



REPORT

# Global Cost of Living Crisis

World Economy in a Fragile State







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# INTRODUCTION

Events of the past two years have left the world economy in a fragile state. Already reeling from the economic impacts of the pandemic and climate change, [Russia's invasion of Ukraine](#) in 2022 has pushed many countries beyond their ability to cope.

Rising food and fuel prices, debt distress, and tightening financial conditions are now combining to create what the UN is calling the largest [cost of living crisis](#) of the 21st century.



Although the crisis is global, lower income countries are often the most affected by rising costs. Food and fuel comprise a larger share of the budget for citizens in developing countries, magnifying the impact of any price increases. Chronic [debt and mismanagement](#) in many developing nations leaves governments with limited means to support their populations, perpetuating a cycle of poverty, hunger, and [civil unrest](#).

To understand how people around the world are experiencing and coping with the cost of living crisis, GeoPoll conducted a survey in August 2022 in 9 countries from across Latin America and the Caribbean, Africa, the Middle East, and Asia.

The survey addressed a number of pressing topics related to the crisis, including:



Findings from the survey are summarized in this report and displayed in full in the [interactive dashboard](#) available on the GeoPoll website.

# METHODOLOGY AND SAMPLE

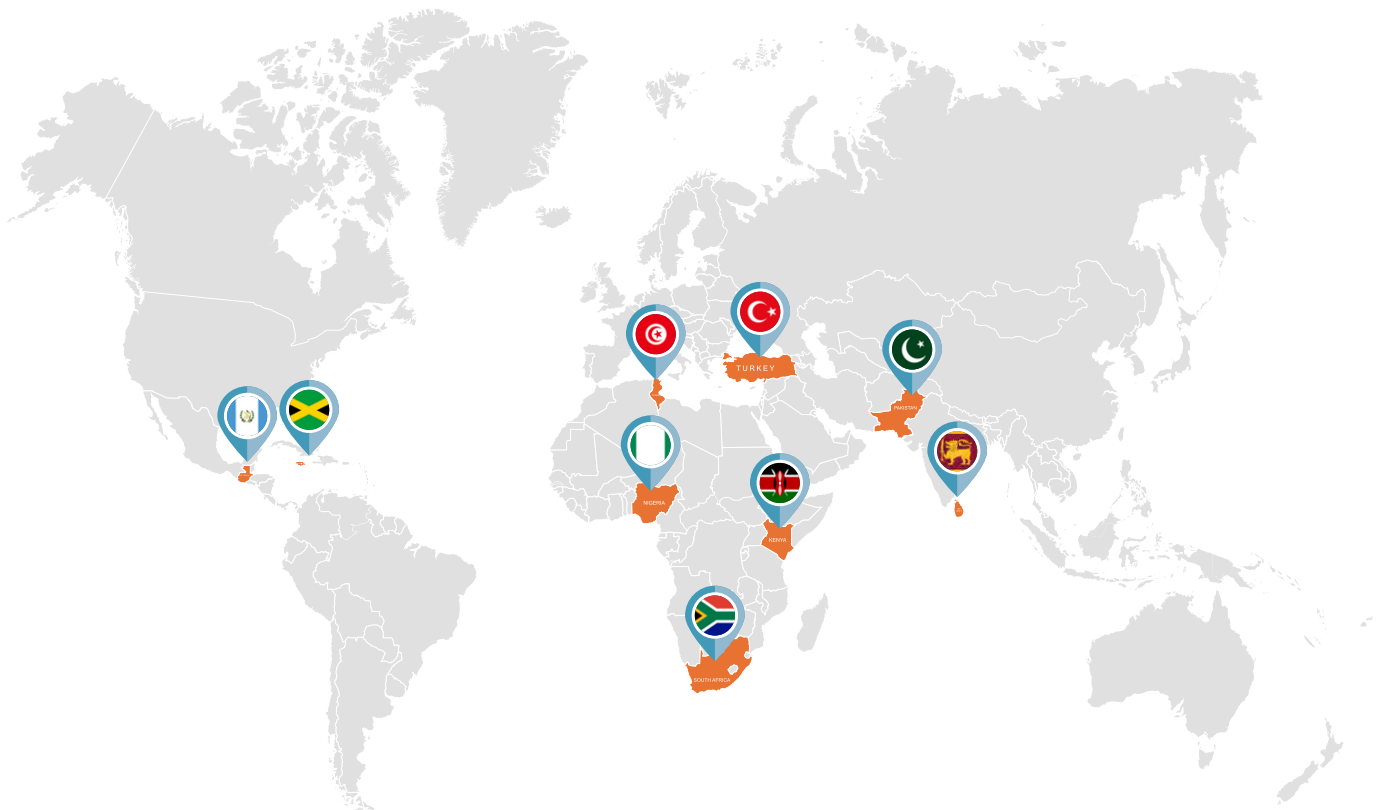


This study was implemented using GeoPoll's mobile web research platform.

**Mobile web** is a link-based survey mode that can be taken on a very basic mobile phone browser. In this study, respondents received an SMS message or responded to an online advertisement with a link directing them to a webpage to opt-in and complete the survey. A small incentive in the form of airtime credit was provided upon survey completion.

Data collection occurred throughout August 2022 in 9 countries across the globe, including Guatemala, Jamaica, Nigeria, Tunisia, South Africa, Kenya, Turkey, Pakistan, and Sri Lanka.

The sample size was approximately 400 respondents per country, for a total of 3,600.



## 3,600

Total number of respondents



Although not purely scientific as there were no strict measures to limit demographic quotas, a diverse mix was achieved with a gender composition of 48% females and 52% males, and an age breakdown of 28% aged 16-25, 32% aged 26-35, and 40% aged 36 and over.

The sample includes representation from every ADM1 location within every country except Sri Lanka.

For more information on the sample and methodology or to request copies of the questionnaire and response data, please contact [info@GeoPoll.com](mailto:info@GeoPoll.com).

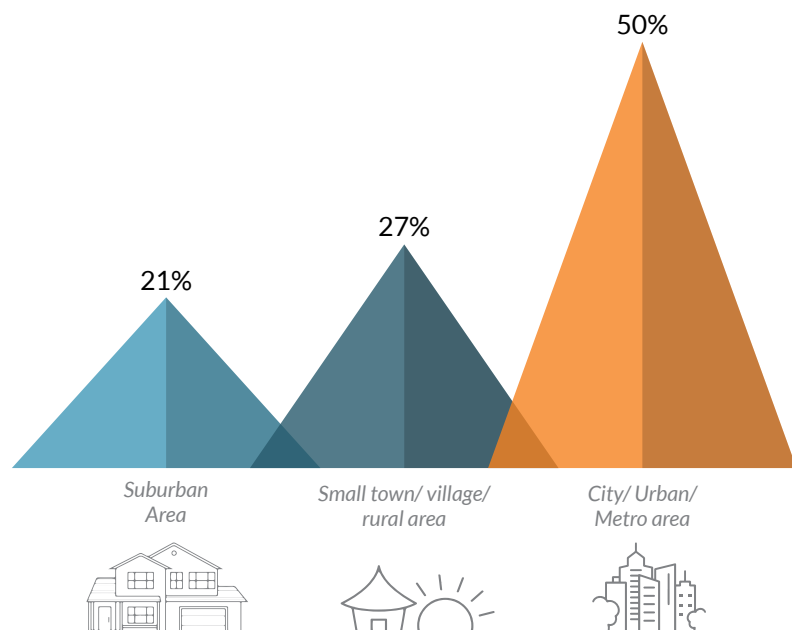
# DEMOGRAPHIC PROFILE

The *populations of countries* included in this study range from fewer than 3 million in Jamaica to more than 229 million in Pakistan (the 5th most populated country in the world).

