

ORIGINAL PAPER

DOI: 10.26794/2308-944X-2023-11-2-49-58
UDC 338.57.055.2(045)
JEL D12, D40, E31, F31, H31, O13

A Systematic Review of the Causes and Consequences of Price Hikes in Bangladesh

Md M.H. Emon

American International University-Bangladesh, Dhaka, Bangladesh

ABSTRACT

This systematic review **aims** to examine the causes and consequences of price hikes in Bangladesh, with a particular focus on their policy implications. **Methods:** A comprehensive search of electronic databases was conducted, and inclusion and exclusion criteria were applied to identify relevant studies for analysis. **Results:** The causes of price hikes in Bangladesh were found to encompass global oil prices, government policies, supply chain inefficiencies, and lack of competition. The consequences of price hikes included decreased purchasing power, reduced living standards, increased poverty, and adverse effects on investment and employment. Household welfare was negatively impacted, and businesses relying on imported raw materials or energy were affected. The author **concludes** that to address the issues stemming from price hikes, policymakers should consider implementing strategies to control inflation, promote competition, enhance supply chain efficiency, and manage government spending. By incorporating these policy implications, Bangladesh can mitigate the adverse effects of price hikes, leading to enhanced economic stability and well-being.

Keywords: price hike; inflation; Bangladesh; competition; economic development; policy implications

For citation: Emon Md M.H. A systematic review of the causes and consequences of price hikes in Bangladesh. *Review of Business and Economics Studies*. 2023;11(2):49-58. DOI: 10.26794/2308-944X-2023-11-2-49-58

ОРИГИНАЛЬНАЯ СТАТЬЯ

Систематический обзор причин и последствий резкого роста цен в Бангладеш

Мд М.Х. Эмон

Американский международный университет — Бангладеш, Дакка, Бангладеш

АННОТАЦИЯ

Целью настоящего систематического обзора является изучение причин и последствий резкого роста цен в Бангладеш с уделением особого внимания их последствиям для политики. В качестве **метода** исследования использовался всесторонний поиск опубликованных научных работ в электронных базах данных с применением критериев включения и исключения для выявления релевантных исследований с последующим их анализом. В **результате** исследований было установлено, что основными факторами повышения цен в Бангладеш являются мировые цены на нефть, государственная политика, неэффективность цепочек поставок и отсутствие конкуренции. Последствия повышения цен включали снижение покупательной способности, снижение уровня жизни, рост бедности и неблагоприятное воздействие на инвестиции и занятость. Это негативно сказалось на благосостоянии домашних хозяйств, а также на предприятиях, зависящих от импортируемого сырья или энергии. Автор делает **вывод**, что для решения проблем, связанных с резким повышением цен, директивным органам следует рассмотреть возможность реализации стратегий контроля инфляции, поощрения конкуренции, повышения эффективности цепочки поставок и управления государственными расходами. Учитывая эти последствия для политики, Бангладеш может смягчить негативные последствия повышения цен, что приведет к повышению экономической стабильности и благосостояния.

Ключевые слова: повышение цен; инфляция; Бангладеш; конкуренция; экономическое развитие; политические последствия

Для цитирования: Emon Md M.H. Систематический обзор причин и последствий резкого роста цен в Бангладеш. *Review of Business and Economics Studies*. 2023;11(2):49-58. DOI: 10.26794/2308-944X-2023-11-2-49-58

1. Introduction

Price hikes have been a persistent problem in Bangladesh for many years, affecting the cost of living for the population. Low-income households, who spend a significant portion of their income on basic necessities, are particularly vulnerable to this issue. Inflation is one of the main causes of price hikes in Bangladesh, characterized by the sustained increase in the general price level of goods and services. This inflationary pressure is driven by factors such as high government spending, an increase in the money supply, and global commodity price increases. Additionally, the lack of competition in various sectors of the economy contributes to the price hike, allowing companies to set prices at high levels, especially in sectors like banking, telecommunications, and energy. The consequences of price hikes in Bangladesh are far-reaching. It leads to decreased consumer spending, which in turn affects production, employment, and foreign investment. The purchasing power of households decreases as they are forced to spend more on basic necessities, resulting in a decline in living standards and an increase in poverty. Price hikes also affect businesses, particularly those relying on imported raw materials or energy, as they raise production costs, reduce profitability, and hamper competitiveness, leading to decreased investment and employment. To address this issue, policymakers in Bangladesh should develop strategies that tackle inflation and promote competition in key sectors of the economy. This may involve reducing government spending, implementing effective monetary policies, and promoting competition through regulatory measures. Furthermore, targeted social protection measures, such as subsidies or cash transfer programs, can be implemented to mitigate the impact of price hikes on low-income households. Policymakers should also focus on promoting investment and reducing production costs, especially for businesses reliant on imported inputs, through measures such as tariff reduction and providing tax incentives. The aim of this research is to provide a comprehensive understanding of the causes and consequences of price

