

## What is the state of the UK economy in early 2024?

This is an opportunity over the summer period to start thinking about some of the areas we will cover next year. The objectives of most countries are to achieve economic growth, low stable inflation, low unemployment and a healthy trade balance. Generally, the emphasis is on achieving economic growth. This would then lead to the UK becoming a wealthier nation, enjoying an improved standard of living.

If only life was so easy! Very often, however, 'external factors', which can be beyond our control, impact on our economy in a negative way despite our hopes and aspirations for the future.

So, time you found out about these 'external factors', and the problems they have created (The 'Financial Crisis' (2008/9), 'Brexit' (2016), 'Covid-19' (2020), and Russia's 'Invasion of Ukraine' (2022)). Answer all the questions.

1. What was the 'Financial Crisis' of 2008/9 and how did it affect the UK and many other western developed countries?
2. What is a 'recession' (did the UK suffer a recession during the 'Financial Crisis', and are we in a recession at the minute)?
3. On 23 June 2016, the UK voted to leave the European Union (EU). How many members of the UK public wanted to leave the EU, and how many wanted to remain in the EU? (Also, what are these figures as percentages?)
4. What might be the advantages and disadvantages of leaving the EU?
5. Are Norway and Switzerland members of the EU?
6. What is 'inflation' (and what is the current inflation rate in the UK)?
7. If many products have increased in price and your income remains the same, how does this affect your 'standard of living'?
8. How did 'Covid-19' affect our economy when schools, airports, restaurants and football pitches were shut in 2020 and we were told to stay at home?
9. How much did Covid-19 effectively cost the UK economy?
10. In February 2022, Russia invaded Ukraine. This led to high inflation in the USA, Europe and the UK. What did the inflation rate, in the UK, rise to in October 2022? What caused this to happen?
9. What exactly does the Bank of England (the central bank for the whole of the UK) do?
10. How did the Bank of England aim to reduce the high level of inflation in the UK? How exactly does it work?

**Bring your completed work to your first lesson in September or email it to:**

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