## Living Environment and Household Size

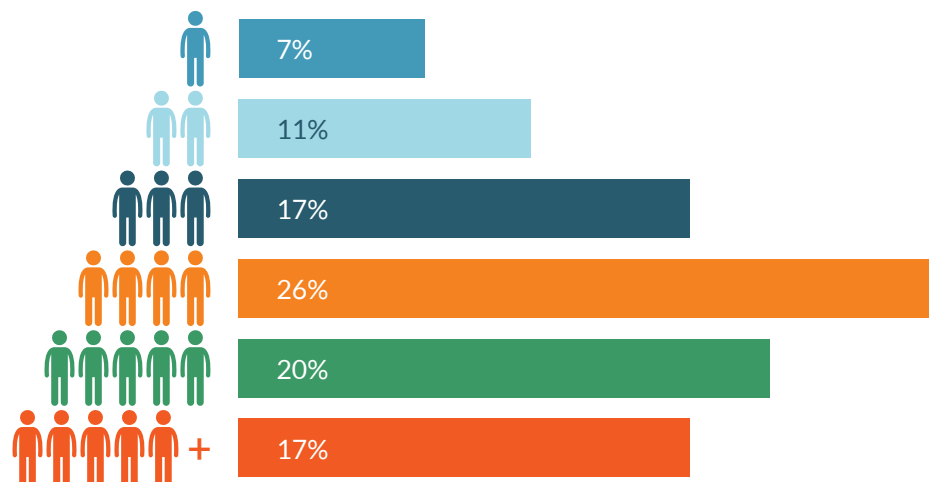
Q. What type of area do you currently live in?

Across countries, approximately half of respondents report living in a “city/urban/metro area.” The remaining respondents are split between living in a “suburban area (21%) and living in a “small town/village/rural area” (27%). The distribution varies significantly by country.



Q. How many people live in your household including you?

The largest segment of respondents in this study (26%) live in 4-person households. Another 37% live in households with 5 or more people.

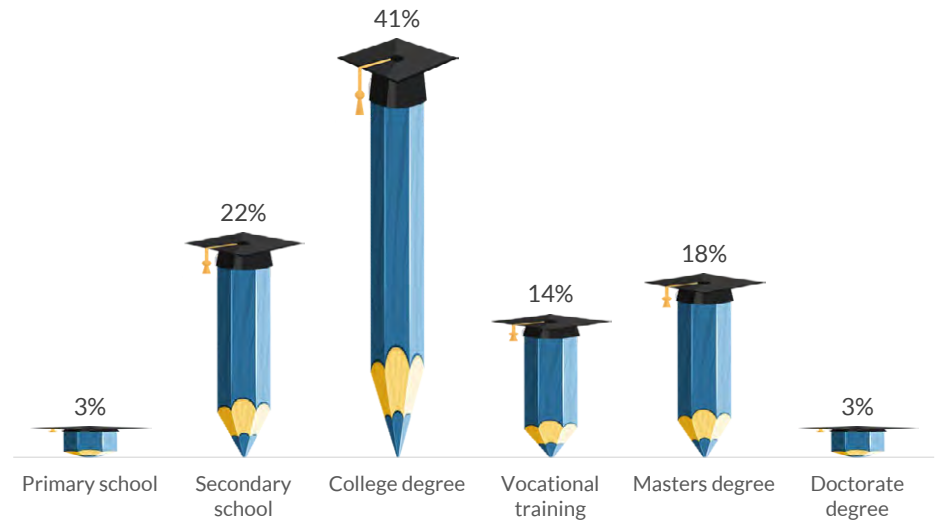


## Education Status

Almost all respondents report completing at least a secondary school education (97%). Of those respondents, more than 6 in 10 have achieved a college degree or higher.

It is important to note this study was conducted via mobile web. Because mobile web surveys require participants to have Internet connectivity or a data plan, they tend to reach more highly educated, middle class and higher populations in developing countries.

Q. What is your highest education level completed?



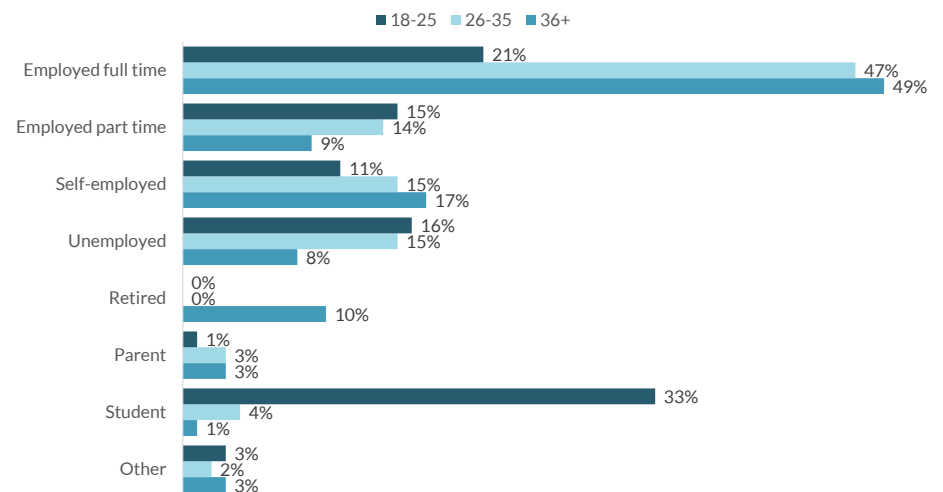
In Guatemala, far more respondents report completing vocational training (43%) than graduating from college (36%).

## Employment Status

According to the [International Monetary Fund \(IMF\)](#), employment rates around the world have largely rebounded to at or just below pre-pandemic levels.

In our study, most respondents report being employed either full time (42%) or part time (12%). Another 15% say they are self-employed.

Q. What best describes your current employment status?



The [International Labour Organization \(ILO\)](#) reports that women and young people have suffered disproportionate job losses due to the pandemic.