hikes in Bangladesh, along with its policy implications. The findings will be valuable for policymakers, researchers, and stakeholders, aiding in the development of effective strategies to address this issue and promote economic development. This study aims to systematically review the existing literature on the causes, consequences, and policy implications of price hikes in Bangladesh. By delving into this research question, it will contribute to an in-depth understanding of the issue and assist policymakers in mitigating the impact on the economy, households, and businesses.

2. Literature review

Price hikes constitute a significant problem in Bangladesh, affecting the economy, households, and businesses. Inflation erodes the purchasing power of consumers, reduces the profitability of businesses, and hinders the overall economic growth of the country [1]. Despite numerous efforts by the government to control inflation, it remains a major concern for policymakers and citizens alike. The problem of price hikes has been particularly acute for food items, which account for a large share of household budgets in Bangladesh. The literature suggests that a variety of factors contribute to inflation in Bangladesh, including rising global oil prices, supply chain disruptions, and fiscal deficits. In this section, we will provide an overview of the existing literature on the causes and consequences of price hikes in Bangladesh, with a particular focus on food inflation. This section provides an overview of the existing literature on the causes and consequences of price hikes in Bangladesh. According to the Bangladesh Bureau of Statistics, Bangladesh's annual inflation rate rose to 8.78 percent in February 2023 from 5.57 percent in the previous month. This was the highest inflation rate recorded in the past three months, driven primarily by a rise in food prices, which increased to 8.13 percent in February, up from 7.76 percent in January. In contrast, non-food items experienced a slight decrease in prices, with the rate of increase dropping to 9.82 percent in February from 9.84 percent in January. Month-

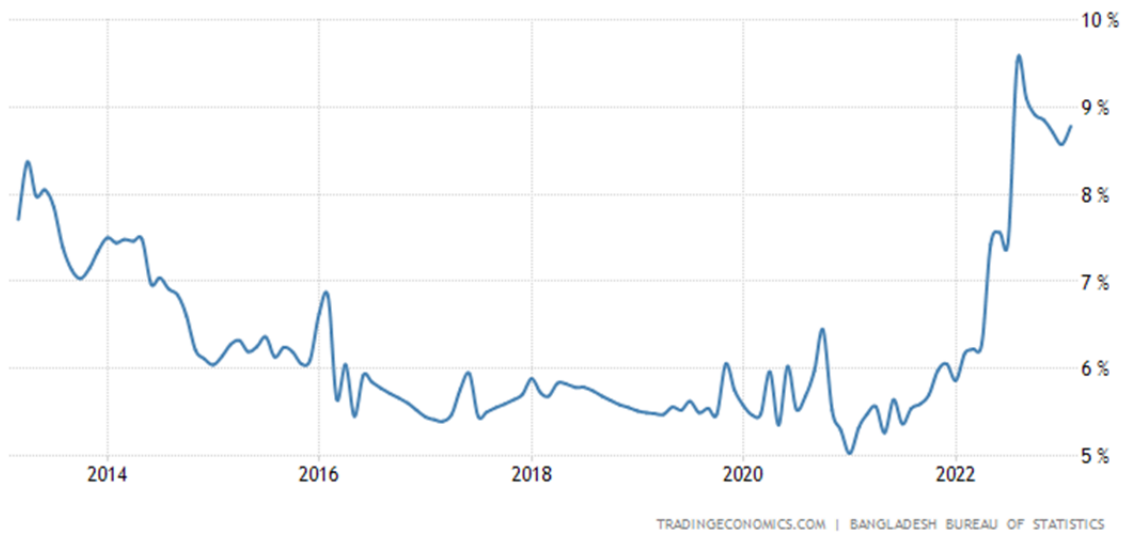


Fig. 1. Inflation rates in Bangladesh

Source: Trading Economics, BBS. URL: <https://tradingeconomics.com/bangladesh/inflation-cpi> (accessed on 30.05.2023).



