Inflation in Bangladesh and Its Impact on People's **Economic Access to Food**

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Executive summary:

The high inflation rate persisting in Bangladesh has become an issue of grave concern. This study has attempted to understand the impact of inflation on the economic access to food of people through both quantitative and qualitative studies. The qualitative segment identified contributing factors to inflation, encompassing external influences such as the Russia-Ukraine conflict, alongside internal factors like inadequate policies, syndicate activities, and inefficiencies in domestic production.

The survey has found that this inflation is affecting overall economic access to people negatively. The low-income and lower-middle-income people's food-buying capability is greatly hampered due to inflation. The findings have shown how people in every income group have had to increase their food expenditure. One of the most noticeable findings is that even lower-middle-income and upper-middle-income people are spending nearly half or even more than half of their monthly income on food. Even common food items such as rice, onion, and potatoes are rendered as not affordable by the majority of lower-middle-income and upper-middle-income people. This paper has thus suggested the implementation of stringent measures to regulate syndicate activities, the provision of food aids, augmentation of domestic food production, and awareness-building initiatives to alleviate inflation and subsequently enhance economic access to food for the populace.

1. Introduction

1.1. Background:

Bangladesh is currently facing the challenge of the high inflation rate of which food inflation is the most noticeable type. The inflation rate has been volatile recently. The current inflation rate stands at 9.42%. It stood at 9.93% in October and even lesser in to 9.63% in September 2023 (Bangladesh Bank, 2023). All these numbers are significantly high in comparison to the inflation date of the past 10 years. The inflation rate went from 7.5 in 2013 to 9.4 in 2023. (See Figure 1). The most clear presence of inflation is seen through the current price of food commodities in Bangladesh as it stands at 12.56% as of October (TradingEconomics, 2023). Even potato which is one of the most common foods for all of the people in Bangladesh is now being sold at 65 per kg in the retail market, which was Tk 30 just two months ago (The Financial Express, 2023). Such a volatile situation in the price of essential food commodities can be a great struggle for everyone.



Figure 1: Inflation Rate in Bangladesh (2013-2023)

Inflation, especially food inflation has stopped being just a supply-demand issue, it is an issue that is impacting the daily lives of not only poor and marginalized people but also the middle-class people. While poor and most marginalized people spend most of their income to feed themselves, middle-income people work within a budget to run the family. People find it difficult to satisfy their nutritious demand to cope with the increasingly high price. Food insecurity also has grave implications for public health. The lack of food would increase malnutrition incidents, which could exacerbate the spread of infectious diseases. If the population can meet their fundamental dietary demands, they may become an efficient group of workers and retain their ability to contribute to the GDP of a nation (Zaman, 2019).

1.2. Objectives:

The primary objective of this study is to understand the effect that inflation can have on people's economic access to food in Bangladesh.

Secondary objectives:

- To identify the severity of inflation on the food-buying capability of people.
- To examine the relation between monthly income and food expenditure.

1.3. Reasons Behind Consistent Inflation in Bangladesh

Inflation's current strong grip in Bangladesh is influenced by a multitude of factors, including a significant external element. The Russia-Ukraine War highly influenced the recent surge of inflation in Bangladesh. The war led to an increase in prices of Petroleum, crude oil, fertilizer, food grains, raw materials, etc. These products are major import goods of Bangladesh. A global rise in the price of these products has significantly impacted the economic landscape of Bangladesh. The rise in the global price of these commodities has caused inflation to persist in Bangladesh (Dorosh, Islam & Pradesha, 2023).

Other than this external factor, many internal factors continue to impact Bangladesh's economy substantially. Since the dollar price is still high, Bangladesh is struggling to import products necessary for the domestic production of goods. Costs for fertilizer have gone up partly as a result of sanctions against key worldwide exporters of fertilizer, like Belarus and Russia. Farmers are paying more for fertilizer as a result of the scarcity, which is also affecting the output of food. Bangladesh is forced to purchase commodities at higher prices as a result of rising exchange rates and the supply shock, which puts pressure on the country's foreign exchange reserves and raises demand for USD, perpetuating the cycle of rising exchange rates. A weaker exchange rate and increased strain on state finances are contributing to the producer pricing index's (PPI) upward trend, which is also having an impact on consumer prices (Uzzaman, 2023).

