

UK economy shrinks by 25 per cent

14th June, 2020



The UK economy has suffered its worst economic performance since a mini ice age over 300 years ago when the River Thames froze. The UK's Office for National Statistics reported that the economy was around

25 per cent smaller in April than it was in February. The Bank of England governor, Andrew Bailey, acknowledged there was a 20.4 per cent drop in GDP in April alone. He called this "a dramatic and big number". He was positive about the future and said there were "signs of the economy now beginning to come back to life". Much of the UK economy shut down in a bid to curb the spread of the coronavirus. The UK has seen the biggest economic collapse among the world's developed economies.

The United Kingdom's economy has seen nearly 20 years' worth of growth wiped out because of the coronavirus lockdown measures. This week, people are being encouraged to go shopping again as many stores have reopened. Many shoppers remain wary about venturing out to shops or commuting, as the number of daily deaths is still around 200. Talking about the economic collapse, Mr Bailey said: "It's not surprising. The economy clearly closed out substantially at the end of March into April. The big question is what happens next." The UK's 'Guardian' newspaper was pessimistic about a recovery. It wrote: "Britain's economy has fallen off a cliff. It will be a long climb back."

Sources: sky.com / aljazeera.com / theguardian.com

Writing

The economy is the most important feature of a country. Discuss.

Chat

Talk about these words from the article.

economy / ice age / River Thames / statistics / bank / positive / the future / collapse / growth / lockdown / shopping / wary / commuting / collapse / the big question / climb

True / False

- a) The UK economy is its worst since a mini ice age 300 years ago. T / F
- b) GDP in the UK dropped by 20.4% in April. T / F
- c) The Bank of England called the numbers "dramatic". T / F
- d) The UK has seen the worst economic collapse among developed nations. T / F
- e) Over 50 years of growth has been wiped out in the UK. T / F
- f) Shoppers are looking forward to getting back in stores this week. T / F
- g) The number of daily deaths in the UK is making shoppers wary. T / F
- h) A newspaper said the UK economy has fallen from the sky. T / F

Synonym Match

(The words in **bold** are from the news article.)

- | | |
|-------------------------|-----------------|
| 1. suffered | a. cautious |
| 2. acknowledged | b. effort |
| 3. positive | c. actions |
| 4. bid | d. cave in |
| 5. collapse | e. considerably |
| 6. wiped out | f. recognized |
| 7. measures | g. endured |
| 8. wary | h. downbeat |
| 9. substantially | i. eradicated |
| 10. pessimistic | j. optimistic |

Discussion – Student A

- a) What do you think about what you read?
- b) Who is most affected if GDP falls?
- c) Why is the British economy so badly affected?
- d) Are you doing anything differently because of coronavirus?
- e) Are you wary about doing anything in this pandemic world?
- f) What measure would you take to bring economies back to life?
- g) What will the world economy be like this time next year?
- h) What questions would you like to ask the Bank of England governor?

Phrase Match

- | | |
|--|-------------------------|
| 1. The UK economy has suffered its worst | a. measures |
| 2. the River Thames | b. curb the spread |
| 3. signs of the economy now beginning to | c. froze |
| 4. shut down in a bid to | d. cliff |
| 5. the biggest economic | e. come back to life |
| 6. 20 years' worth of growth | f. venturing out |
| 7. coronavirus lockdown | g. economic performance |
| 8. shoppers remain wary about | h. surprising |
| 9. It's not | i. collapse |
| 10. Britain's economy has fallen off a | j. wiped out |

Discussion – Student B

- How is your country's economy at the moment?
- What damage does a huge drop in GDP cause a country?
- What ups and downs has your country's economy recently had?
- What can we do to help economies recover?
- How has the coronavirus affected your finances?
- What did your country do to protect its economy from coronavirus?
- How positive are you about the future?
- Should people change their economic behaviour from now?

Spelling

- its worst economic faorcmmrepen
- The Bank of England eogornrv
- a cmiaardt and big number
- He was tsoivpie about the future
- ucbr the spread of the coronavirus
- the biggest economic psleloac
- the coronavirus lockdown sauermse
- being goenceadru to go shopping again
- nnteuirgv out to shops
- cmnutmgoi, as the number of daily deaths...
- closed out taiuslbtylnsa
- spisemiscti about a recovery

Answers – Synonym Match

1. g	2. f	3. j	4. b	5. d
6. i	7. c	8. a	9. e	10. h

Role Play

Role A – Reopen Shops

You think reopening shops is the best way to revive an economy. Tell the others three reasons why. Tell them what is wrong with their ways. Also, tell the others which is the least effective of these (and why): lower taxes, better wifi or free public transport.

Role B – Lower Taxes

You think lower taxes is the best way to revive an economy. Tell the others three reasons why. Tell them what is wrong with their ways. Also, tell the others which is the least effective of these (and why): reopening shops, better wifi or free public transport.

Role C – Better Wifi

You think better wifi is the best way to revive an economy. Tell the others three reasons why. Tell them what is wrong with their ways. Also, tell the others which is the least effective of these (and why): lower taxes, reopening shops or free public transport.

Role D – Free Public Transport

You think free public transport is the best way to revive an economy. Tell the others three reasons why. Tell them what is wrong with their ways. Also, tell the others which is the least effective of these (and why): lower taxes, better wifi or reopening shops.

Speaking – Recovery

Rank these with your partner. Put the best things for economies to recover at the top. Change partners often and share your rankings.

- | | |
|----------------|-----------------------------|
| • Reopen shops | • Higher minimum wage |
| • Lower taxes | • Free public transport |
| • Better wifi | • Ease business regulations |
| • Free trade | • Infrastructure projects |

Answers – True False

a	T	b	T	c	T	d	T	e	F	f	F	g	T	h	F
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Answers to Phrase Match and Spelling are in the text.