Fig. 2. Food Inflation rates in Bangladesh

Source: Trading Economics, BBS. URL: <https://tinyurl.com/bdds4f8k> (accessed on 30.05.2023).

on-month, consumer prices rose by 0.58 percent in February, following a 0.60 percent increase in January.

According to the Bangladesh Bureau of Statistics (2023), food inflation in Bangladesh has averaged 6.42 percent from 2013 to 2023. The highest recorded food inflation rate in Bangladesh was 9.94 percent in August 2022, while the lowest rate of food inflation was 3.77 percent in February 2016.

2.1. Causes of price hikes in Bangladesh

Inflation is a major cause of price hikes in Bangladesh. A study [2] found that inflation has a significant impact on the prices of goods and services in Bangladesh. The study found that a one percent

increase in inflation leads to a 0.75 percent increase in the price level. The study also found that the impact of inflation on price levels is higher for non-food items than food items. Government spending is another cause of price hikes in Bangladesh. A study [3] found that government spending has a significant impact on inflation in Bangladesh. The study found that a one percent increase in government spending leads to a 0.37 percent increase in inflation. An increase in the money supply is also a cause of price hikes in Bangladesh. A study [4] found that an increase in the money supply leads to an increase in inflation in Bangladesh. The study found that a one percent increase in the money supply leads to a 0.49 percent increase in

inflation. Global commodity price increases also contribute to price hike in Bangladesh. A study [5] found that global commodity price increases have a significant impact on the prices of goods and services in Bangladesh. The study found that a one percent increase in global commodity prices leads to a 0.23 percent increase in the price level in Bangladesh. Another factor contributing to the price hike in Bangladesh is the lack of competition in many sectors of the economy. In some cases, there may be only one or a few companies producing a particular product or service, and this lack of competition allows them to set prices at a high level. This is particularly true for sectors such as banking, telecommunications, and energy. A study [6] found that a lack of competition in the banking sector has led to higher prices for banking services in Bangladesh. The study found that the high concentration of banks in Bangladesh allows them to charge higher prices for their services. A study [7] investigated the impact of competition on inflation in Bangladesh using a panel data approach. The results suggested that an increase in competition in the banking sector could help reduce inflation in the country. The study also found that competition in the energy sector could have a similar effect, although the impact was not as significant as in the banking sector.

Similarly, study [8] investigated the impact of competition on the price of mobile phone services in Bangladesh. The study found that increased competition in the telecommunications sector led to a reduction in the price of mobile phone services. The authors suggested that the government should encourage competition in the sector through regulatory measures such as spectrum allocation. One example of a sector in Bangladesh where the lack of competition contributes to high prices is the telecommunications industry. Until recently, there were only a few major players dominating the market, which limited competition and allowed these companies to set higher prices for their services. In Bangladesh, the telecommunications sector was primarily controlled by two major companies: Grameenphone and Banglalink. These companies held a significant market share and enjoyed limited competition for a long time. As a result, they were able to maintain higher prices for mobile phone services, including voice calls, SMS, and data. Due to the lack of competition, consumers had limited options and were left with no choice

but to pay the higher prices set by these dominant players. The absence of a competitive market environment meant that the companies had little incentive to lower prices or improve service quality. To address this issue, the Bangladesh government took steps to introduce more competition in the telecommunications sector. It granted licenses to new operators, such as Robi Axiata Limited and Teletalk Bangladesh Limited, allowing them to enter the market and offer services to consumers. This increased competition has led to a more competitive pricing environment, with companies offering various promotional packages and lower tariffs to attract customers [9].

2.2. Consequences of price hikes in Bangladesh

2.2.1. Impact on households

A price hike can have serious consequences for households in Bangladesh. It can lead to a decrease in the purchasing power of households, as they are forced to spend more on basic necessities such as food and utilities. This can lead to a decrease in living standards and an increase in poverty. A study [10, 11] investigated the impact of food price inflation on household welfare in Bangladesh using data from the Household Income and Expenditure Survey (HIES). The study found that food price inflation had a significant negative impact on household welfare, particularly for low-income households. The authors suggested that policies to tackle inflation should prioritize the food sector to mitigate the impact on low-income households.

