition. They may have to reduce the quantity or quality of their food intake, affecting their health and well-being. **Increased stress and anxiety:** The financial burden of rising costs can cause stress and anxiety among individuals and families. This can lead to mental health problems and affect their overall quality of life. **Changes in consumption patterns:** People may switch to cheaper alternatives, even if they are less nutritious or of lower quality. This can have long-term health consequences. **Erosion of savings:** Rising costs can deplete savings, making it difficult for people to cope with unexpected expenses or emergencies. This can further trap them in a cycle of poverty. **Reduced social mobility:** The financial strain can limit opportunities for education, healthcare, and other essential services, hindering social mobility and perpetuating inequality. **Increased social unrest:** If the situation becomes unsustainable, it can lead to social unrest and protests, jeopardizing social stability. **Financial Strain :** The surge in prices imposes a considerable financial burden on individuals and families, leading to increased expenditures on basic necessities such as food, fuel, and healthcare. **Food Insecurity** Price hikes, particularly in food items, contribute to food insecurity. Families may struggle to afford nutritious meals, leading to inadequate diets, maln

utrition, and potential health issues, especially impacting low-income households. **Healthcare Challenges:** Increased prices of essential medicines and healthcare services limit access to necessary medical treatment. Financial constraints may cause people to postpone or forego medical care, resulting in deteriorating health standards within the population. **Impact on Education:** Financial strain due to price hikes can make it difficult for families to afford education-related expenses. This may lead to reduced access to quality education, limiting opportunities for personal and economic advancement. **Economic Disparities:** Price hikes exacerbate existing economic disparities, disproportionately affecting marginalized and low-income populations. The widening gap between the affluent and the economically disadvantaged contributes to social inequality. **Government Response:** The government's response to inflation and price hikes is crucial. Effective economic policies, subsidies, and social safety nets can mitigate the impact on the general population, ensuring a more equitable distribution of resources. **Impact on Businesses :** Businesses, especially in the service and retail sectors, may face challenges due to reduced consumer spending resulting from higher prices. Decreased demand for non-essential goods and services can negatively affect economic growth. **Long-Term Consequences :** Persistent price hikes in essential commodities can have lasting consequences on a nation's economic stability and development. It is imperative for governments to implement sustainable solutions addressing the root causes of inflation, ensuring the long-term well-being of their citizens. These impacts are particularly severe for: **Low-income families:** They

have a smaller budget and less buffer to absorb price increases. **Fixed-income earners:** Their income remains stagnant while prices rise, eroding their purchasing power. **People with disabilities:** They may have additional costs related to their disability, making them even more vulnerable to price hikes. **Possible solutions:** Government intervention: This could include price controls, subsidies for essential commodities, and targeted social safety nets for vulnerable populations. **Wage increases:** Increasing wages in line with inflation can help people maintain their purchasing power. **Investing in agriculture and infrastructure:** This can help to stabilize food prices and reduce transport costs. **Promoting financial literacy:** This can help people manage their finances better and make informed decisions. Addressing the issue of rising essential commodity prices requires a multi-pronged approach that combines government intervention, economic policies, and social support programs to ensure a decent standard of living for all.

Objectives

To assess the extent and patterns of price hikes in essential commodities in Bangladesh over a specific time period.

To analyze the key drivers and factors contributing to price hikes in essential commodities, distinguishing between food items, fuel, medicine, and other essential goods.

To examine the impact of price hikes on the purchasing power of the general population in Bangladesh, including the most vulnerable segments of society.

To investigate the consequences of rising prices of essential commodities on food security and nutritional outcomes among households in

different regions of Bangladesh.

To evaluate the effectiveness of government subsidies and social safety net programs in reducing the vulnerability of households to essential commodity price hikes.

To explore the coping strategies employed by households to mitigate the impact of rising prices on essential commodities, such as changes in consumption patterns and resource allocation.

To understand how changes in essential commodity prices influence consumer behavior, preferences, and market dynamics in Bangladesh.

To assess the social and political implications of significant price hikes in essential commodities, including their impact on public sentiment, protests, and government responses.

To investigate how changing prices of essential commodities affect household budgets, saving patterns, and overall economic well-being.

To analyze the relationship between essential commodity price hikes and healthcare and education spending among Bangladeshi households, including their implications for human capital development.

To identify and recommend policy measures that can effectively address and mitigate the impact of essential commodity price hikes on the general people of Bangladesh.