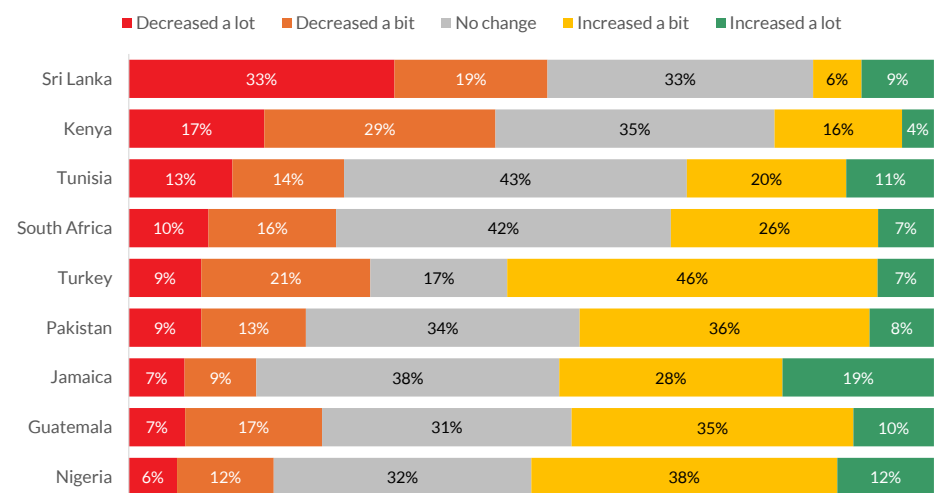
Our data reflects that inequality.

While only 10% of men report being unemployed, 16% of women report the same. Unemployment is higher among 18–25-year-olds (16%) than for respondents ages 26–35 (15%) or 36 and older (8%).

# INCOME CHANGE AND FINANCIAL WELFARE

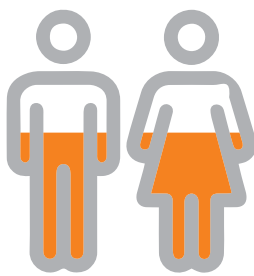
Despite enduring multiple waves of COVID-19 throughout 2021, many parts of the world showed promising signs of economic recovery. In early 2022, Russia's invasion of Ukraine along with a sharp downturn in China halted much of that progress. Experts now project [global economic growth](#) to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023.

## Q. Over the past 6 months, how has your income changed?



On an individual level, one in three respondents in our study (34%) say their income has not changed since February.

More respondents overall say their income has increased at least "a bit" (37%) than decreased (28%), but the percentages vary dramatically by country.



# 37%

Percentage claiming that their income has increased at least a bit in the past 6 months

The [economic crisis in Sri Lanka](#) led to a popular uprising and ousting of the president in July. As the situation continues to deteriorate, most Sri Lankans' in our study say their income has decreased in the past 6 months, leaving them even less equipped to deal with the crisis. With 46% of respondents in Kenya reporting a decrease in income since February, it follows that [fixing the economy](#) was a major focus of the country's 2022 Presidential elections.

Higher than expected [economic growth rates in Turkey](#), along with a substantial increase in the country's minimum wage help explain why most respondents there (53%) claim their income has increased at least a bit in the past 6 months. Half of respondents from Nigeria report the same. Access the [interactive dashboard](#) to see respondents' self-reported annual household income filterable by country in the local currency.

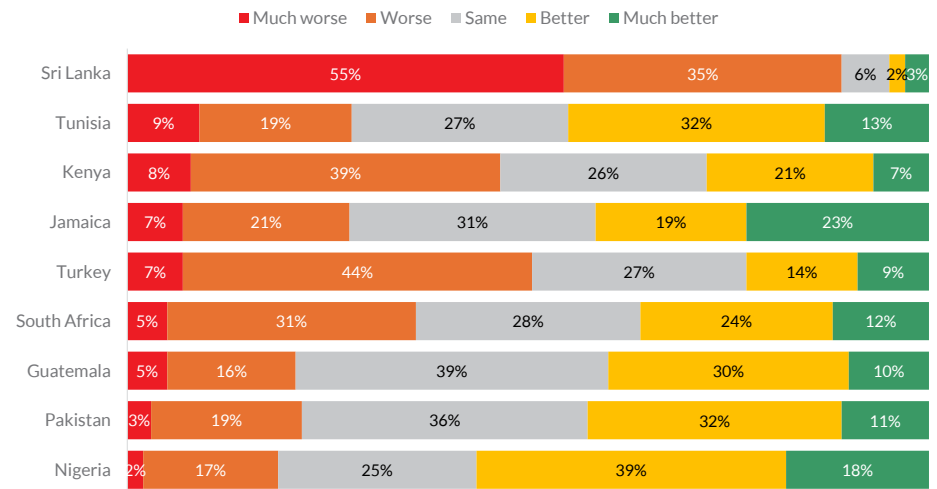
Across countries, respondents' assessment of their current financial situation (compared to 6 months ago) shows strong similarities to their stated income changes.



**Q. Are you (and your family living there) better off or worse off financially than you were 6 months ago?**

The dire situation in Sri Lanka is reflected in the fact that 90% of respondents say they are worse off financially than they were 6 months ago. More than half say they are “much worse” off.

Decreasing incomes and rising prices in Kenya have worsened the financial situation for 47% of respondents there.



Government financed income increases in Turkey do not appear to have been enough to offset the country’s highest inflation in decades.

Most respondents in Turkey (51%) say their financial situation has worsened in the past 6 months. Contrarily, most respondents in Nigeria (57%) say their situation has improved despite the country’s rampant inflation.

Younger respondents ages 18-25 are much more likely to claim their financial situation has improved (46%) than respondents ages 26-35 (37%) or 36 and older (28%).



**51%**

Say their financial situation has worsened in the past 6 months



**57%**

Say their situation has improved despite the country’s rampant inflation



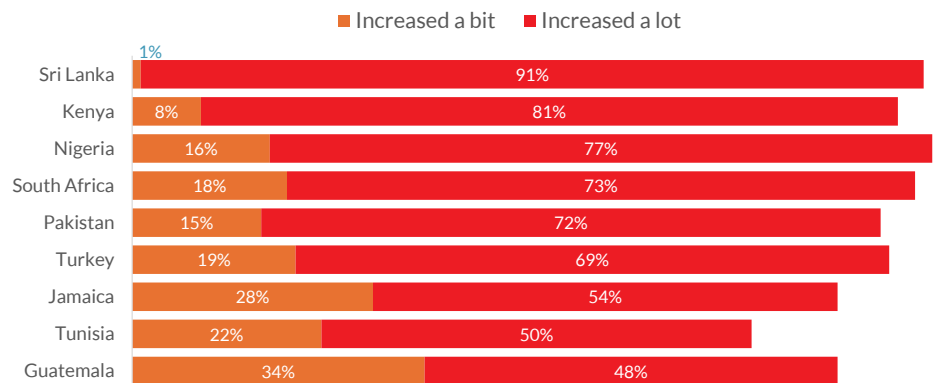
# COST OF LIVING CHANGES

Multiple factors in the past few years have combined to create the cost of living crisis. In the past few months alone, higher than expected inflation rates in most countries have pushed tens of millions of people in the developing world into poverty according to the [United Nations Development Programme](#).

## Price Increases and Concerns

In our study, 85% of respondents overall say prices of goods and services have increased in the past 6 months. A staggering 67% say prices have “increased a lot.”