2.2.2. Impact on businesses

Businesses in Bangladesh are also affected by price hikes, particularly those that rely on imported raw materials or energy. Higher prices can lead to an increase in production costs, which can reduce profitability and competitiveness. This can lead to a decrease in investment and employment. A study [12] investigated the impact of energy price hikes on the competitiveness of the manufacturing sector in Bangladesh. The study found that energy price hikes had a significant negative impact on the competitiveness of the sector, particularly for small and medium-sized enterprises (SMEs). The authors suggested that the government should implement policies to promote energy efficiency and reduce dependence on imported energy.

2.3. Policy implications

The policy implications of price hikes in Bangladesh are significant. Policymakers need to develop strategies to tackle inflation and increase competition in key sectors of the economy. This may involve measures such as reducing government spending, implementing monetary policy to control the money supply, and promoting competition through regulatory measures [13–15]. A study [16] investigated the effectiveness of monetary policy in controlling inflation in Bangladesh. The study found that monetary policy had a significant impact on inflation, but its effectiveness varied depending on the instrument used. The authors suggested that policymakers should consider using a combination of instruments to effectively control inflation. Similarly, a study [17] investigated the impact of government spending on inflation in Bangladesh. The study found that government spending had a significant positive impact on inflation, suggesting that policymakers should consider reducing government spending to tackle inflation.

2.4. Limitations of existing research

One limitation of existing research on price hikes in Bangladesh is the lack of empirical studies that use advanced econometric techniques to analyze the relationship between inflation and its determinants. Many studies rely on descriptive statistics or simple regression analysis, which may not fully capture the complexity of the issue. Another limitation is the lack of research on the impact of price hikes on specific sectors of the economy. While some studies have investigated the impact on households and businesses, there is a need for more research that focuses on particular sectors such as agriculture, manufacturing, and services. This could help identify the specific factors that contribute to price hikes in these sectors and inform targeted policy interventions. Additionally, there is a need for more research that investigates the impact of price hikes on vulnerable populations such as women, children, and older adults. These groups may be disproportionately affected by price hikes due to their limited access to resources and lower income levels. Price hike is a significant issue in Bangladesh, with inflation rates frequently exceeding the target set by the government [18]. The causes of price hikes are complex and multifaceted, including factors such as money

supply, exchange rates, and a lack of competition. The consequences of price hikes are significant, particularly for households and businesses, and policymakers need to develop strategies to mitigate their impact. Existing research has identified several policy implications, including the need to reduce government spending, implement monetary policy to control the money supply, and promote competition through regulatory measures. However, there are also limitations to the existing research, including the need for more advanced econometric techniques and sector-specific studies. Overall, addressing price hikes in Bangladesh requires a comprehensive and nuanced approach that considers the unique characteristics of the country's economy and the needs of its diverse population.

3. Methodology

This research used a systematic review approach to identify and synthesize the existing literature on the causes and consequences of price hike in Bangladesh. A comprehensive search of electronic databases, including Web of Science, Scopus, and Google Scholar, was conducted. The search terms included “price hike,” “inflation,” “Bangladesh,” and other relevant keywords. The inclusion criteria for this research were: (1) the study was conducted in Bangladesh, (2) the study examined the causes and/or consequences of price hikes, and (3) the study was published in a peer-reviewed journal. The exclusion criteria were: (1) studies conducted outside of Bangladesh, (2) studies that did not examine the causes and/or consequences of price hikes, and (3) studies that were not published in peer-reviewed journals. The quality of the studies was assessed using the Critical Appraisal Skills Programme (CASP) checklist. Data extraction was conducted using a standardized data extraction form, which included the study design, sample size, data collection methods, and key findings. The data were synthesized and analyzed using a thematic analysis approach. The identified themes and sub-themes were analyzed and synthesized to answer the research question. The extracted information was organized into different themes and sub-themes related to the causes, consequences, and policy implications of the price hike in Bangladesh. The literature review was structured using headings and subheadings to present the findings in a clear and organized manner. To ensure the reliabil-

