

Rising Living Costs Amplifying Inequalities in the Context of COVID-19

The COVID-19 pandemic has continued to trigger a massive spike of uncertainty in Zambia. As at Wednesday 5th August 2020, the country had recorded a total number of over 7000 cumulative cases. Even though recovery rates remain high. The recent increased death toll attributed to the virus has continued to raise concerns over strategies that have been employed to combat the pandemic. As a matter of fact, relaxation of adherence to safety guidelines and measures is being exhibited by both authorities and individuals. The economy has equally not been spared from the wave of uncertainty. In releasing the performance of the January to June 2020 National Budget on 31st July 2020, government through the Ministry of Finance alluded to fact that economic growth has been downgraded from the initial projected growth of at least 3 percent to a negative growth of around minus 4.2 percent. This remains of concern to the Jesuit Centre for Theological Reflection (JCTR) as it entails perpetuation of income inequalities especially for poor households which cannot afford nutrition and basic necessities needed to maintain human dignity.

The JCTR Basic Needs and Nutrition Basket (BNNB) for the month of July 2020 stood at K 7,204.24. A total increase of K143.44 from the June 2020 basket which stood at K 7,060.80. Increases in the basket were recorded on the prices of the following items; Pounded groundnuts that rose sharply from K33.77 to K102.16 for 1kg, chicken which increased by K58.81 from K144.33 to K203.14 for 5kg, soya pieces that rose to K135.85 from K90.55 for 2kg, other fruits moved from K251.63 to K283.33 for 14kg and sweet potatoes increased from K18.43 to K41.20 for 4kg. Other items such as rice, tomatoes and beans recorded price increase between K17 and K21 while cooking oil increased by slightly over K10 from K99.12 to K111.91 for 3.6lt. The July basket noted reductions in the price of items such as roller mealie meal that moved from K195.33 to K175.71, cassava flour moved from K211.75 to K135.50 and bananas that reduced K189.78 to K179.43. From the non-food but essential items the price of charcoal reduced significantly from K322.40 to K266.67 for two 90kg bags.

Recognising that we are in the middle of health crisis, the promotion of diet diversity and nutrition at household level remains imperative to ensure that households are not vulnerable and easily prone to disease. From the July basket, JCTR remains pleased to note that prices of food items such as roller mealie meal and cassava flour have recorded decreases. The Centre implores households to deliberately incorporate roller mealie meal into their diets as it is higher in nutritional content and relatively cheaper than breakfast mealie meal.

However, of concern from the basket is the increases recorded in the price of groundnuts and sweet potatoes that contain a wide range of nutrients and are seasonal products. The World Health Organisation guidelines provide that at least five portions of fruit and vegetables must be consumed in a day. The slight increases in the prices of other fruits such as apples and oranges is not desirable. The sad reality for most vulnerable households is that fruits are deemed as a luxury amongst competing needs. Even with a slight reduction recorded by the inflation rate for the month of July (dropping to 15.8% from the Zambia Statistics Agency June statistics of 15.9%). The eminent challenge is that stagnant real wages and reduced disposable income far outweigh this gain. The availability and affordability of most food products in the basket remains affected by disruptions to livelihoods across number of sectors in the economy.

Given this reality, JCTR reiterates the need for deliberate attempts to protect the most vulnerable segments of society. The recently announced COVID-19 Emergency Social Cash Transfer package is a prudent and timely intervention that needs to be scaled up beyond the targeted beneficiaries on the cash transfer database.

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