Q. Over the past 6 months, have the prices of goods and services...?

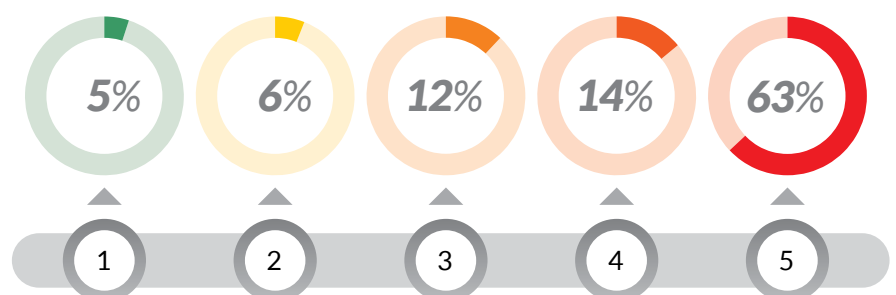


All nine countries in our study have experienced significant price increases. The severe and widespread increases in Sri Lanka have already proven a destabilizing factor. If prices continue to rise globally as predicted, other developing nations may face the *same risk*.

The largest segment of respondents in every country say they are “extremely concerned” about rising prices.

The percentages range from 32% in Tunisia and Guatemala to 82% in Sri Lanka. Tunisia, Guatemala, and Jamaica (48%) are the only countries where less than half of respondents say they are extremely concerned.

Q. How concerned are you about rising prices of goods and services?  
Rate on a scale from 1-5, with 1 being ‘Not concerned at all’ and 5 being ‘Extremely concerned.’

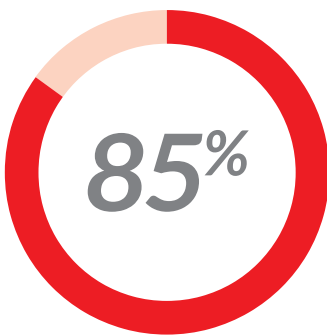
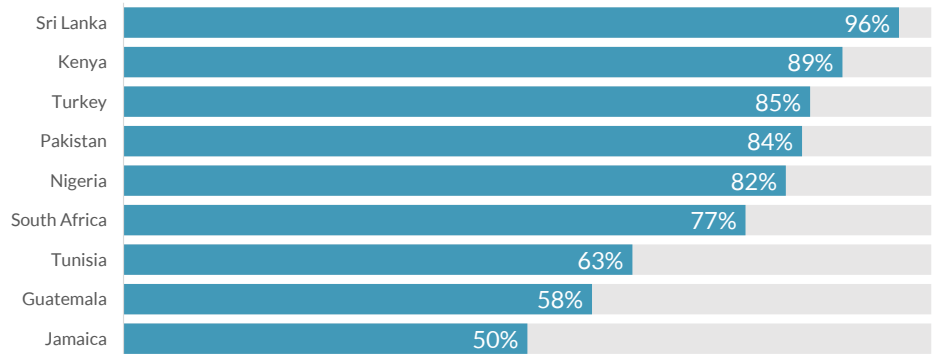


More than 3 out of every 4 respondents in South Africa (77%), Kenya (79%), and Nigeria (80%) report feeling extremely concerned about rising prices. Climate change induced drought, [economic mismanagement](#), and supply chain disruptions caused by the war in Ukraine have [spiked commodity prices](#) across sub-Saharan Africa, increasing food-security concerns throughout the region.

## Food Prices and Security

The inflation rate in Kenya reached a five year high in August, primarily driven by an [increase in food prices](#). In our study, 89% of Kenyans claim the price of food products has “increased a lot” in the past 6 months. Only Sri Lanka shows a higher percentage (96%).

Q. How has the price of food products changed in the past 6 months? (% that answered “increased a lot”)

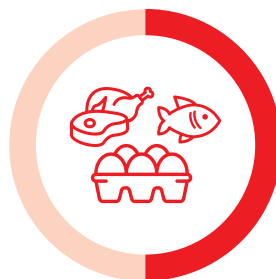


Percentage of respondents in Turkey saying food prices have “increased a lot” in the past 6 months

Skyrocketing food prices in Pakistan, where the average household spends [more than 40%](#) of its income on food, have pushed many families to the brink. With 85% of respondents in Turkey saying food prices have “increased a lot” in the past 6 months, even food staples have climbed [out of reach](#).

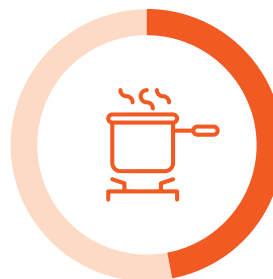
The majority of respondents in all nine countries agree that food prices have increased a lot in the past six months, illustrating the scope and severity of the crisis.

Overall,



50%

Meat/eggs/fish surface as the type of food products that have increased the most in price



47%

Followed closely by cooking gas/fuel



47%

and cooking/edible oil

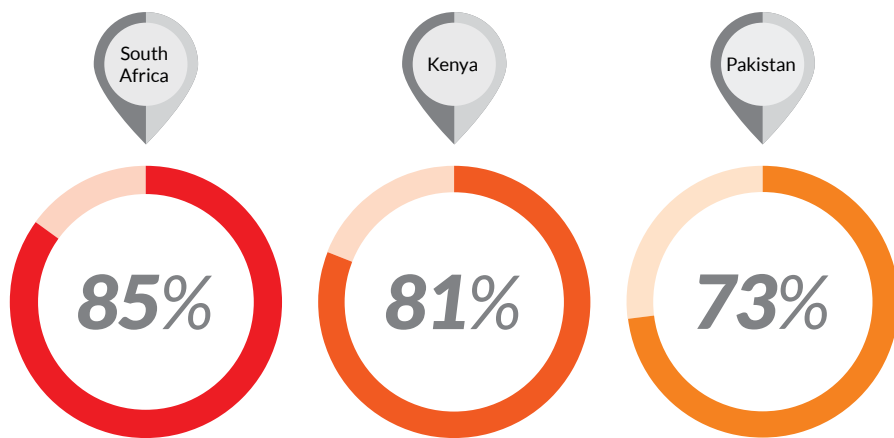
However, these percentages do not remain consistent across countries.

Q. Which food products have increased the most in price in the past 6 months? Select up to 3 products.

|                      | Guatemala | Jamaica | Nigeria | Tunisia | South Africa | Kenya | Turkey | Pakistan | Sri Lanka |
|----------------------|-----------|---------|---------|---------|--------------|-------|--------|----------|-----------|
| Wheat and maize/corn | 41% ●     | 14% ●   | 26% ●   | 17% ●   | 29% ●        | 73% ● | 24% ●  | 42% ●    | 8% ●      |
| Rice                 | 7% ●      | 13% ●   | 65% ●   | 9% ●    | 10% ●        | 13% ● | 7% ●   | 19% ●    | 46% ●     |
| Dairy                | 12% ●     | 47% ●   | 9% ●    | 12% ●   | 11% ●        | 9% ●  | 45% ●  | 22% ●    | 44% ●     |
| Cooking/edible oil   | 17% ●     | 15% ●   | 34% ●   | 55% ●   | 85% ●        | 81% ● | 41% ●  | 73% ●    | 4% ●      |
| Cooking gas/fuel     | 65% ●     | 35% ●   | 72% ●   | 17% ●   | 62% ●        | 61% ● | 22% ●  | 29% ●    | 58% ●     |
| Fruits               | 15% ●     | 32% ●   | 4% ●    | 43% ●   | 3% ●         | 1% ●  | 14% ●  | 14% ●    | 3% ●      |
| Vegetables           | 32% ●     | 28% ●   | 6% ●    | 40% ●   | 6% ●         | 2% ●  | 20% ●  | 22% ●    | 23% ●     |
| Meat/eggs/fish       | 68% ●     | 65% ●   | 45% ●   | 62% ●   | 49% ●        | 6% ●  | 65% ●  | 34% ●    | 64% ●     |
| Sugar                | 15% ●     | 14% ●   | 12% ●   | 24% ●   | 23% ●        | 19% ● | 52% ●  | 19% ●    | 17% ●     |
| Fertilizer           | 15% ●     | 6% ●    | 9% ●    | 3% ●    | 4% ●         | 23% ● | 4% ●   | 6% ●     | 17% ●     |