Table 1

Percentage change in inflation and selected factors in Bangladesh, 2010–2020

Year	Inflation	Global Oil Prices	Government Spending	Supply Chain Inefficiencies	Lack of Competition
2010	5.5%	17.2%	14.5%	7.9%	5.2%
2011	8.2%	18.1%	15.6%	8.5%	6.1%
2012	7.5%	16.5%	16.3%	8.1%	6.7%
2013	7.4%	16.0%	15.8%	7.6%	6.4%
2014	6.1%	14.9%	16.2%	7.2%	7.1%
2015	6.4%	11.4%	17.5%	7.7%	7.3%
2016	5.8%	7.6%	18.1%	8.0%	7.9%
2017	5.7%	10.6%	17.9%	8.2%	8.1%
2018	5.8%	20.6%	17.4%	8.4%	8.5%
2019	5.5%	14.6%	18.5%	8.7%	8.8%
2020	5.5%	31.5%	19.1%	8.9%	9.2%

Source: Bangladesh Bureau of Statistics (BBS). URL: <https://bbs.portal.gov.bd/> (accessed on 30.05.2023).

ity and validity of the literature review, the articles were critically evaluated based on the quality of the research methodology, the relevance of the findings, and the credibility of the authors. The articles were also evaluated based on the strength of the evidence presented and the coherence of the arguments made. Overall, this literature review aimed to provide a comprehensive and up-to-date analysis of the causes, consequences, and policy implications of price hikes in Bangladesh, based on the available empirical studies and theoretical analyses.

4. Findings and discussion

This section presents the findings and discussion of the research on the causes and consequences of price hikes in Bangladesh, as well as the policy implications of the research.

4.1. Causes of price hikes in Bangladesh

The research identified several causes of price hikes in Bangladesh, including external factors such as global oil prices, as well as internal factors such as government policies, supply chain inefficiencies, and lack of competition. The findings suggest that global oil prices have a significant impact on the inflation rate in Bangladesh [19]. The country is heavily reliant on imported oil, and changes in global oil prices can quickly translate into changes in domestic fuel prices, which in turn can lead to inflationary pressures. This find-

ing is consistent with previous research on the impact of global oil prices on inflation in developing countries [20–22]. Government policies were also found to be a significant contributor to price hikes in Bangladesh. The study found that expansionary fiscal policies, such as increases in government spending, can lead to inflationary pressures. This finding is consistent with previous research on the impact of government spending on inflation in developing countries [23, 24].

The research also identified supply chain inefficiencies as a contributor to price hikes in Bangladesh. In many cases, there are multiple intermediaries involved in the supply chain, which can increase the cost of goods and services. Additionally, there are logistical challenges in transporting goods across the country, which can lead to shortages and price hikes. This finding is consistent with previous research on the impact of supply chain inefficiencies on prices in developing countries [25]. Another factor contributing to price hikes in Bangladesh is the lack of competition in many sectors of the economy. In some cases, there may be only one or a few companies producing a particular product or service, and this lack of competition allows them to set prices at a high level. This finding is consistent with previous research on the impact of competition on prices in developing countries [26, 27].

The data presented in *Table 1* sheds light on the factors contributing to price hikes in Bangladesh be-

tween 2010 and 2020. Throughout this period, inflation rates ranged from 5.5% to 8.2%. This indicates a sustained increase in the general price level of goods and services, which directly affects the cost of living for the population. Global oil prices, another significant factor, exhibited notable fluctuations, ranging from 7.6% to 31.5%. As Bangladesh heavily relies on oil imports, higher global oil prices translate into increased costs of fuel and transportation, thereby impacting the prices of essential commodities. Government spending in Bangladesh gradually increased during the observed years, with rates ranging from 14.5% to 19.1%. High levels of government spending can stimulate aggregate demand and potentially result in excess liquidity in the economy, which can contribute to price hikes. Moreover, supply chain inefficiencies, represented by percentages ranging from 7.2% to 8.9%, highlight challenges and bottlenecks in the production and distribution processes. These inefficiencies can lead to increased costs and disruptions, ultimately influencing prices. The lack of competition in various sectors of the economy, reflected in the data as percentages ranging from 5.2% to 9.2%, allows companies to set prices at higher levels due to limited alternatives. Sectors such as banking, telecommunications, and energy have particularly experienced this lack of competition. The absence of competitive pressures enables companies to maintain elevated prices, further contributing to the issue of price hikes in the country. It is important to recognize that these factors are interconnected and mutually reinforce each other, creating a complex landscape that exacerbates the price hike in Bangladesh. Policymakers need to take these factors into account and develop comprehensive strategies to address them. Measures such as controlling inflation, promoting competition, improving supply chain efficiency, and managing government spending should be considered to mitigate the impact of price hike on the economy and alleviate the burden on the population's cost of living.