To develop strategies for data collection and analysis that enable the timely monitoring and prediction of price hikes in essential commodities, facilitating proactive policy responses.

Research Question

To what extent has the price hike of essential commodities affected the purchasing power of the general population in Bangladesh, and how has this impact varied across different income groups?

What are the key drivers of price hikes for essential commodities in Bangladesh, and how do these drivers differ for various essential items, such as food, fuel, and medicine?

How has the price hike of essential commodities impacted food security and nutritional outcomes among households in Bangladesh, and what strategies do households employ to cope with rising food prices?

What is the role of government subsidies and social safety net programs in mitigating the impact of essential commodity price hikes on vulnerable populations in Bangladesh?

How have recent price increases in essential commodities influenced consumer behavior and preferences in Bangladesh, and what implications does this have for markets and businesses?

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What social and political consequences, such as protests or social unrest, have been associated with significant price

hikes of essential commodities in Bangladesh, and how have these events shaped government policies and responses?

In what ways has the price hike of essential commodities affected household budgets and saving patterns in Bangladesh, and how have these changes impacted the overall economic well-being of the population?

How do changing prices of essential commodities influence healthcare and education spending patterns among Bangladeshi households, and what are the long-term implications for human capital development and well-being?

What measures can be taken to effectively address and mitigate the impact of essential commodity price hikes on the general people of Bangladesh, and what are the trade-offs associated with these measures?

How can data and analysis be used to better monitor and predict price hikes of essential commodities in Bangladesh, enabling timely responses and policies to protect the welfare of the population?

The price hike of essential commodities has significantly eroded the purchasing power of the general population in Bangladesh, with a disproportionate impact on low-income groups. Their dependence on essential items leaves them vulnerable to price changes, leading to reduced consumption, dietary shifts, and lower savings. Middle-income groups have also experienced a decline in purchasing power but have some flexibility to adjust their spending. High-income groups

remain less affected but still face price increases. This situation has exacerbated inequality and widened the income gap in the country.

Key Drivers of Price Hikes in Bangladesh Several factors are driving price hikes for essential commodities in Bangladesh, with some variations across different items:

- Global Factors:** Supply Chain Disruptions: Disruptions due to the pandemic and geopolitical issues like the Ukraine war have impacted global supply chains, leading to shortages and price increases for essential commodities.
- Climate Change:** Extreme weather events are impacting agricultural production, leading to higher food prices.
- Global Market Trends:** Rising global demand for commodities and fluctuations in oil prices contribute to price hikes.
- Domestic Factors:** Inadequate Storage Facilities: Lack of proper storage infrastructure leads to spoilage and price fluctuations, especially for food items.
- Inefficient Distribution Chain:** Inefficiencies in the distribution chain, including transportation and logistics, contribute to higher prices.
- Market Manipulation:** Speculation and hoarding by middlemen can artificially inflate prices.
- Currency Devaluation:** Depreciation of the Bangladeshi Taka against major currencies increases import costs.

Specific Drivers for Different Items:

- Food:** Prices are driven by global factors like supply chain disruptions, climate change, and global market trends. Domestically, weather-related crop failures, inadequate storage facilities, and inefficient distribution networks further contribute to price hikes.
- Fuel:** Prices are primarily driven by global oil prices and the impact of geopolitical events. Local fluctuations in currency exchange rates play a role as well.
- Medicine:** Prices are influenced by

global trends in manufacturing costs and raw material prices. Import dependence on essential medicines also exposes Bangladeshi consumers to international price fluctuations.

3. Price Hike's Impact on Food Security and Nutrition in Bangladesh The recent surge in essential commodity prices has significantly impacted food security and nutritional outcomes in Bangladesh, particularly among vulnerable populations.

Impact: Increased food insecurity: Rising costs have made it difficult for many households to afford adequate food, leading to reduced food consumption and increased food insecurity. Shifting dietary patterns: Households are forced to shift towards cheaper, less nutritious foods like rice and lentils, leading to deficiencies in essential vitamins and minerals. Increased risk of malnutrition: Children and pregnant women are particularly vulnerable to malnutrition due to inadequate dietary intake, leading to stunting, wasting, and micronutrient deficiencies.