The cost of cooking/edible oil has risen particularly high in;



South Africa (85%), Kenya (81%), and Pakistan (73%) where it largely has to be imported. Drought in Kenya has also left the country more dependent on costly grain imports.

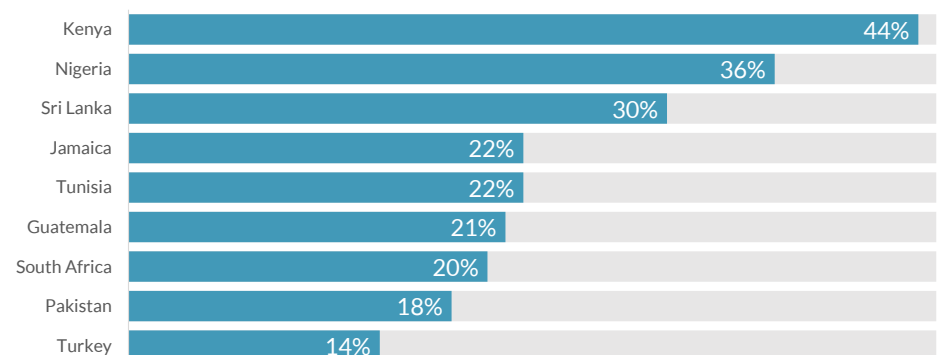
Almost 3 in 4 respondents in Kenya (73%) select wheat and corn/maize as one of the food products that has increased the most in price.

The ultimate impact of rising food prices is that vulnerable populations cannot afford to feed their families.

In our study, 1 in 4 respondents overall say they or a household member has gone to sleep hungry in the past 7 days because there was not enough food. That number rises to 44% in Kenya and 36% in Nigeria.

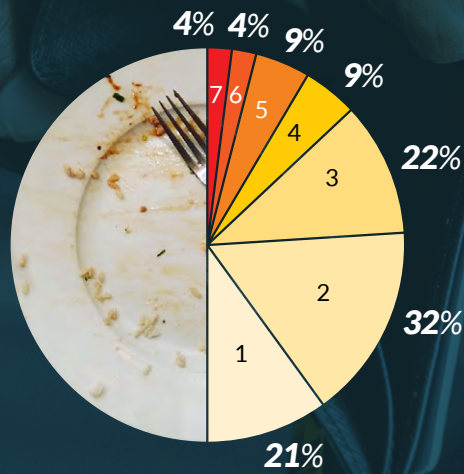
The Integrated Food Security Phase Classification (IPC) estimates that **3.1 million Kenyans** are facing acute food insecurity.

Q. In the past 7 days, did you or a household member go to sleep hungry because there was not enough food? (% that answered "yes")



Q. How many nights in the past week did you or a household member go to sleep hungry because there was not enough food?

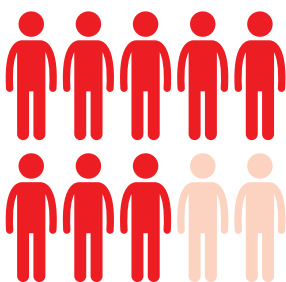
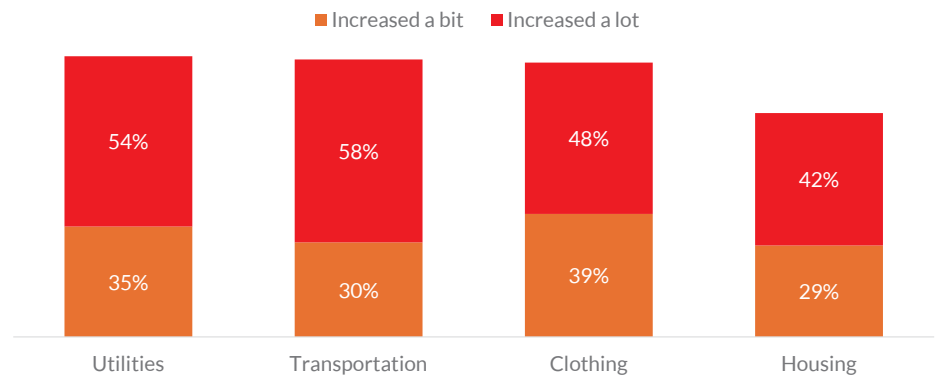
Of respondents that have gone to sleep hungry in the past week, most (79%) suffered multiple nights. Women ages 36 and older are most likely to have gone to sleep hungry multiple nights (87%).



### Utilities, Transportation, Clothing & Housing Price Increases

Q. Over the past 6 months, has the price of...?

Runaway price increases have not been confined to food products. Most respondents across countries are feeling the pinch in almost every aspect of their lives.



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Number of respondents in Sri Lanka saying their utility costs have “increased a lot” in the past 6 months.

Russia’s invasion of Ukraine has turned an already tight energy market into a [global energy crisis](#). All regions of the world and sources of energy have been impacted, but developing nations, unable to keep up with skyrocketing costs, are at risk of losing energy access altogether.

Fuel shortages are raising both utility and transportation costs in import-dependent Sri Lanka and Pakistan. More than 8 in 10 respondents in Sri Lanka and 7 in 10 in Pakistan say their utility costs have “increased a lot” in the past 6 months. Power cuts and blackouts have become common in both countries.

Transportation prices have “increased a lot” for 96% in Sri Lanka and 78% in Pakistan. Drivers in Sri Lanka have been forced to queue up for [as long as five days](#) to fill their tanks with gas. Most in Turkey (74%) and South Africa (69%) also claim transportation prices have increased a lot.

[Inflation rates](#) approaching 80% in Turkey and 70% in Sri Lanka have increased clothing prices “a lot” for more than 8 in 10 respondents in both countries. More than 6 in 10 respondents in Pakistan and Nigeria report the same.