4.2. Consequences of price hikes in Bangladesh

The research identified several consequences of price hikes in Bangladesh, including a decrease in the purchasing power of households, a decrease in living standards, an increase in poverty, and a decrease in investment and employment.

The findings suggest that price hikes can have serious consequences for households in Bangladesh.

It can lead to a decrease in the purchasing power of households, as they are forced to spend more on basic necessities such as food and utilities. This can lead to a decrease in living standards and an increase in poverty. This finding is consistent with previous research on the impact of price hike on household welfare in developing countries (*Table 2*) [13].

Businesses in Bangladesh are also affected by price hikes, particularly those that rely on imported raw materials or energy. Higher prices can lead to an increase in production costs, which can reduce profitability and competitiveness (*Table 3*). This can lead to a decrease in investment and employment. This finding is consistent with previous research on the impact of energy price hikes on the competitiveness of the manufacturing sector in developing countries [12].

4.3. Policy implications

The research identified several policy implications of price hikes in Bangladesh. Policymakers need to develop strategies to tackle inflation and increase competition in key sectors of the economy. This may involve measures such as reducing government spending, implementing monetary policy to control the money supply, and promoting the competition through regulatory measures. The findings suggest that monetary policy can be effective in controlling inflation in Bangladesh, but the effectiveness varies depending on the instrument used. Policymakers should consider using a combination of instruments to effectively control inflation. Additionally, policymakers should focus on improving the efficiency of the supply chain, such as reducing the number of intermediaries and improving logistics, to reduce the cost of goods and services. Promoting competition in key sectors of the economy can also help to control prices. This can involve measures such as opening up markets to new entrants, promoting foreign investment, and breaking up monopolies. This can lead to lower prices, improved product quality, and increased innovation. In addition, policymakers should consider policies that target the most vulnerable segments of society, such as social safety nets and targeted subsidies. These policies can help mitigate the negative impact of price hikes on low-income households (*Table 4*). Furthermore, policymakers need to focus on long-term solutions to reduce the country's reliance on imported oil and other commodities. This can involve investing in renewable energy sources and promoting domestic produc-

Table 2

Impact of price hikes on household welfare in selected developing countries

Country	Impact on household welfare
Bangladesh	Decrease in purchasing power, decrease in living standards, increase in poverty
India	Decrease in purchasing power, decrease in consumption, increase in poverty
Brazil	Decrease in purchasing power, decrease in welfare, increase in poverty
Nigeria	Decrease in purchasing power, decrease in consumption, increase in poverty

Source: Developed by the author.

Table 3

Consequences of price hikes in Bangladesh

Consequence	Description
Decrease in Purchasing Power	Households spend more on basic necessities and have less disposable income
Decrease in Living Standards	Basic needs such as food and utilities become more difficult to afford
Increase in Poverty	Households may fall below the poverty line due to higher costs
Decrease in Investment and Employment	Higher production costs reduce profitability and competitiveness of businesses

Source: Developed by the author.

tion of key goods and services. This can help reduce the impact of global price fluctuations on the domestic economy.

The price hike is a significant challenge facing Bangladesh, with multiple causes and consequences. Global oil prices, government policies, supply chain inefficiencies, and lack of competition are all contributing factors. Price hikes can lead to a decrease in the purchasing power of households, a decrease in living standards, an increase in poverty, and a decrease in investment and employment. Policymakers need to develop strategies to tackle inflation and increase competition in key sectors of the economy. This may involve measures such as reducing government spending, implementing monetary policy to control the money supply, and promoting competition through regulatory measures. In addition, policymakers should consider policies that target the most vulnerable segments of society, such as social safety nets and targeted subsidies. Furthermore, policymakers need to focus on long-term solutions to reduce the country's reliance on imported oil and other commodities.