Coping Strategies: Reduced food consumption: Households are cutting back on overall food consumption, leading to smaller portion sizes and skipping meals. Shifting dietary patterns: Replacing nutritious foods with cheaper options, compromising on dietary diversity. Reduction in non-food expenses: Families are cutting back on non-essential expenses like clothing, education, and healthcare to afford basic food needs. Increased income-generating activities: Family members, especially women and children, are taking on additional work or engaging in income-generating activities to supplement household income. Seeking assistance: Households are relying on government programs and social safety nets for food assistance and financial support.

Addressing the Issue: To

mitigate the impact on food security and nutrition, Bangladesh needs to:

- Increase food production and availability:** Invest in agriculture, promote sustainable farming practices, and improve market access for smallholder farmers.
- Strengthen social safety nets:** Expand targeted food assistance programs and cash transfers to vulnerable populations.
- Price stabilization measures:** Implement policies to control food prices and prevent excessive speculation.
- Nutrition interventions:** Promote dietary diversification, provide micronutrient supplements, and raise awareness about healthy eating practices.
- Income-generating opportunities:** Support small businesses, foster entrepreneurship, and create employment opportunities.

By implementing these measures, Bangladesh can work towards ensuring food security and improving nutritional outcomes for all its citizens.

Government subsidies and social safety net programs play a crucial role in mitigating the impact of essential commodity price hikes on vulnerable populations in Bangladesh by providing financial assistance and access to basic necessities.

Subsidies

Reduce the cost of essential items like rice and kerosene, making them more affordable for low-income groups. Help stabilize prices and prevent further price hikes, particularly for food staples.

Social Safety Net Programs: Provide direct cash transfers or in-kind assistance like food rations to vulnerable households. Protect against income shocks and help meet basic needs during times of rising prices. Examples include Vulnerable Group Development (VGD) and Vulnerable Group Feeding (VGF) programs.

Recent price hikes have significantly impacted consumer behavior and preferences in Bangladesh, with implications for markets and businesses:

Consumer Behavior:

Increased price sensitivity: Consumers are actively seeking deals and discounts, shifting to cheaper alternatives.

Shifting preferences: Brand loyalty is decreasing, with consumers prioritizing affordability over brand names.

Rise of online shopping: Increased demand for online platforms offering convenience and competitive pricing.

Market and Business Implications:

Increased competition: Businesses need to offer competitive pricing and value propositions to attract price-conscious consumers.

Focus on private labels and cheaper alternatives: Consumers are shifting towards private labels and local brands offering good value.

Rise of e-commerce: Businesses need to adapt to the growing online shopping trend and invest in digital marketing.

Importance of transparency and trust: Businesses need to build trust by offering transparent pricing and clear communication.

Focus on innovation and new products: Businesses need to innovate and develop new products that cater to changing consumer preferences.

Social and Political Consequences of Price Hikes in Bangladesh Significant price hikes of essential commodities in Bangladesh have led to various social and political consequences:

Social

Increased poverty and inequality: Rising

prices disproportionately impact low-income groups, widening the wealth gap and exacerbating social tensions.

Food insecurity and malnutrition: Reduced access to nutritious food increases the risk of malnutrition, particularly among children and pregnant women.

Reduced access to healthcare and education: Households prioritize basic needs like food over non-essential expenses, impacting access to essential services.

Erosion of social cohesion: Rising costs and economic hardship can lead to increased social unrest and distrust in government institutions.

Reduced access to healthcare and education: Households prioritize basic needs like food over non-essential expenses, impacting access to essential services.

Political

Public protests and demonstrations: Anger and frustration over rising prices lead to protests and demonstrations, pressuring the government to take action.

Loss of political support: The government's perceived failure to address the issue can lead to a decline in public support and political instability.

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Policy changes: Governments often implement policies like price controls, subsidies, and social safety nets in response to public pressure.

Increased scrutiny and accountability: Governments face increased scrutiny from the media and civil society

organizations to address price hikes effectively.

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Examples

In 2018, widespread protests erupted in Bangladesh following a significant increase in fuel prices, forcing the government to roll back the hike.

Similar protests occurred in 2022 due to rising food prices, highlighting public discontent and demanding government intervention.

Impact on Policies

• These events have shaped government policies by:

• Increasing focus on price stabilization measures.

• Expanding social safety net programs.

• Investing in agriculture and food production.

• Improving market efficiency and governance.

• Implementing stricter regulations on market manipulation and price speculation.

Price Hikes and their Impact on Household Budgets and Savings in Bangladesh:

Impact on Budgets:

Reduced savings: Increased spending on essential items leaves less money for savings, negatively impacting long-term financial security.