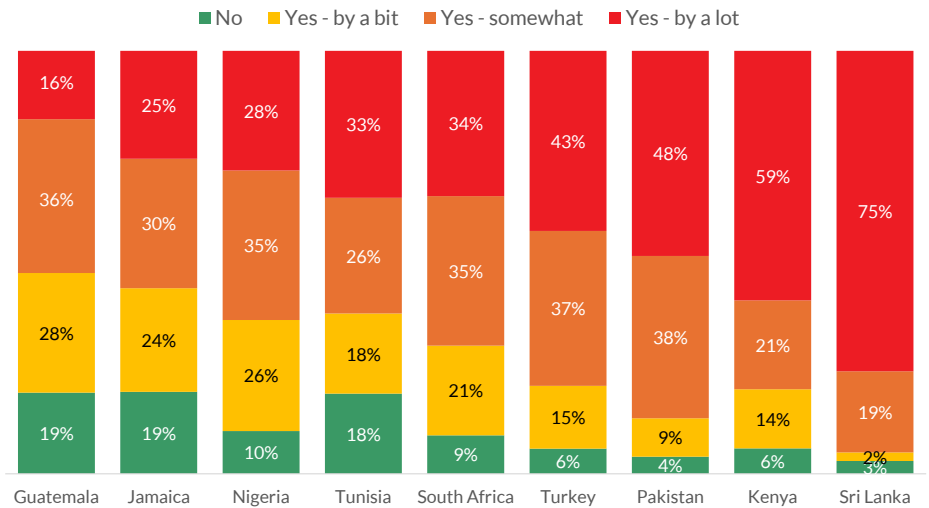
Significant increases in the cost of housing have been most widely felt in Sri Lanka (75%), Turkey (66%), and Pakistan (65%).

Overall, only 2% of respondents say the price of utilities, transportation, clothing, or housing has decreased even a bit in the past 6 months.

# COPING WITH THE RISING COST OF LIVING

Q. Have rising prices in the past 6 months reduced your family's standard of living?

Dealing with substantial price increases for even the most essential goods and services is putting an enormous strain on families. In the past 6 months, most respondents in our study (72%) say rising prices have reduced their family's standard of living at least "somewhat." More than a third (39%) say it has reduced their standard of living "by a lot."



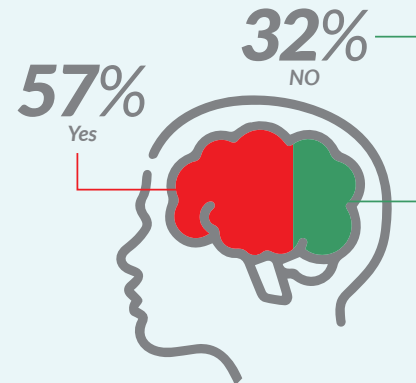
As further evidence of the strain the crisis is inflicting on families and individuals, most respondents across countries (58%) claim the rising cost of living is negatively impacting their mental health.

The proportion only falls below half in Guatemala (47%), Jamaica (44%), and Nigeria (43%). It reaches alarming levels in Pakistan (73%) and Sri Lanka (87%), providing context for the widespread social tension and unrest in those countries.

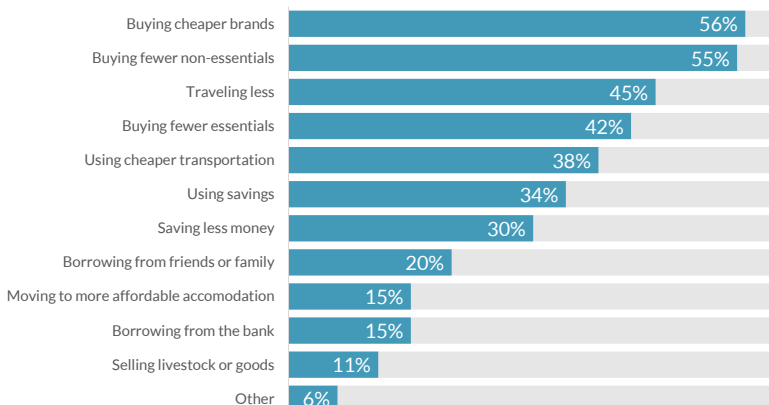
Respondents are utilizing a wide variety of coping strategies to try to relieve the pressure on their finances.

The most common coping strategies include buying cheaper brands (56%) and buying fewer non-essentials (55%).

Q. Has your mental health been negatively impacted by the rising cost of living?



Q. What, if anything, are you doing to reduce the pressure on your finances? Select all that apply.



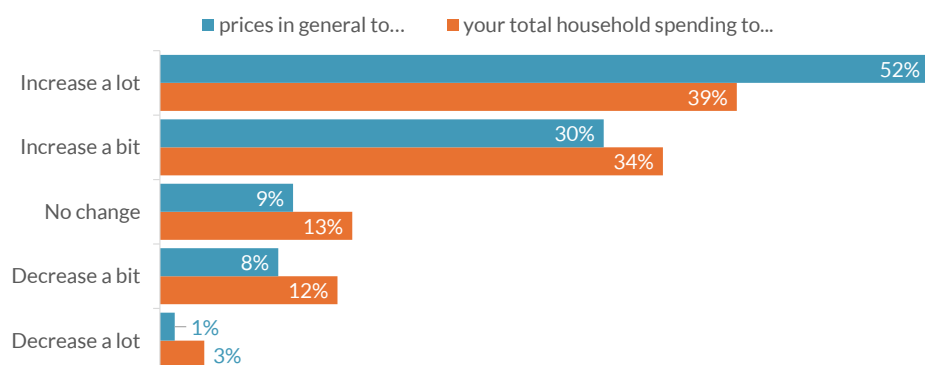
Many respondents have cut back on travel – particularly respondents in Sri Lanka (67%), South Africa (56%), Pakistan (53%), and Turkey (50%).

In Sri Lanka, most respondents have even had to cut back on buying essentials (60%).

# PRICE AND SPENDING PROJECTIONS

As bad as the cost of living crisis may be right now, most respondents expect it to get worse before it gets better. They expect both prices in general and their total household spending to continue to rise.

## Q. During the next 6 months, do you expect...?



The percentage of respondents that expect prices to “increase a lot” ranges from 33% in Kenya to 71% in Sri Lanka. Kenya is the extreme outlier in that more than a third of respondents (37%) believe prices will decrease at least ‘a bit.’ Nigeria is the only other country with more than 10% that predict prices to decrease (12%).

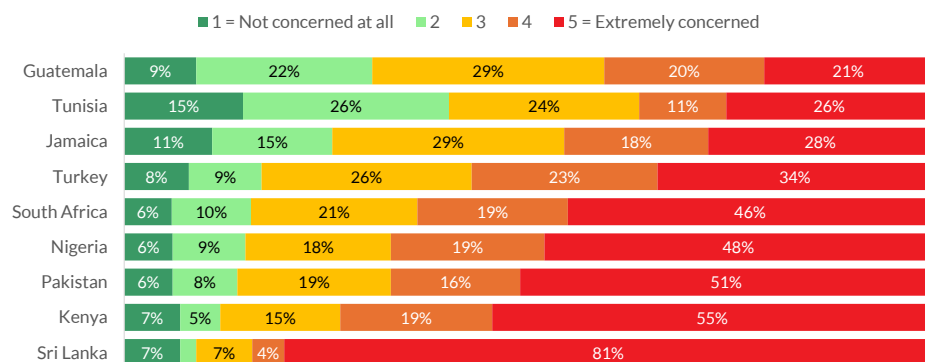
Despite already utilizing multiple coping strategies to reduce pressure on their finances and lowering their standard of living, most respondents in all 9 countries expect their total household spending to increase at least a bit in the next 6 months. The majority in Sri Lanka (79%) and Pakistan (54%) expect it to “increase a lot.”