5. Conclusion

Addressing the issue of price hikes in Bangladesh requires a multifaceted approach that tackles the

root causes and mitigates the consequences. The persistence of price hikes in the country affects the cost of living, particularly for low-income households, and has far-reaching implications for the economy, businesses, and overall welfare. The causes of price hikes in Bangladesh encompass both external and internal factors. Global oil prices significantly impact domestic fuel prices due to the country's heavy reliance on oil imports. Government policies, such as expansionary fiscal measures, can contribute to inflationary pressures. Supply chain inefficiencies and the lack of competition in various sectors further exacerbate the issue by increasing costs and allowing companies to set high prices. The consequences of price hikes are extensive and affect multiple aspects of society and the economy. Decreased purchasing power and living standards, as well as increased poverty, directly impact households. Businesses, especially those reliant on imported inputs, face higher production costs, reduced profitability, and decreased competitiveness, which can lead to reduced investment and employment opportunities. To address this issue, policymakers should prioritize strategies that combat inflation and promote competition. Controlling government spending, implementing effective monetary policies, and fostering compe-

Table 4
Policy implications for tackling price hikes in Bangladesh

Policy Implication	Description
Reduce Government Spending	Expansionary fiscal policies can lead to inflationary pressures
Implement Monetary Policy	Control the money supply to manage inflation
Promote Competition	Reduce prices by increasing competition in key sectors of the economy
Increase Efficiency in Supply Chain	Streamline logistics and reduce the number of intermediaries involved in the supply chain

Source: Developed by the author.

tion through regulatory measures are essential steps. Improving supply chain efficiency, reducing the number of intermediaries, and enhancing logistics can help reduce costs and disruptions in the production and distribution processes. Targeted social protection measures, such as subsidies and cash transfer programs, can provide relief to low-income households affected by price hikes. Furthermore, policymakers should focus on promoting investment and reducing production costs, particularly for businesses reliant on imported inputs. This can be achieved through measures such as tariff reduction and providing tax incentives. Ad-

ditionally, long-term solutions should be pursued to reduce the country's dependence on imported commodities, including investing in renewable energy sources and promoting domestic production. The findings and policy implications presented in this research serve as a valuable resource for policymakers, researchers, and stakeholders involved in addressing the issue of price hikes in Bangladesh. By understanding the causes, consequences, and potential solutions, policymakers can develop effective strategies that promote economic development, alleviate the burden on households, and create a more competitive and resilient economy.

REFERENCES

1. Moyo D., Tursoy T. Impact of Inflation and Exchange Rate on the Financial Performance of Commercial Banks in South Africa. *Journal of Applied Economic Sciences*. 2020;15(3).
2. Islam M.S., Rahman M.H., Mazumder S., others. Does exchange rate volatility increase the consumer price index? Evidence from Bangladesh. *Econ Fin Lett*. 2022;9(1):16–27.
3. Razzaque M.A., Bidisha S.H., Khondker B.H. Exchange rate and economic growth: An empirical assessment for Bangladesh. *Journal of South Asian Development*. 2017;12(1):42–64.
4. Sultana N., Koli R., Firoj M. Causal relationship of money supply and inflation: A study of Bangladesh. *Asian Economic and Financial Review*. 2019;9(1):42–51.
5. Saad A.T. Factors affecting online food delivery service in Bangladesh: an empirical study. *British Food Journal*. 2021;123(2):535–50. <https://doi.org/10.1108/BFJ-05-2020-0449>
6. Rahman M.M., Hamid M.K., Khan M.A.M. Determinants of bank profitability: Empirical evidence from Bangladesh. *International Journal of Business and Management*. 2015;10(8):135.
7. Miah M.D., Sharmeen K. Relationship between capital, risk and efficiency: A comparative study between Islamic and conventional banks of Bangladesh. *International Journal of Islamic and Middle Eastern Finance and Management*. 2015;8(2):203–221. <https://doi.org/10.1108/IMEFM-03-2014-0027>
8. Amin A., Anwar S., Adnan A., Nawaz M., Alawfi K., Hussain A., et al. Customer churn prediction in the telecommunication sector using a rough set approach. *Neurocomputing*. 2017;237:242–254.
9. Babu M.M., Dey B.L., Rahman M., Roy S.K., Alwi S.F.S., Kamal M.M. Value co-creation through social innovation: A study of sustainable strategic alliance in telecommunication and financial services sectors in Bangladesh. *Industrial Marketing Management*. 2020;89:13–27.
10. Hossain M., Mujeri M.K. Inflation and Household Welfare: Evidence from Bangladesh. *Bangladesh's Macroeconomic Policy: Trends, Determinants and Impact*. 2020;19–49.
11. Mottaleb K.A., Mainuddin M., Sonobe T. COVID-19 induced economic loss and ensuring food security for vulnerable groups: Policy implications from Bangladesh. *PLoS One*. 2020;15(10): e0240709.