Debt accumulation: Households may resort to borrowing to meet basic needs, leading to increased debt burden and financial stress.

Reduced spending on non-essentials: Cutbacks on clothing, entertainment, and other non-essential items impact overall quality of life.

Shifting priorities: Households prioritize food and shelter over other important expenses like healthcare and education.

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Impact on Savings:

Reduced savings rate: The ability to save for future investments and emergencies is significantly hampered.

Dependence on informal saving methods: Reliance on informal saving methods like gold or land holdings increases vulnerability to economic shocks.

Limited access to formal financial services: Low-income groups often lack access to formal savings and investment opportunities, further limiting their financial security.

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Economic Well-being:

Increased economic insecurity: Rising costs and reduced savings lead to increased financial vulnerability and hardship.

Widening income gap: The poorest households are disproportionately affected, exacerbating existing inequalities.

Reduced economic mobility: The ability to improve one's economic status through savings and investment becomes limited.

Negative impact on businesses: Reduced consumer spending due to

tight budgets affects businesses, further impacting the economy.

Impact of Changing Prices on Healthcare and Education Spending in Bangladesh

Healthcare: Reduced spending: Rising costs of essential goods force households to prioritize basic needs like food over healthcare, leading to delayed or skipped medical treatment. Increased financial burden: Out-of-pocket healthcare expenses can be a significant financial burden, especially for low-income households. Shifting priorities: Households may prioritize preventive care over potentially more expensive treatment options. Increased reliance on public healthcare: Public healthcare facilities become overcrowded and under-resourced due to increased demand.

Education: Reduced spending: Households may cut back on education expenses, including school fees, transportation, and learning materials. Increased risk of dropping out: Children from low income families are particularly vulnerable to dropping out due to financial constraints. Reduced quality of education: Budget cuts in public schools can lead to larger class sizes, inadequate resources, and lower quality education. Limited access to higher education: Rising costs of higher education can prevent students from pursuing further education and limit their future opportunities. Long-term Implications: Poor health outcomes: Reduced access to healthcare can lead to increased prevalence of preventable diseases, malnutrition, and lower life expectancy. Limited human capital development: Reduced access to education can limit skills development, innovation, and economic growth.

Increased inequality: The gap in health and educational outcomes between different income groups widens, leading to greater social and economic disparities. Intergenerational poverty cycle: Children from disadvantaged families are more likely to remain trapped in poverty due to limited access to education and healthcare. Mitigating Measures: Strengthening public healthcare: Increasing investments in public healthcare infrastructure, personnel, and services. Expanding health insurance coverage: Providing affordable health insurance to vulnerable populations. Promoting preventive healthcare: Raising awareness about preventive measures and providing accessible services. Investing in public education: Increasing education budgets, improving teacher training, and reducing class sizes. Providing financial assistance: Offering scholarships, grants, and other forms of financial support to students from low-income families. Addressing these issues requires a long-term commitment from the government, civil society organizations, and the private sector. By investing in healthcare and education, Bangladesh can break the cycle of poverty and create a more equitable and prosperous future for its citizens.

Measures to Mitigate Price Hikes in Bangladesh

Short-term measures:

Price controls: Government intervention to set maximum prices for essential commodities.

Subsidies: Direct financial assistance to reduce the cost of essential items for low-income households.

Social safety nets: Expansion of existing programs like food stamps and cash transfers.

Market interventions: Buffer stocks, trade agreements, and import controls to stabilize supply and prices.

Public awareness campaigns: Educating consumers about price trends, responsible spending, and alternative options.

Long-term Measures:

Investment in agriculture: Increased production and efficiency to reduce dependence on imports.

Infrastructure development: Improved storage and transportation facilities to minimize losses and spoilage.

Market reforms: Addressing inefficiencies and reducing market manipulation.

Financial inclusion: Providing access to affordable credit and savings options for low income households.

Diversification of the economy: Reducing dependence on imported commodities and promoting domestic production.

Trade-offs:

Price controls: May lead to shortages, black markets, and reduced incentives for production.

Subsidies: Can be fiscally unsustainable and distort market signals.

Social safety nets: May create dependency and discourage work.

Market interventions: May involve government overreach and distort economic efficiency.

Public awareness campaigns: May require significant resources and have limited effectiveness.