Moreover, suboptimal policy initiatives have also contributed to the never-ending inflation in Bangladesh. Bangladesh continued the fixed income rate (6%-9%) till the middle of this year which was not compatible with the ongoing inflationary situation. Even after the removal of the interest cap, the policy did not bring fruitful results. The government's adherence to the policy of "managed" foreign exchange rate which helped the dollar exchange rate stay artificially "stable" was also ineffective in preventing the devaluation of the Taka. This substantial devaluation of the taka further fueled inflation (Raihan, 2023)

Another factor playing a pivotal role in the consistency of inflation is the unfair means of business owners. Powerful businessmen control a large portion of the market and thus build syndicates. Such syndicates oftentimes decide to stock up on products until the price goes up in the external market and sell the products at higher prices later (Tanjim, 2023). They also create an artificial supply crisis by supplying a limited amount of goods at higher prices. Due to the limited availability of the products, consumers find no other alternative than to buy those products at higher prices (Uzzaman, 2023).

2. Literature Review:

Many pieces of literature have been reviewed to conduct the paper. The research work on this topic took place between 2005 and 2023. Most of the papers were from the year 2008-2011. Almost all scholars argue that inflation has a detrimental impact on the food security of the Bangladeshi people. On top of that, there was a consensus that poor people and low-net buyers are the worst sufferers of food inflation. It is also noticed that price rises in staple foods like wheat and rice, especially rice, cause intense food security issues in people's lives. Inflation's impact on people's health and well-being is largely discussed as well.

Most of the scholars argue that food inflation has a detrimental effect on the food security of people. Inflation and food security are positively correlated which means an increase in inflation will also in cause increase food security. (Shakib, 2012, Akter, an Basher,n.dUraguchi,n.d)(Rahman, 2019,.Alam & Shahiduzzaman, 2008,Saha,2013, Haris Gazdar and Hussain Bux Mallah, 2013). Fardid & Wadood (2010) argued that food security is dependent greatly on food price changes. Especially rice price has a great impact on food security. According to the study, a 1% increase in the price of coarse rice results in a 34% fall in the chance of food security. CPD scholars also raised concerns about the food security of the people of Bangladesh due to the food inflation that took place in 2011. However, a global study found that 2008 crisis did not threaten food security globally that much, rather the impact was seen regionally. Some countries in Africa and Latin America were faced with food insecurity (Headey, 2013). Even there were disparities between races as black and hispanic people seemed to suffer from food insecurity more than the white adults in 2021-2022 timeline (Martinchek, Gupta, 1 Karpman, and Dulce Gonzalez, 2023).

Many pieces of literature brought their attention to the relationship between the global market and the domestic market of Bangladesh and how the former impacts the latter. Changes in the global market are most likely to bring changes in the domestic market of Bangladesh. Bangladesh follows the global inflation trend and the same goes for the food inflation of Bangladesh. (Zaman & Bhattacharjee, 2019). Khanam, Bhandari & Mohanty, 2015). Zaman and Bhattacharjee noted that global food prices, agricultural wage rates, and fuel prices are some factors causing food inflation in Bangladesh.

Some pieces of literature built consensus on the fact that food inflation is more prevalent in Bangladesh than non-food inflation (Saha, 2013; Hossain & Mujeri, 2020; Khanam, Bhandari & Mohanty, 2015). Saha (2013) in her paper pointed out food inflation as a recent trend. A similar argument can be noted in a paper on CPD as well.CPD discussed the recent trends of inflation and its impact on food security with a focus on the causes behind such a high inflation rate. The paper discussed how high food inflation also has effects on non-food inflation. High food inflation prompts non-food inflation to rise as well but at a different pace (CPD, 2013).

