

## Prices causing food crisis in Egypt

by UPI

CAIRO - Egyptian President Hosni Mubarak ordered the army to ramp up bread production to make up for shortfalls to stem violence and crime associated with shortages. Rising food prices in coordination with rising poverty levels highlight a problem that Mubarak admitted involves more corruption than simple supply and demand, Voice of America said Tuesday. The subsidized bread, called "balady," is sold for less than 1 U.S. cent per loaf, but rising grain prices have created an environment where flour, and even balady itself, is seeing a boom on the black market. Some Egyptians are buying the bread and selling it elsewhere for twice the price, VOA said. Food prices in other Middle Eastern regions such as Yemen and even Saudi Arabia led to demonstrations and riots, and a recent clash in a balady line in Egypt left several people dead. Egyptian economist Hanaa Kheir el-Din told VOA the bread crisis is just a symptom of a larger crisis where wages are not keeping pace with the cost of living. El-Din said the entire Egyptian pay scale needs to get to a point where average people can make a living wage.

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