Investment-Based Measures:

Agriculture: Requires long-term commitment and infrastructure development.

Infrastructure: Requires significant upfront investment and ongoing maintenance costs.

Market reforms: May involve political resistance and require careful implementation.

Financial inclusion: Requires building financial institutions and promoting financial literacy.

Economic diversification: Requires long-term planning and targeted investments.

Additional Considerations:

Transparency and accountability: To ensure efficient use of public resources and prevent corruption.

Impact on private sector: Measures should not discourage private investment and entrepreneurship.

Long-term sustainability: Implementing measures that can be sustained over time.

Impact on private sector: Measures should not discourage private investment and entrepreneurship.

Data and Analysis: Tools for Mitigating Price Hikes in Bangladesh
Data and analysis play a crucial role in effectively monitoring and predicting price hikes of essential commodities in Bangladesh, enabling timely responses and policies to protect the welfare of the population.

Here's how:

Monitoring Price Trends:

Collect and analyze data: Regularly collect data on prices of essential commodities from various sources like markets, retail outlets, and government agencies.

Develop price indices: Create comprehensive price indices that reflect the average price changes of essential items

across different regions and income groups.

Identify early warning signs: Analyze data to identify potential price increases based on factors like global market trends, weather patterns, and supply chain disruptions.

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Predicting Price Hikes:

Develop forecasting models: Utilize statistical techniques and machine learning algorithms to predict future price movements based on historical data and current trends.

Identify key drivers: Analyze data to identify the specific factors contributing to price hikes for different commodities.

Simulate scenarios: Develop models to simulate the potential impact of different policy interventions on prices and market behavior.

Informing Policy Decisions:

Provide evidence-based recommendations: Use data and analysis to inform policymakers about the nature and extent of price hikes, their impact on different population groups, and potential policy solutions.

Evaluate policy effectiveness: Track the impact of implemented policies on prices and identify areas for improvement.

Promote transparency and accountability: Make data and analysis publicly available to enhance transparency and public trust in policy decisions.

Data Sources and Technologies:

Government databases: Utilize data

from relevant government agencies like the Bangladesh Bureau of Statistics and the Ministry of Agriculture.

Market surveys: Conduct regular surveys of market prices and collect data from farmers, traders, and retailers.

Remote sensing data: Utilize satellite imagery to assess crop yields and monitor weather patterns.

Big data analytics: Leverage advanced data analysis techniques to handle large datasets and identify hidden patterns.

Challenges and Opportunities:

Data quality and accessibility: Ensuring accurate, timely, and accessible data from diverse sources.

Capacity building: Developing expertise in data analysis and modeling among policymakers and stakeholders.

Technological infrastructure: Investing in IT infrastructure to support data collection, analysis, and dissemination.

Hypothesis

Hypothesis 1: Price Hike of Essential Commodities Reduces the Purchasing Power of the General Population

Hypothesis 2: Price Hike of Essential Commodities Leads to Food Insecurity and Malnutrition

Price Hike of Essential Commodities and Reduced Purchasing Power

The price hike of essential commodities, such as food, fuel, and medicine, has a significant negative impact on the purchasing power of the general population, especially the most vulnerable groups.

Here are some key points to consider:

Reduced affordability: As prices rise, people are forced to spend a larger

portion of their income on essential goods, leaving them with less money for other necessities or savings. This can lead to food insecurity, debt accumulation, and a decline in living standards. **Increased inequality:** The effects of price hikes are not evenly distributed. Low-income households, who spend a larger proportion of their income on basic needs, are disproportionately affected. This can exacerbate existing inequalities and create further social unrest. **Negative impact on economic activity:** When people have less disposable income, they spend less on non-essential goods and services. This can lead to decreased demand in the economy, which can negatively impact businesses and jobs. **Reduced access to essential goods:** In some cases, price hikes can make essential goods unaffordable for some people altogether. This can lead to malnutrition, health problems, and even death.