One of the most common features of the articles is their focus on the lower income people. Almost all the articles mentioned poor people and low-income households take the burnt of inflation. People on the lower spectrum of earning are the most food insecure people. (Capehart, 2008; Shakib, 2012; Akter, Basher, n.d.; Hossain & Mujeri, 2020; Saha & Kar, 2023). While most authors discussed mostly poor people, Shakib (2010) highlighted the impact of price hikes on lowermiddle-class people. Hossain & Mujeri (2020) made the case that fixed-income household categories experience higher food inflation than non-food inflation and that relatively poorer households experience higher inflation than non-poor families and day laborers. Saha & Kar (2023) mentioned that food security is declined for those who are on the lower level in case of purchasing power.

Food security has an adverse impact on the overall impact on well-being of people. Irene A. Kuntjoro & Sofiah Jamil in their paper has mentioned food security as a major part of nontraditional security that hampers the well-being of the people. Alam & Shahiduzzaman (2008) argued that the high price of foods puts net food buyers at great risk of malnutrition and risk of hunger. High food price has also hampered the poverty reduction rate in between 2005-2008. The paper states that the rising price of food is compelling Southeast Asian people to consume less

nutritious food. The adverse effect of inflation on public health is also acknowledged in this paper. Shakib (2010) also agreed with the idea his paper stated how price hike impacts people expense of health as they try to cope with the rising cost of food among many other outcomes (Shakib, 2012). Another paper discussed the impact of price hikes on the health of the people of Bangladesh and Ethiopia. Uraguchi (n.d.) argued that food inflation leads to food security that ultimately causes health issues in the children of Bangladesh. The study found that food hikes resulted in people opting for smaller intakes in food and that resulted in malnutrition. Many kids were victims of stunting and wasting. Lower calorie intake is also mentioned as an effect of inflation that brings adverse health impacts on people's lives (Rahman, 2019). However, Akter and Basher (n.d) argued that the effects of food price and income shocks on food security and welfare are quite contextspecific. In Bangladesh's rural communities, starving rates were found to be strongly predicted by agricultural seasonality as well as price shock.

Some papers depicted that Rice inflation is the most common and prevalent inflation in Bangladesh and it can create food insecurity (CPD, 2011, Khanam, Bhandari & Mohanty, 2015). Faridi & Wadood (2010) discussed that especially rice price has a great impact on food security. According to the study, a 1% increase in the price of coarse rice results in a 34% fall in the chance of food security. Khanam, Bhandari & Mohanty, 2015 argued that rice inflation decreases real income and purchasing power which also leads to food insecurity of food. One of the odd things CFD addressed was the high price of rice despite the enough production of rice. They suggested that vigorous research of the foodgrain market's dynamics as well as other statistics on the nation's production and population are necessary in such a situation.

Even weather events can have an impact on food inflation. A global study revealed that climate change and devastating weather events can also be contributing factors to food inflation and give rise to the prices of fruits, vegetables, dairy products, and other basic food items (ADB, 2021). A similar notion is seen in a study based in Pakistan that mentioned droughts as one of the most common reasons for price shock (Gazdar and Mallah, 2013). A study in Bangladesh that focused on causes of inflation brought a different factor into their study and also stated a similar fact. It

discovered that several short-term events, such as floods, cyclones, droughts, a lack of grain stocks, and high oil prices also cause inflation in Bangladesh (Saha,2013).

3. Methodology

This study has collected data from both primary and secondary sources to curate proper information regarding the topic and acquire results as the objectives intended. The data is both quantitative and qualitative in nature.

3.1. Study Area

This research has been conducted in Dhaka, the capital city of Bangladesh. We have divided Dhaka city into 5 sets of areas and each set includes 2-4 areas adjacent to each other. The first set of areas includes Rampura, Banasree, Khilgaon, and Mouchak; the second one includes Dhanmondi and Mohammadpur; the third includes Shahbagh, Farmgate, Tejgaon, and Moghbazar; the next one includes Banani, Mirpur, and Uttara and the final one includes Sadarghat, Jatrabari, Sanir Akhra, and Nobabpur.

3.2. Sampling

This research has used the convenience sampling method to determine the sample size. Middleclass families of Dhaka have been chosen as the population size. About 400 surveys have been collected from 400 people residing in the representative study areas. There is no particular systematic approach that was followed in this procedure. Data collectors have collected data from the people nearest them in their designated areas.