With costs and spending on the rise, it follows that many respondents are “extremely concerned” about their ability to pay their bills in the next 6 months. The level of concern varies by country, led by Sri Lanka where almost all respondents (81%) are extremely concerned. In Guatemala that number drops to 21%.

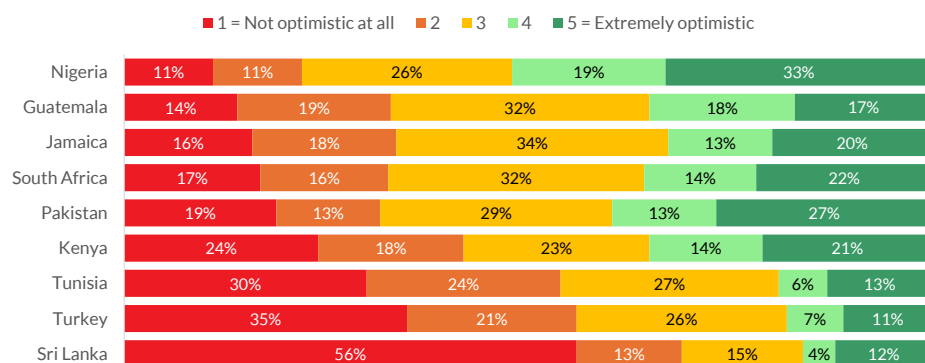
Few respondents across countries are “not concerned at all” about paying their bills, demonstrating the stress and uncertainty of the cost of living crisis.

While still in the midst of the crisis, respondents in most countries express at least some optimism that their financial situation will improve in the next 6 months. In Nigeria, a third of respondents say they are “extremely optimistic.” More than a quarter in Pakistan say the same. Economic and political turmoil in Sri Lanka, Tunisia, and Turkey appears to have tempered any optimism in those countries.

## Q. How concerned, if at all, are you about your ability to pay bills in the next 6 months?



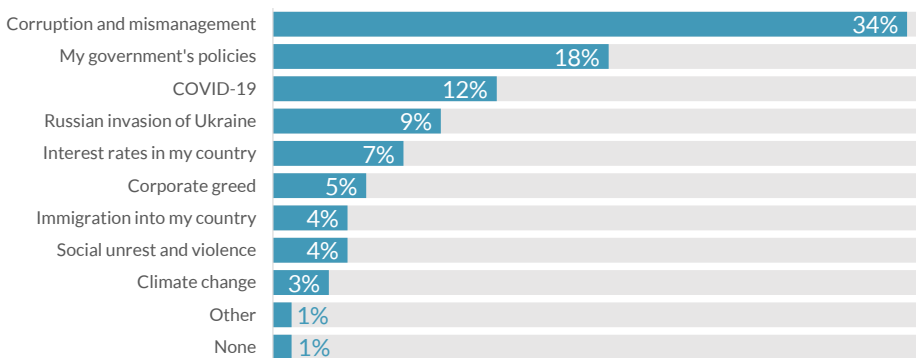
## Q. How optimistic are you about your financial situation improving in the next 6 months?



# CAUSES AND POLITICAL IMPACT

Although the cost of living crisis has affected almost every country in the world, respondents are far more likely to pin the blame for the crisis on their own government than on global issues. They are far more likely to blame “corruption and mismanagement” or “my government’s policies” than “COVID-19,” “Russia’s invasion of Ukraine,” or “Climate change.”

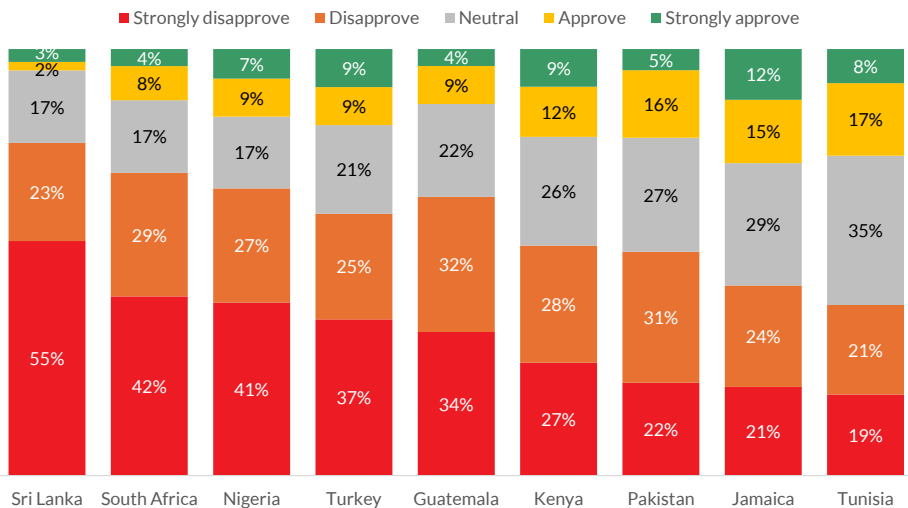
**Q. Which of the following is having the biggest impact on the rising cost of living in your country?**



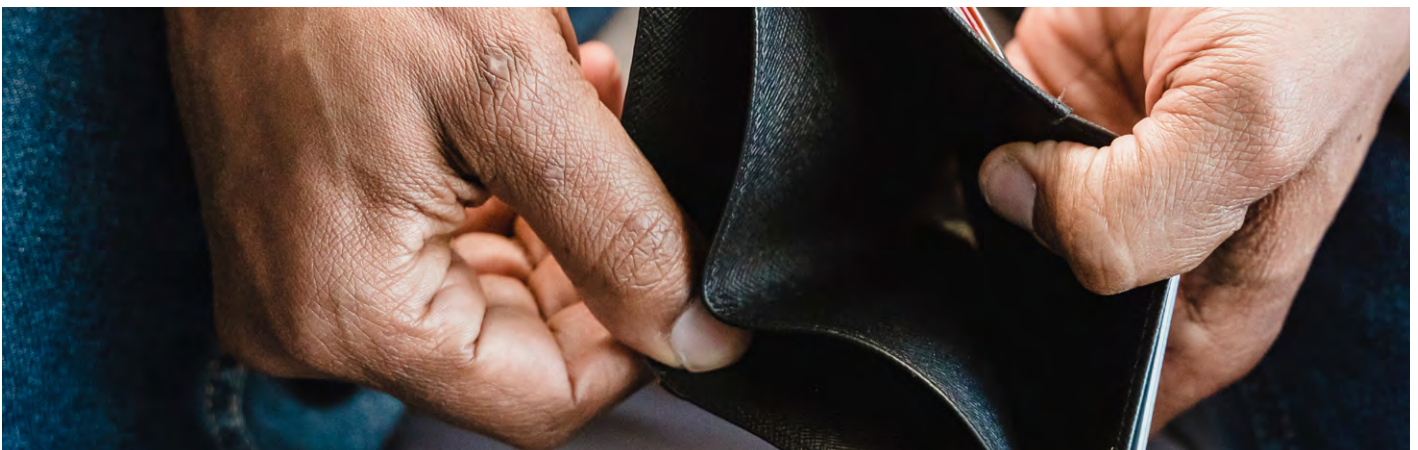
Corruption and mismanagement are considered particularly problematic in Sri Lanka (66%), Nigeria (53%), and [Kenya](#) (48%). The largest segment in Turkey (23%) blames government policies – a view supported by many [economists](#).

