

Market failure: food adulteration in bangladesh

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MarketFailure* Adulteration inFoodIndustry Submitted to: Mr. Sheikh

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Market failure is a concept within economic theory describing when the allocation of goods and services by a free market is not efficient. That is, there exists another conceivable outcome where a market participant may be made better off without making someone else worse-off. Market failures can be viewed as scenarios where individuals' pursuit of pure self-interest leads to results that are not efficient - that can be improved upon from the societal point-of-view. Food adulteration in Bangladesh Food adulteration is the process of adding chemical substances with foods, which should not be contained within food and beverages.

Chemical substances or simply adulterants may be added to substances to reduce manufacturing costs, or for some deceptive or malicious purpose. When profit in business is more important than morality, then it is possible to add the poisoning contents to the foods and beverages. A limited number of people may die without foods but a large population has been suffering from complicated diseases related to food adulteration, which may be even lead to death in future. Adulterated food consuming is the waiting for death, which is a worse punishment than death.

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Food adulteration has become a major problem in Bangladesh. Vegetables, fish, milk, fruit, and sweetmeats nothing is safe, and is being sold in the market profusely. However, the adulteration that affects the consumers directly comes from restaurants. The restaurants are using toxic chemicals like formalin and textile dye stuffs in preserving foods, which play havoc in health system. Most of the country's population, especially women and children would be the worst victim if the authorities fail to stop food adulteration.

The number of people afflicted by cancer and other chronic diseases due to taking of adulterated foods has of late gone up to such an alarming level that some people have even stopped buying many essential nutritious foods and vegetables other than some basic food grains, for mere survival, that they assume are not adulterated. Mouthwatering looks: There is a special demand for fresh good-looking foods among customers and they are willing to pay extra just for the look. However, we need to be cautious because, Consumer Association of Bangladesh (CAB) confirmed that wholesalers use several mechanisms to make foods attractive.

In their study, it came out that in most cases the spices are mixed with brick dust, cumin is mixed with sawdust, and sugar syrup is added with honey to enhance the sweetness. Dishonest traders use a host of ingredients such as animal fat, palm oil, potato mash and vegetable oil to produce fake butter oil. In another study, the Food and Nutrition Institution, University of Dhaka⁶ have found alarming level of deadly bacteria like E-coli, Salmonella and Shigella bacteria in most of the restaurant food and street food in the city.

Many street food vendors and restaurants recycle burnt cooking oil for frying food items.

Once the oil is used for cooking, it becomes oxidized and its further use generates peroxide, which is very harmful for the human body. Endurance: It is a challenge to keep fresh produces, meats and fish for a longer time in Bangladesh. Most of the traders do not have freezing vans or climate control storage facility to ensure the quality of the food. However, many traders came up with unusual ideas to keep their products intact for longer time that pose a long-term health risk to the consumers. Restaurant owners use this technique to reduce their raw material purchasing cost.

Often formaldehyde is sprayed to fruits and fishes to keep them fresh for longer duration. Some other examples of food adulteration Views about the proportion of adulterated food items on the market vary between 70 and 90 percent. More than 76 percent food items on the market were found adulterated in a random survey by Public Health Laboratory of Dhaka City Corporation in 2004. There are approximately 150 food items in the country, said SK Roy, a senior scientist at the International Centre for Diarrheal Disease Research, Bangladesh (ICDDR, B).

Roy said that brick dust is applied in chili powder; urea is used to whiten rice and puffed rice; sawdust in loose tea; soap in Ghee; and artificial sweetener, coal tar, and textile dyes in sweetmeats. Formalin applied on fish, fruit, meat, and milk causes throat cancer, blood cancer, childhood asthma, and skin diseases, he said. Poisonous coloring agents like auramine, rhodamine B, malachite green, yellow G, allura red, and Sudan red applied on food

items for coloring, brightness, and freshness -- damage liver and kidney, and cause stomach cancer, asthma, and bladder cancer, said Roy.

Coloring agents chrome, tartazine, and erythrosine are used in spices, sauces, juices, lentils, and oils -- causing cancer, allergy, and respiratory problem. Calcium carbide may lead to cancer in kidney, liver, skin, prostate, and lungs. Rye flour used in barley, bread, and wheat flour contribute to convulsion and miscarriage. Hormone used in cauliflower causes infertility of women. Aginoto or monosodium glutamate used in Chinese restaurant food items cause nervous system disorder and depression. Urea put in puffed rice and rice causes nervous system damage and respiratory problem.

Sulphuric acid used in milk for condensation causes damage to the cardiac system. Application of excessive and unauthorized pesticides also cause contamination of food, he said adding that additives used for making food items attractive can be lethal if those are cancerous. However, some permitted preservatives, thickening agents, gelling agents, antioxidants, and stabilizers could be harmless if applied in appropriate quantity, said Roy. Food grains, vegetables, and fish also are contaminated by industrial pollution of the soil, air, and water, he said.

Burnt engine oil is used to fry Jilapi, while artificial fragrance is applied on flours, said Khalil Ahmed, executive magistrate of Dhaka City Corporation, who operates a mobile court against adulterated foods in the capital. The consequences: The long-term consequences of consuming chemical treated food items will be devastating. The children would be the worst affected group among all if they eat chemical mixed food items. Formaldehyde causes various gastro-intestinal disorders if consumed for long.

