

Complete the text with one word that fits the gap.

Britain is *the world's sixth-largest economy* and _____ significant industrial and manufacturing country. It is a large exporter _____ goods and services, despite its reduced share of the global market and manufacturing decline _____ the 1980s. Its gross domestic product (GDP) per capita in 2016 was 41602.98 US\$. GDP comprises the purchasing power of goods, services, capital and income _____ the country produces. The economy is increasingly *services-based* although it maintains industrial capacity in high-tech and other sectors. The service sector provides 78, 4 % of the GDP. However, the situation _____ not always been like this.

Britain was *a rural country* _____ the end of the *18th century* and its economy was based _____ agricultural products. The growth of a colonial empire from the 16th century contributed _____ national wealth as Britain capitalized on its worldwide trading connections. Colonies supplied cheap raw materials, which were converted _____ manufactured goods in Britain and exported. They exploited the colonial markets and controlled foreign competition. _____ the 19th century, Britain became a dominant military and economic power.

The *industrial revolutions* beginning in the late 18th century brought manufacturing inventions, aided by rich supply of domestic materials and energy sources _____ as coal, steel, iron, steam power and water, stimulated mass production and the economy. Industrial towns expanded; factories _____ built and a transport system of roads, canals and railways developed. Britain was transformed into an *urban and industrialized economy*. Industrial and urban development had negative effects, such as _____ working hours for low wages and _____ conditions in mines and factories. *Rural areas lost population* and there was a decline of traditional home and cottage work. Industrial conditions caused social and moral problems in towns and the countryside and mechanization

was often regarded _____ exploitive and dehumanizing. Nevertheless, the industrial changes transformed into a rich and powerful economy.

Complete the text with the appropriate forms of the words.

Since the Second World War, Britain has suffered _____ problems **ECONOMY** caused by domestic and _____ factors. Many manufacturing industries **GLOBE** were not able to adapt to new markets and demands, did not produce goods _____ and cheaply enough to compete and priced **EFFICIENT** _____ out of the world market. The *decline of manufacturing* **THEY** is still a major concern for Britain. Industrial decline _____ affected **BAD** northern England, the English Midlands, Scotland, Northern Ireland and South Wales. _____ trades like textiles, steel, shipbuilding, **TRADITION** iron and coalmining were _____ reduced. These areas had to be **GREAT** revitalized with the _____ of new manufacturing and other businesses. **CREATE** New production and research methods led to a _____ in specialized **GROW** high technology sectors and the service sector (banking, insurance, catering, leisure, finance and information). By the beginning of the **1990s** the British economy fell into a very deep _____ with high interest rates, **RECESS** _____ and inflation. In 1994, Britain came out of recession, **EMPLOY** with improved manufacturing and _____ performance and a fall **FINANCE** in unemployment and interest rates, and a strong pound. Between **2007 and 2010**, the economy _____ again, **WEAK** and Britain suffered from *the worst global recession* since the Great _____ of 1929. **DEPRESS** Individual consumers had also contributed to the problem by taking out large personal loans and incurring debts they were **ABLE**

to repay. However, by 2014 the economy had started to improve,

The International Monetary Fund (IMF) reported that Britain

would grow faster than any G7 nation.

The UK was an active member of the _____ **Union** from

EUROPE

1973 to 2016, although it chose to remain outside the

Economic and Monetary Union. However, UK citizens on 23 June 2016

_____ voted to leave the EU. The referendum roiled global

NARROW

markets, including currencies, causing the British pound to fall to

its lowest level in decades. Votes for leaving the EU were 52% to 48%.

The reasons for the so-called **Brexit** might have been the following:

Britain was being _____ back by the EU, because it imposed too

HOLD

many rules on business, charged billions of pounds a year in

_____ fees and the UK got little in return. It is argued

MEMBER

that the Brexit has created _____ regarding its impact

CERTAIN

on the British economy. Economists are worried about the potential

negative impact. The UK has an extensive trade _____ with

RELATION

other EU members through its access to the single market and

economic observers have warned the exit will _____ its position

DANGER

as the central location for European financial services.