3.3. Data Collection Method:

3.3.1. Survey:

A survey has been created to collect data from the middle-class people residing in Dhaka. The main questions are designed as Likert scale questionnaires.

3.3.2. Desk Review:

The secondary data has been collected from numerous scholarly articles by conducting a desk review. Different websites and news portals have been explored to gather useful and relevant information as well.

3.4. Data Analysis:

Quantitative data collected through the survey is analyzed in two ways. Both simple mathematical calculations and usage of statistical software have been used to analyze the data. Simple mathematical equations calculate the mean, percentage, and frequency of the data. Statistical software, SPSS has been used to conduct crosstabulations to find the relation between different variables. Both SPSS and Excel have been used to create graphs and charts. The collected data has been checked thoroughly to look for any missing responses or errors in data.

4. Findings & Analysis:

4.1. Demographic Profile:

Demographic profiles of the respondents have been organized in a table where information regarding their age, gender, total family members, living area, monthly income, and total earning members can be found.

Sl	Questions	Response	es
1	What is your age?	<i>≤</i> 25:	17.0%
		26-35:	36%
		36-45:	28.7%
		46-55:	13.5%
		≥56:	4.8%
2	What is your gender?	Male:	89.3%
		Female:	10.8%
3	How many members are in	≤2:	4.3%
	your family?	3-4:	43.5%
		5-6:	40.3%
		7-8:	9.5%
		≥9:	2.5%

4	Where do you live?	Rampura-Banasree-Khilgaon-
		Mouchak:
		14.2%
		Dhanmondi-Mohammadpur:
		16.8%
		Shahbagh-Farmgate-Tejgaon-
		Mogbazar:
		21.3%
		Banani-Mirpur-Uttara: 22.5%
		Sadarghat-Shanir Akhra-
		Jatrabari-Nababpur: 19.0%
		Others: 6.3 %
5	What is your monthly	<20,000: 27.3%
	income?	20,000-30,000: 41.8%
		31,000-40,000: 20.8%
		41,000-50,000: 6.3%
		51,000-60,000: 2.0%
		61,000-70,000: .8%
		71,000-80,000: .3%
		≥81,000: 1.0%
6	Are you the sole earning	Yes: 69.8%
	member of the family?	No: 30.3%
		1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -

Table 1: Demographic Profile

This table shows information regarding respondents' age, gender, income level, family members, living area, and whether they are the sole earning members of their family or not. Most of the respondents of this research are from the 26-35 age group. The majority of the respondents stayed within the 55 age range. There is a striking contrast in the result regarding the gender as percentage of male respondents is 89.3 whereas only 10.8% of the respondents are female. The majority (43.5%) of the respondents have 3-4 family members. The respondents were from different areas of Dhaka, the highest percentage of people (22.5) of them live in Banani, Mirpur, and Uttara. Among all the respondents there are only 1.25% high-income people, and two-thirds of them are from the low-income group. It is noticeable that two-thirds of them are the sole earning member of their family.

4.2. Monthly Income Level

The pie chart illustrates the income levels of the respondents.

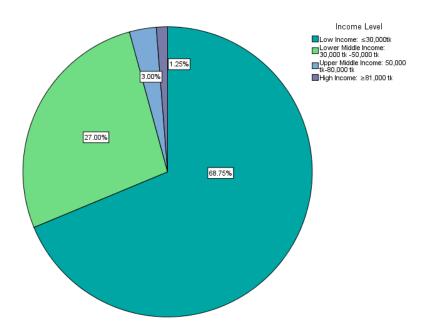


Figure 2: Income Level

From the chart, it is seen that nearly two-thirds of the respondents belong to the low-income group $(\le 30,000)$. The second highest result is 27% who belong to the lower middle-income group (30,000 tk- 50,000 tk). And about 3% of respondents come from the upper-middle-income group. Only a small portion of people belong to the high-income group ($\geq 81,000 \text{ tk}$).

