

SHORT TERM CAUSES

THERE ARE 2 MAIN SHORT TERM CAUSES FOR THE RAPID RISE IN PRICES

1. THE PRESENCE OF BLACK MONEY IN THE ECONOMY

2. THE STATE TAKEOVER OF THE WHOLE SALE WHEAT TRADE

1 BLACK MONEY

IS THE OUTCOME OF WRONG ECONOMIC POLICIES.

IT ARISES IN THE FOLLOWING WAYS:



WHAT HAPPENS TO BLACK MONEY?



WHEN BLACK MONEY IS USED FOR CONSPICUOUS CONSUMPTION, HOARDING OR SPECULATION, IT ADDS FUEL TO THE FIRE OF INFLATION.