Most of the chemicals may result in long-term skin diseases, damage lungs and kidneys and some of them can develop cancers. BSTI revealed that about 1, 000 drinking water factories exist in the country, only 400 of which have licenses from the BSTI. Bottlers of drinking water factories have mushroomed with little regard to compliance of standard or BSTI license. Despite BSTI cancelling the licenses of 139 bottling factories in the last 18 months, there has been news of setting up of new factories in new locations.

The result: children and aged people are facing constant threat of diseases even with the bottled water produced by these factories. The awareness issue: The depressing part is that most of the traders or producers using chemicals in foods are not aware of its long-term impact on human body and surrounding environment. The only driver, which motivates them, is the additional income on sales. Many of them even do not know the name of the chemicals they are spraying on the foods to speed-up the ripening process. They just go to the pharmacy and they get the medicine without any permit.

Besides, contaminated food once consumed does not result quickly in human body. Over time, these chemicals slowly turn a human body into an ideal host for deadly diseases and sometimes result in the development of cancer and other fatal diseases. Nevertheless, the government along with media is trying to improve the awareness condition with many activities. The most successful initiative to date was the anti adulteration drive led by a mobile court. This drive started back in 2007 with a team that included a magistrate, media partners and police.

For two consecutive years, the drive was a success and the magistrate Rokon-Ud-Dowla became a celebrity. During that time, the mobile court

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unveiled most of the adulteration mechanisms used by traders and producers. Since the drive was not backed by a comprehensive plan; later when politically challenged; the effectiveness diluted eventually. Penalties The Pure Food Act 1959 that prosecutes offenders of food adulteration has a ludicrously low penalty of Tk. 200. In spite of the nominal fine, the amount realized from the mobile court drives has been enormous. In 2012, a vigilance team of National Consumers Right Protection Directorate has realized taka two lakh and six thousand as fine from different hotels, restaurants and fast foodshops for selling adulterated and rotten foods in the International Trade Fair at Sher-e-Bangla Nagar. * Kentucky Fried Chicken (KFC) was sued in Dhaka due to its use of adulterated vegetable oil to prepare high cost food this year. Authority says KFC outlets of Dhaka and Chittagong have taken no step to maintain standard of foods though many of those were fined for sub-standard foods and unhygienic condition of their kitchens. On August 7, 2011, a mobile court for food in Chittagong found rotten vegetables and tomatoes in their (KFC's) refrigerator, and found that their salad packets do not have information about the compositions and nutrition facts. Later the court fined BDT 25, 000, but said they are punishing minimally only to warn them, KFC should be careful about their quality. 11 BSTI sources revealed that it conducted 1, 039 mobile courts across the country in seven months from July 2010 to February 2011 and detected rampant malpractice and adulteration in the food production centers. Some Tk. 23. million were realized as fine during the drives while 1, 086 cases were filed and 66 people were sent to jail. 7 The Solution The best solution to reduce adulteration is transparency and regulation. If the process of food

producers is exposed, they will be forced to provide the customers with good healthy and hygienic food. Some of the solutions could be: * Return of Mobile Court: As mentioned previously, the anti-adulteration mobile court led by Rokon-ud-Dawla was a huge success. It made the restaurants show their true face. The mobile court still exists and has recently found adulterated oil at a KFC outlet.

However, many more small and large restaurants have such complaints against them. Therefore, the mobile court's activity needs to be more widespread and regular. It may also be led by a permanent organization. With such activity restaurant owners will have to be aware about healthy food. * The Transparent Window: The transparent window is a concept where the customers will be able to see the kitchen of a restaurant to ensure hygiene. The kitchen should not be made completely open to public, as restaurants may not want to show their recipe. A completely open kitchen is also vulnerable to dust and therefore unhygienic.

Therefore, every kitchen should have a large transparent window through which customers themselves will be able to judge whether the kitchen is hygienic enough. This will directly affect the restaurants as they always look forward to satisfying their customers. * Tax Cut: Restaurants should have an evaluation system governed by the monitoring/regulatory committee. The current VAT rate for restaurants is 15%. If a restaurant gets a full-marks review from that committee the restaurant may be charged with a lesser VAT - say 12.5%. This will be a great way to motivate restaurant owners to making healthy food.

Owners will, to a certain extent, find healthy food a way to lower their price of food and thus be able to attract more customers. Conclusion Food adulteration has been a burning problem in Bangladesh since a few years. Especially after the initiation of the mobile court drive in 2007, widespread media attention has been given to the malpractices prevalent in the food industry. Although it seemed initially that the drive would bring fruitful results, the effort has sagged in recent times. Through revival of the mobile court drive, increase of transparency and motivation of food makers through tax benefit, we can hope to ensure that food will be kept in its own unadulterated form. ----- [1]. Kurgan, P. & Wells, R. (2006). Economics, New York, Worth Publishers. [2]. Haque, M. M. (2009). Food adulteration by chemicals and diseases. The Financial Express. Retrieved from <http://www.thefinancialexpress-bd.com/2009/07/31/74799.html> [3]. Mass campaign to stop food adulteration. (2011). Retrieved from http://www.rdrsbangla.net/Resources/ContentFile/contentFile_4e82cdc5d1c17.pdf [5]. Yousuf, M. A. (2011).

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