4.3. Gender:

The pie chart shows the percentages of the gender of people who have taken part in the survey.

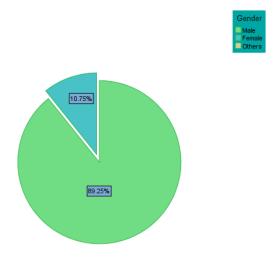


Figure 3: Gender

Almost 90% of the respondents were male and on the other hand, only 10% of the respondents were female.

4.4. Economic Access to Food

Detail Frequency Distribution

The detailed frequency distribution table is structured with the responses of the respondents on certain questions in four separate tables. The average score of the responses can be found in the last table which helps understand the average economic access to food of people.

Question	Fully capable	Quite capable	Not quite capable	Not capable	Not capable at all
****	11		100	151	22
What is your	11	7	198	151	33
ability to					
provide	2.8%	1.8%	49.5%	37.8%	8.3%
enough food					
for the family					
with your					
current					
income?					

Table 2: Detail Frequency Table-Part 1

Question	Not increased	Increased	Increased a	Increased	Increased a
	at all	slightly	bit	quite a bit	lot
How has your	0	10	54	204	132
food spending					
increased	0	2.5%	13.5%	51%	33%
recently?					

Table 3: Detail Frequency Table- Part 2

Question	Affordabl	Quite	Not quite	Not	Not affordable at
	e	affordable	affordable	Affordable	all
How affordable	0	0	68	174	158
are the current					

prices of regular	0	0	17%	43.5%	39.5%
food items like					
rice, eggs,					
onions, and					
potatoes in the					
market for					
middle-income					
people?					

Table 4: Detail Frequency Table- Part 3

Average of all	0.9%	1.4%	26.67%	44.1%	26.9%
responses					

Table 5: Detail Frequency Table- Part 4

The table shows that most respondents are struggling to access food for themselves in recent times.

The questions seek answers regarding the people's ability to buy food with their monthly income, increase in food expenditure, and perception regarding the affordability of basic food. The table shows that 95.6% of respondents are more or less struggling to buy food for their families with their income. More than half of the respondents have shared that their food expenditure has increased quite a bit. About 43.5% of people think that basic food items such as rice, eggs, onions, and potatoes are not affordable for middle-income people. Another 39.5% of people think buying items is tough nowadays.

4.5. Monthly Income and Food Purchasing Capability:

The table shows the correlation between people's monthly income and their ability to provide their families with enough food with their income.

Income Level * What is your ability to provide enough food for the family with your current income? Crosstabulation

				•	provide eno	ugh food fo	or the family	
			with your	current inco	me?			
			Fully	Quite	Not quite	Not	Not capable at	
			capable	capable	capable	capable	all	Total
Income	Low Income:	Count	9	3	119	116	28	275
Level	≤30,000tk	% within Income Level	3.3%	1.1%	43.3%	42.2%	10.2%	100.0 %
	Lower Middle	Count	0	3	69	31	5	108
	Income: 30,000 tk -50,000 tk	% within Income Level	0.0%	2.8%	63.9%	28.7%	4.6%	100.0 %
	Upper Middle	Count	1	0	7	4	0	12
	Income: 50,000 tk-80,000 tk	% within Income Level	8.3%	0.0%	58.3%	33.3%	0.0%	100.0 %
	High Income:	Count	1	1	3	0	0	5
	≥81,000 tk	% within Income Level	20.0%	20.0%	60.0%	0.0%	0.0%	100.0
Total		Count	11	7	198	151	33	400
		% within Income Level	2.8%	1.8%	49.5%	37.8%	8.3%	100.0

Table 6: Crosstabulation between Income Level and Capability of Buying Food for Family

All four income groups have faced challenges while buying food for their family with their income. From the low income ($\leq 30,000$ tk) nearly all of them shared their incapability to buy food with their income. Among them, about 50% of people have shared a strong incapability of buying food for their family. The same goes for the lower middle-income group where none of the people have shared the full capability to buy food. However, what is noticeable is that the majority of them have shared they are 'not quite capable' of buying food which depicts that even while they can afford food, they are not satisfied with the capability of buying food. A similar scenario is seen for upper middle income and higher income groups as the majority of each group have shared how they are 'not quite capable' of buying food for their family.

