

Nigeria and oil. With UK having less costs of supply then the inflation will decrease all logically UK nationals will have more disposable incomes which would lead to higher GDP if they spend more money additionally firms may have more revenue which they may further with investment and the multiplier effect and accelerator effect apply again leading greater living standards once more. However increased depletion of resources means greater pollution to the environment which despite occurring in the African countries to an extent can be passed on to other countries such as the UK in the form of weather disasters for example. This could go against the government's macro economic policy however as the economic growth is there however it's not sustainable (as they look for a long run trend growth of about 2.5%).

Unfortunately the entirety of the above analysis depends on so many variables in order for it to become granted. The trading partner size for instance will impact the benefit of living standards here as a sub par firm won't be able to compete abroad with conglomerate UK firms. The regions culture will impact the feasibility as will there be a market for UK products and services? Will there be demand and the ability to purchase our commodities? And even more importantly will UK as opposed to China to America or European powerhouse produce the goods they want? Finally the countries impacts plausibleness may fall in it's current affairs with other developed countries. How well are other developed countries doing at building links with this one?

Preview from Notesale.co.uk
Page 4 of 4