Jamaica is the exception. With an economy highly dependent on tourism, a higher proportion of respondents in Jamaica blame COVID-19 for the rising cost of living (23%) than any other cause.

**Q. How do you rate your government’s actions related to the economy and cost of living?**



Even in Jamaica, however, significantly more respondents disapprove of their government’s actions related to rising costs than approve. Disapproval has already escalated to the level of [protests and riots](#) in Sri Lanka and Pakistan (and Ghana, Cameroon, Ecuador, Argentina, Peru, etc...). If costs continue to rise, and more and more people are pushed into poverty and food insecurity, an increase in civil unrest seems all but inevitable.





When asked to choose the more serious problem for their country, rising prices or unemployment, the majority of respondents in every country but South Africa choose rising prices. South Africa's unemployment rate recently climbed to 44.4%, the **highest in the world**.

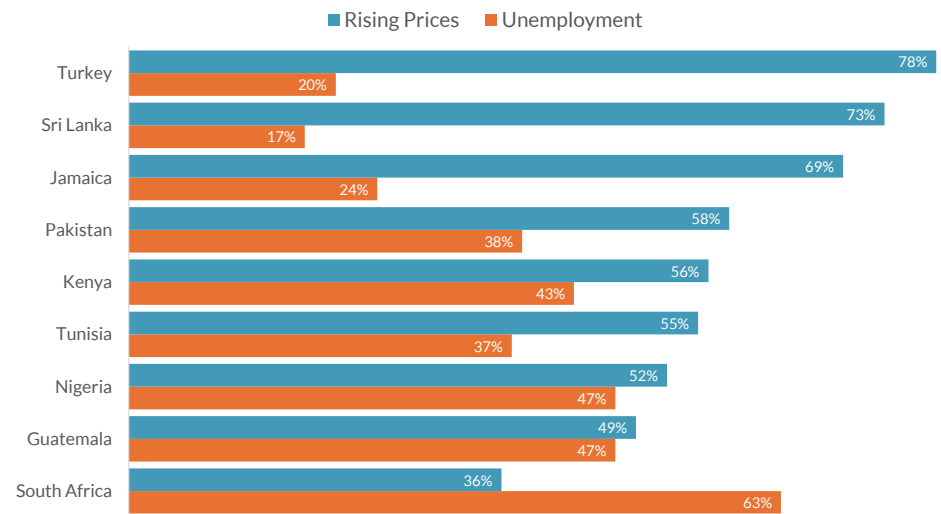
Despite currently having the **second highest unemployment rate** in the world, most respondents in Nigeria (52%) consider rising prices a more serious problem in their country than unemployment.

The distribution varies significantly by age. While rising prices narrowly comes in higher than unemployment for respondents ages 18-25 (49% vs. 46%), the ratio increases to 57% vs. 39% for respondents ages 26-35, and 65% vs. 31% for respondents ages 36 and older.

Many people around the world are at or have surpassed the limit of what they can afford to pay to live. They primarily blame government policies and mismanagement for the crisis. As countries approach their next general elections, the prospect of change in government may bring hope to some.

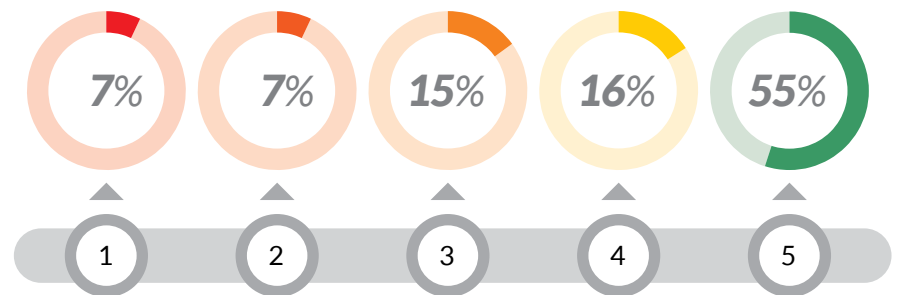
In our study, by far the largest segment of respondents (55%) say rising prices will be an "extremely important" issue to them in their country's next election. That holds true for all 9 countries included in the study.

**Q. Which do you think is a more serious problem for your country today – rising prices or unemployment?**



Youth are carrying much of the **burden of unemployment** in South Africa, where the unemployment rate for those aged 15-24 currently stands at 63.9%.

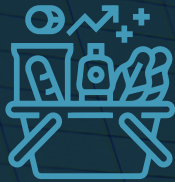
**Q. How important of an issue will rising prices be to you during your country's next election? Rate on a scale from 1-5, with 1 being 'Not important at all' and 5 being 'Extremely important.'**



Younger respondents ages 18-25 are less likely to consider rising prices an extremely important election issue (45%) than respondents ages 26-35 (56%) or 36 and older (60%).



# CONCLUSION



***Inflation has already reached multi-decade highs in many countries and the outlook for 2022 and 2023 remains extremely uncertain.***

In response to soaring inflation, governments in developing countries are left with a daunting choice: increase spending to support their populations while burying themselves deeper in debt or implement austerity measures and potentially incite social unrest.



***Coping with the rising cost of living is taking its toll. Most say it has negatively impacted their mental health. They also say they expect it to get worse before it gets better.***

They expect both prices in general and their total household spending to continue to rise and are worried about their ability to pay bills.

***Assistance is needed, however. Many pin the blame for the cost of living crisis on government corruption and mismanagement.***



They disapprove of their government's actions related to the crisis and say it will be an "extremely important" issue in the next election. Disapproval has already escalated into social unrest in Sri Lanka and Pakistan. If prices continue to rise as predicted, other developing nations may face the same risk.



**$\approx 3/4$**

***Respondents saying rising food, utility, transportation, clothing, and housing prices have reduced their family's standard of living***

GeoPoll's study in 9 countries from across Latin America and the Caribbean, Africa, the Middle East, and Asia finds that rising prices have impacted almost everyone. Most say prices have "increased a lot" in the past 6 months and that they are "extremely concerned." Rising food prices have forced 1 in 4 respondents to go to sleep hungry at least one night in the past week, and almost 3 in 4 respondents say rising food, utility, transportation, clothing, and housing prices have reduced their family's standard of living. The situation is likely even more dire for unconnected and illiterate populations that are not represented in this survey (which was conducted via mobile web).

***Despite these projections, some positive trends surface.***



Respondents are more likely to say their income has increased than decreased in the past 6 months, and approximately 1 in 3 express optimism that their financial situation will improve.

***Clearly, it is imperative for governments and policymakers to do everything in their power to slow rising costs.***



Coordinated action throughout the global community is needed to prevent tipping more of the world's most marginalized populations into poverty and starvation.

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