

<https://www.batimes.com.ar/news/economy/costlier-food-hits-latin-americas-poor-and-adds-to-unrest-risk.phtml>

ECONOMY | 11-05-2020 13:03

Costlier food hits Latin America's poor and adds to unrest risk

A jump in food prices across Latin America is bringing added misery to the poorest families hit by the coronavirus pandemic and increasing the chance of social unrest.



A WORKER SPRAYS DISINFECTANT AT A FOOD MARKET IN EL ALTO, BOLIVIA, ON TUESDAY, APRIL 28, 2020. BOLIVIA'S LOCKDOWN EXTENSION IS SET TO EXPIRE ON APRIL 30, THIS AS IT STRIKES A DEAL WITH CHILE TO RETURN HUNDREDS OF MIGRANTS BACK HOME. | BLOOMBERG

A jump in food prices across Latin America is bringing added misery to the poorest families hit by the coronavirus pandemic and increasing the chance of social unrest.

Food and beverage costs outpaced headline inflation in Brazil, Mexico, Chile and Colombia last month, even as other products and services saw slower price increases or even became cheaper.

In Brazil, food represented the largest source of price pressure in April, when the overall inflation rate dropped the most in 22 years. In Mexico, food prices rose the most even as the full index plunged at its fastest pace since at least 1969.

“The increase in food prices worries me a lot,” Mexico central bank board member Jonathan Heath wrote on Twitter on Thursday. “It’s the component of inflation that hits the less fortunate segments of society the most, as well as those who have lost their jobs.”



[*Read more...*](#)

[Inflation in March hit 3.3% amid lockdown, rise in food prices](#)

Lockdowns to curb the virus have strained food supply chains while also prompting some panic-buying from worried consumers. Food supplies in Colombian distribution centres fell 16 percent in the first half of April, which probably accounts for the higher prices, said Luis Fernando Mejia, head of Fedesarrollo, a Bogota-based think tank, in a written reply to questions. In poor neighbourhoods of Bogotá, families have tied strips of red cloth in their windows to indicate they are hungry, while neighbouring Venezuela has been hit by food riots in recent weeks.

Food Insecurity

In Central America and the Caribbean, food insecurity is a bigger threat than the virus itself, according an April 29 report by risk consultancy Maplecroft.



[Read more...](#)

Social policy collides with scandal

“Sickness, transport interruptions and delays, and quarantine measures limiting workers’ movement are all combining to disrupt food supplies, forcing prices upwards and intensifying the risk of unrest,” Maplecroft analysts Jimena Blanco, Victoria Gama and Mariano Pablo Machado wrote. “Food price increases combined with the presence of a large informal workforce and widespread poverty will push up the risk of looting and civil unrest across Central America and the Caribbean – even while lockdown orders are in place.”

Central banks across the region are unlikely to react to a temporary increase in food costs, since weak demand means the spike probably won’t spill over to other prices, said Felipe Hernandez, Latin America economist at Bloomberg Economics.

by Matthew Malinowski & Matthew Bristow, Bloomberg