The global economy now faces a danger of stagflation not seen since the 1970s, the World Bank warned on Tuesday.

According to the Global Economic Prospects report, a major concern is that stagflation — or high inflation combined with stagnant growth — will be particularly brutal for middle- and low-income countries.

“This time it is facing high inflation and slow growth at the same time,” said David Malpass, the bank’s president.

The food price crisis is especially concerning for the anti-poverty lender. “There is a severe risk of malnutrition and deepening hunger and even of famine in some areas, especially rural areas that are affected by conflict,” Malpass said, noting a sudden cutoff of grain supplies from the Black Sea after Russia invaded Ukraine earlier this year.

Growth forecasts for 70% of nations in the “emerging markets and developing economies” category were lowered since a previous prediction in January, and per capita income will be nearly 5% below the pre-COVID-19 trend in these countries, the bank said, meaning the poor are going to get poorer. The sole bright spots are largely in energy-exporting nations, such as in the Persian Gulf.

The global economy is now predicted to grow at 2.9%, down from the 4.1% projection in the previous report.

Growth was 5.7% in 2021, which makes this the “sharpest deceleration” in a post-recession recovery in eight decades, with Russia’s invasion of Ukraine bearing a lot of blame.

The bank said the ongoing risks suggest that growth next year could slow to as little as 1.5%.

Malpass said governments must take immediate action to reduce the harm being caused to everyday people and prevent stagflation from reigning for multiple years.

He said that as Europe, in particular, pivots away from Russian food and energy toward other sources, this “makes new energy and food production an imperative for both Europe and the world.”

He urged nations to announce plans to increase their production, so as to reduce price pressures battering the poor, for whom food makes up a larger portion of their spending.