To sum up, two-thirds of lower-income and lower-middle-income people are not capable of buying enough food for their families.

4.6 Monthly Income and Increased Food Spending:

The crosstab shows the relation between people's monthly income and increased food spending.

Income Level * How has your food spending increased recently? Crosstabulation

			How has recently?	your food	d spending	increased	
			Increased slightly	Increased a bit	Increased quite a bit	Increased a lot	Total
Income Level	Low Income: ≤30,000tk	Count % within Income Level	8 2.9%	28 10.2%	136 49.5%	103 37.5%	275 100.0 %
		Count	0	23	62	23	108

	Lower Middle Income: 30,000 tk -50,000 tk		0.0%	21.3%	57.4%	21.3%	100.0
	Upper Middle	Count	2	1	5	4	12
	Income: 50,000 tk-80,000 tk	% within Income Level	16.7%	8.3%	41.7%	33.3%	100.0
	High Income:	Count	0	2	1	2	5
	≥81,000 tk	% within Income Level	0.0%	40.0%	20.0%	40.0%	100.0 %
Total		Count	10	54	204	132	400
		% within Income Level	2.5%	13.5%	51.0%	33.0%	100.0

Table 7: Crosstabulation between Income Level and Increased Food Spending

Only a small fraction of the people from the low-income ($\leq 30,000$ tk) income group have faced a little increase in spending on food whereas, about 87% of them have seen a great increase in their food spending.

In the case of the Lower Middle Income (30,000 tk -50,000 tk) majority (74.7%) of the people have seen quite a bit of an increase in their spending. A similar scenario is seen for the uppermiddle-income group (50,000 tk - 80,000 tk) where more than two-thirds of them have had to greatly increase their food spending as well. Even people with high income have seen an increase in spending however stance on this is less strong than the previous income groups.

This shows that the price hike is impacting every income group as their food expenditure has increased significantly and people from the lower income spectrum are the worst sufferers.

4.7. Monthly Income and People's Perception of affordability of regular food items like rice, eggs, onions, and potatoes:

The table shows the correlation between monthly income and perception of the affordability of regular food items like rice, eggs, onions, and potatoes.

Income Level * How affordable are the current prices of regular food items like rice, eggs, onions, and potatoes in the market for middle-income people? Crosstabulation

			How affor				
			prices of reg				
			eggs, onion				
			market for i				
					Not		
			Not quite	Not	affordable		
			affordable	affordable	at all	Total	
Income	Low Income:	Count	34	112	129	275	
Level	≤30,000tk	% within Income	12.4%	40.7%	46.9%	100.0	
		Level				%	
	Lower Middle	Count	27	57	24	108	
	Income: 30,000 tk -	% within Income	25.0%	52.8%	22.2%	100.0	
	50,000 tk	Level				%	
	Upper Middle	Count	4	5	3	12	
	Income: 50,000 tk-80,000 tk	% within Income	33.3%	41.7%	25.0%	100.0	
		Level				%	
	High Income:	Count	3	0	2	5	
	≥81,000 tk	% within Income	50.004		40.007	100.0	
		Level	60.0%	0.0%	40.0%	%	
Total		Count	68	174	158	400	
			-	•	•		

% within Income	17.0%	43.5%	39.5%	100.0
Level	17.070	+3.5 /0		%

Table 8: Crosstabulation between Income Level and Affordability of Regular Food Items

The majority (87.2%) of the people from the low-income group ($\leq 30,000$ tk) think regular food such as rice, eggs, onions, and potatoes is not affordable for middle-income people at all. About 22.2% of people from the lower middle-income group strongly think regular food items are not affordable at all, whereas 52.8% of them think they are not affordable yet their support toward the notion is less strong than the 22.2% people previously mentioned. A similar scenario is seen for the Upper Middle Income: 50,000 tk-80,000 tk, as well as the majority (41.7%) of the people, think they are 'not affordable, and only 25% people believe they are not affordable at all. However, 33.3% of them also believe they are 'not quite affordable' depicting a less strong view on the unaffordability of the food items. Notably, the high-income group shows lesser support for the notion of 'not affordable at all', two-thirds of them think they are 'not quite affordable'.