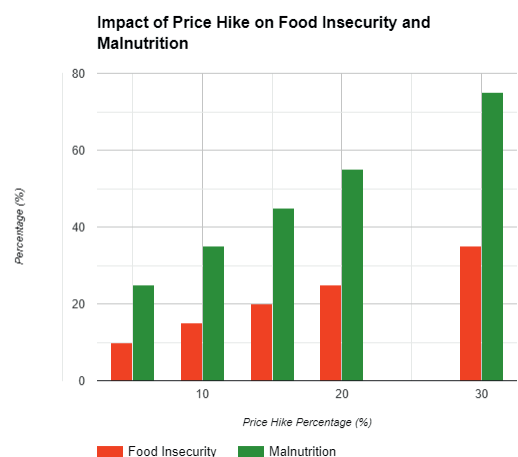
Possible Solutions and Measures to Address The Issue:

Government intervention: Governments can play a role in stabilizing prices by implementing price controls, reducing taxes on essential goods, and providing subsidies to low-income households. **Increase in production and supply:** Addressing supply chain disruptions and increasing production of essential commodities can help to bring down prices. **Promoting competition:** Encouraging fair competition in the market can help to prevent price gouging and keep prices in check. **Social safety nets:** Providing social safety nets, such as food stamps and unemployment benefits, can help to mitigate the impact of price hikes on vulnerable populations.

Specific to Bangladesh

The recent study by an intelligence agency found that the price hikes of essential commodities in Bangladesh were often disproportionate to the increases in the international market, suggesting a role for market manipulation by traders and wholesalers. The government has announced measures to address the issue, including lifting tariffs and taxes on imports of essential commodities and taking stern action against market manipulation. It is important to effectively implement these measures and monitor their impact to ensure they are successful in stabilizing prices and protecting the purchasing power of the general population. In conclusion, the price hike of essential commodities is a serious issue that requires immediate attention. By understanding the problem and implementing effective solutions, we can work towards ensuring that everyone has access to the essential goods they need to live a healthy and dignified life.

Price Hikes and their Devastating Effects: Food Insecurity and Malnutrition



The link between rising prices of essential commodities and food insecurity and malnutrition is undeniable and deeply concerning. Here's how this connection unfolds:

Reduced Access to Nutritious Food

Eroded purchasing power: As prices rise, individuals and families, especially those with limited income, are forced to prioritize cheaper, often less nutritious options. This shift in dietary patterns leads to lower intake of essential vitamins, minerals, and protein. **Shift to calorie-dense foods:** In an attempt to fill their stomachs, people may opt for energy-dense foods like carbohydrates and fats, which are often cheaper but lack essential nutrients. This can lead to a "hidden hunger" where people consume enough calories but lack the vital nutrients necessary for optimal health and development. **Compromised dietary diversity:** With limited resources, individuals may be forced to cut back on diverse food options, focusing on staples like rice and bread. This lack of dietary variety can lead to deficiencies in specific nutrients, further contributing to malnutrition.

Increased Food Insecurity

Limited access to food: As prices rise, households may have to skip meals or reduce portion sizes, leading to hunger and food insecurity. This can have devastating consequences for individ-

uals, especially children and pregnant women, who are more susceptible to the detrimental effects of malnutrition. **Reduced food affordability:** With a larger portion of income dedicated to essential commodities, households have less money to spend on food, leading to a cycle of poverty and hunger. **Disrupted supply chains:** Price fluctuations and economic instability often disrupt food supply chains, leading to shortages and further exacerbating food insecurity.

Consequences of Malnutrition

Stunted growth and development: Malnutrition in children can lead to irreversible physical and cognitive impairments, impacting their future health, education, and earning potential. **Increased vulnerability to disease:** Malnourished individuals have weaker immune systems, making them more susceptible to infectious diseases and increasing healthcare costs. **Reduced productivity:** Malnutrition can lead to fatigue, cognitive decline, and decreased physical performance, impacting individuals' ability to work and contribute to society. **Addressing the Issue:** Stabilizing prices: Implementing price controls, increasing production,

promoting competition, and reducing taxes on essential goods are crucial steps to ensure food affordability. **Social safety nets:** Providing food stamps, subsidies, and other forms of assistance can help vulnerable populations cope with price hikes and access adequate nutrition. **Dietary education:** Raising awareness about healthy eating and promoting diverse, nutrient-rich diets can empower individuals to make informed choices even under challenging circumstances. **Investing in sustainable agriculture:** Supporting sustainable farming practices that increase food production and improve resource efficiency can help to stabilize supply and reduce reliance on volatile markets. The price of essential commodities shouldn't dictate access to food and health. By addressing the root causes of price hikes and implementing comprehensive solutions, we can ensure everyone has access to the nutritious food they need to thrive. This requires a collective effort from governments, businesses, and individuals to build a more just and equitable food system where food security and nutrition are fundamental rights, not privileges.