12. Hasan A.S.M.M., Tuhin R.A., Ullah M., Sakib T.H., Thollander P., Trianni A. A comprehensive investigation of energy management practices within energy intensive industries in Bangladesh. *Energy*. 2021;232:120932.
13. Timilsina G.R., Pargal S. Economics of energy subsidy reforms in Bangladesh. *Energy Policy*. 2020;142:111539.
14. Nizam A.M. Impact of e-money on money supply: Estimation and policy implication for Bangladesh. *PLoS One*. 2022;17(4): e0267595.
15. Balarama H., Islam A., Kim J.S., Wang L.C. Price elasticities of residential electricity demand: estimates from household panel data in Bangladesh. *Energy Economics*. 2020;92:104937.
16. Rahman M., Nower N., Tushar R.H., Abbas S.M., Musa M.N., others. Impact of monetary policy on the economic growth of a developing country: an empirical study on Bangladesh economy. (May 20, 2019). 2019.
17. Ahamed F. Macroeconomic Impact of Covid-19: A case study on Bangladesh. *IOSR Journal of Economics and Finance (IOSR-JEF)*. 2021;12(1):2021.
18. Sayeed K.A., Yunus M.M. Rice prices and growth, and poverty reduction in Bangladesh. *Food and Agriculture Organization of the United Nations, Rome*. 2018;45.
19. Zakaria M., Khiam S., Mahmood H. Influence of oil prices on inflation in South Asia: Some new evidence. *Resources Policy*. 2021;71:102014.
20. Khan M.A., Husnain M.I.U., Abbas Q., Shah S.Z.A. Asymmetric effects of oil price shocks on Asian economies: a nonlinear analysis. *Empirical Economics*. 2019;57:1319–50.
21. Ari M.A., Arregui M.N., Black M.S., Celasun O., Iakova M.D.M., Mineshima M.A., et al. Surging energy prices in Europe in the aftermath of the war: How to support the vulnerable and speed up the transition away from fossil fuels. *International Monetary Fund*; 2022.
22. Kpodar K., Imam P.A. To pass (or not to pass) through international fuel price changes to domestic fuel prices in developing countries: What are the drivers? *Energy Policy*. 2021;149:111999.
23. Bodrud-Doza M., Shammi M., Bahlman L., Islam A.R.M., Rahman M., others. Psychosocial and socio-economic crisis in Bangladesh due to COVID-19 pandemic: a perception-based assessment. *Frontiers in Public Health*. 2020;341.
24. Dietrich S., Mahmud M., Winters M.S. Foreign aid, foreign policy, and domestic government legitimacy: Experimental evidence from Bangladesh. *The Journal of Politics*. 2018;80(1):133–48.
25. Islam K.K., Fujiwara T., Sato N., Hyakumura K. Evolving and strengthening the cooperative approach for agroforestry farmers in Bangladesh: Lessons learned from the Shimogo cooperative in Japan. *Sustainability*. 2018;10(3):617.
26. Ostrom V., Ostrom E. Public goods and public choices. In: Alternatives for delivering public services. *Routledge*; 2019. p. 7–49.
27. Nagy J., Oláh J., Erdei E., Máté D., Popp J. The role and impact of Industry 4.0 and the internet of things on the business strategy of the value chain — the case of Hungary. *Sustainability*. 2018;10(10):3491.

ABOUT THE AUTHOR / ИНФОРМАЦИЯ ОБ АВТОРЕ

Md Mehedi Hasan Emon — Master of Business Administration, Teaching Assistant, Faculty of Business Administration, American International University-Bangladesh, Dhaka, Bangladesh

Мд Мехеди Хасан Эмон — магистр делового администрирования, ассистент преподавателя факультета делового администрирования Американского международного университета — Бангладеш, Дакка, Бангладеш

<https://orcid.org/0000-0002-6224-9552>

emonmd.mhasan@gmail.com

Conflicts of Interest Statement: The author has no conflicts of interest to declare.

The article was submitted on 27.03.2023; revised on 07.06.2023 and accepted for publication on 11.06.2023.

The author read and approved the final version of the manuscript.