To sum up, nearly two-thirds of middle-income people do not find basic food items to be affordable for them.

4.8. Food Spending Based on Income

The bar chart shows the average amount of money that people from different income groups spend on buying food.

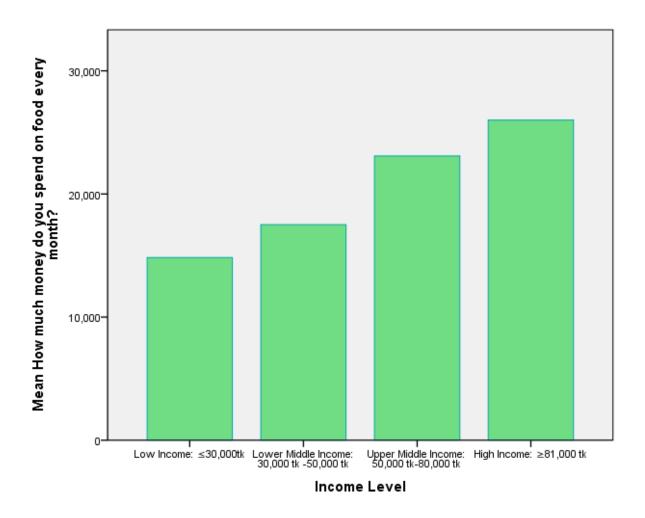


Table 9: Mean Food Expenditure Based on Income Level

People from low-income groups (≤30,000tk) spend about 15000tk every month to buy food. People earning 30,000 tk-50,000 tk every month spend a little more than 15,000 per month. Spending of the upper middle income amounts to nearly 23000 every month which means a significant amount of their earning is being spent on food. Respondents belonging to the high-income group spend about 25000 on food.

The results show how even lower-income people are spending 50%-60% of their monthly income and upper-middle-income people are spending more than one-third of their income on food alone which is quite concerning.

5. Conclusion and Recommendations:

Inflation can have a significant impact on the economic access to food of middle-class people in Bangladesh. This research has found that the impact of inflation is not limited to lower-income people, but it impacts middle-class people just as intensely. Middle-class people of Dhaka city have seen a moderate to high increase in their food expenditure. It is also evident that a large sum of people's monthly income is being spent to buy food. While all income groups are struggling to avail desired food for their family with their income, people from lower and lower-middle-income groups are the worst sufferers. Even the most common food items such as rice, onions, and potatoes are losing their affordability due to the current price hike. The majority of the income people are finding such common not to mention most essential food items not affordable. This result alludes to possible food insecurity among middle-class people in the future as they are currently struggling to buy and provide necessary food for themselves.

Recommendations:

Controlling Syndicate: Powerful businessmen and traders built syndicates to increase the price of food commodities for their benefit. This causes the high price to sustain in the domestic market even if global food prices fall. This scenario calls for proper control and regulation of such syndicates. The government needs to tighten the monitoring of the market and traders. BCC should allow raids in the market to catch any unfair politics and acts. Strong actions with long-term effects should be implemented against people running such syndicates.

Increasing Domestic Food Production: Increasing domestic food production is imperative to handle the inflationary situation. This will result in an increased supply of food and ultimately benefit a large number of people. It should be ensured that the increased food supply becomes available to not only low-income people but also middle-income and people with fixed incomes.

Providing Food Aids: The government should broaden the horizon of food aid and organize food aid for lower-middle-income and middle-income people as well. There should be separate food aid plans for critical situations.

Increasing Awareness: Inflation, especially food inflation is sometimes artificially created. An easy way to handle artificial food inflation is by having adequate knowledge and awareness regarding artificial inflation and syndicates that often create such inflation. Such awareness can induce careful actions that help that artificial crisis to subdue. For example, boycotting certain products with high prices unless the price goes down.

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