PETERNOMICS

The following collection of articles have been written by L6th pupils studying Economics and/or Business at St Peter's School.

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CONTENTS

INTERNATIONAL CORPORATION TAX

Corporation tax is tax levied on firms net income, this has frequently been avoided by multinational corporations (such as Apple). This tax is currently under debate as governments need more money to pay for record levels of public borrowing due to the coronavirus pandemic. Furthermore the avoidance of this tax has subsequently led to a reduction in government earnings, but also allowed MNCs to monopolise in their market; at the expense of small businesses.

This international corporation tax has two main aspects. The first aspect is that companies would get a right of taxation over a share of profits generated in their jurisdiction by overseas-headquartered multinational companies. The second aspect is that a minimum corporation tax rate would be imposed by countries on the overseas profits of large companies headquartered in their jurisdiction. This tax would only apply to MNCs with revenue above a certain threshold. The OECD have estimated that these taxes could bring in £57bn. However it is not certain this tax will be implemented as it is still under debate within the G7.

Small firms would be greatly affected by the implementation of the international corporation tax. Firstly, if MNCs have to pay more in tax, then they may have to increase prices. This price increase could lead to a fall in demand; this could cause smaller firms to see an increase in demand for their cheaper products, if they are substitutes.

Furthermore if MNCs become less profitable they will receive less investment (as investors have less incentive to invest), this could further level the playing field in many markets; allowing smaller enterprises to emerge in markets.

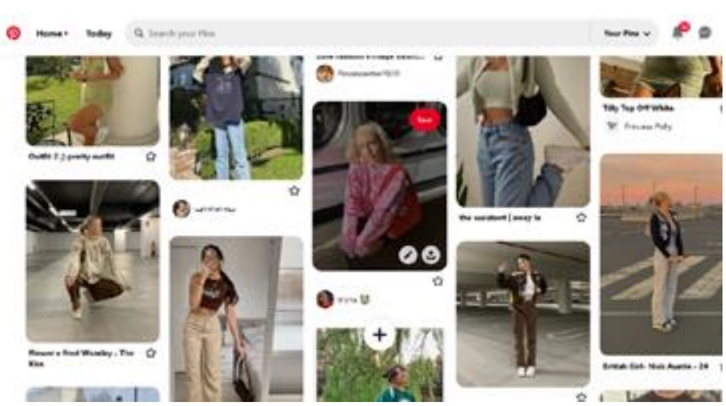
SOCIAL MEDIA INFLUENCES ON FASHION MARKETING

In the fashion industry, trends are constantly changing, and marketing is important in making consumers aware of these changes. Social media has more recently become a part of the fashion industry, which is seeing significant shifts in its inspiration for designs and trends due to the likes of Instagram, Tiktok and Pinterest.

While catwalks and magazines still remain a part of today's fashion sphere, social media is starting to take over with its ability to spread at a rapid speed across countries. Out of Instagram's total audience, 200 million users follow at least 1 fashion account and in Britain, 45% of people say they follow these accounts to find inspiration for their own looks, so it's not surprising that brands focus on social media to reach their market. The ability to connect through shared interests on social media opens up a whole new world for marketing as they are not limited to a certain fashion preference, and it allows brands to actually think about the person they're selling to. The innovation of social media has benefitted fashion marketing as now Instagram has recently launched 'Instagram shopping' where brands are able to tag their products in a post, therefore leading them to the chosen product so the consumer can purchase it quick and easy.

Influencers have become massively important for fashion marketing and multiple fashion brands have started to use this strategy as creating a conversation around their brand is vital for success. Influencer marketing involves working with influential people, most of which have a high social media following such as Gigi Hadid who has partnered with multiple brands like Prada, Burberry, Tommy Hilfiger and most recently Ralph Lauren. With a total Instagram following of 67.6 million followers on Instagram, these partnerships will significantly increase the brands social reach and position them in Hadid's fashion following. Seeing those we look up to wearing a specific outfit gives confidence to potential consumers wanting to buy what they are wearing. However, it isn't essential for a brand to work with influencers to gain success, although their high exposure levels and number of followers will naturally help but, any exposure from any profile is good for the brand.

Social media has influenced the fashion industry more than any other industry, and therefore affected brands fashion marketing. For the most part, fashion used to be a two-dimensional, one-sided industry as brands would put their clothing in magazines for users to flick through the pages and as models walked in fashion shows, users hoped that it would be covered on television for them to see. However, social media has reframed this structure as consumers can not only consume fashion but also contribute to it. With the rise in social media, new designers from around the world can get their own style out there for users to see and the connection between brands and consumers makes fashion marketing easier as social media is highly visual and there's multiple platforms brands can use to advertise their clothing.



THE IMPACT OF COVID-19 ON THE FARMING INDUSTRY IN THE UK

Following the outbreak of coronavirus in March 2020 there were heavy regulations imposed on firms, concerning the work environment and social distancing. The farming industry's profits are made by selling their goods domestically and abroad, through supermarkets and wholesalers. However, the virus is causing consumers to buy domestically produced goods as a result of falling imports – impart due to Brexit. For farmers though 90% of the UK's sheep meat exports are into the EU, this is causing farmers to have gluts of supply, they are unable to sell their meat. As farmers are starting to shift their sales to domestic markets the competitivity increases leading to a decrease in price of raw meat in the UK.

Not only are profits waning for farmers, but the furlough scheme has led to many farm workers being unavailable to work. Farmers are classed as self-employed key workers under the government schemes, consequently they were allowed a subsidy of 80% of their monthly profits up to a cap of £2,500.

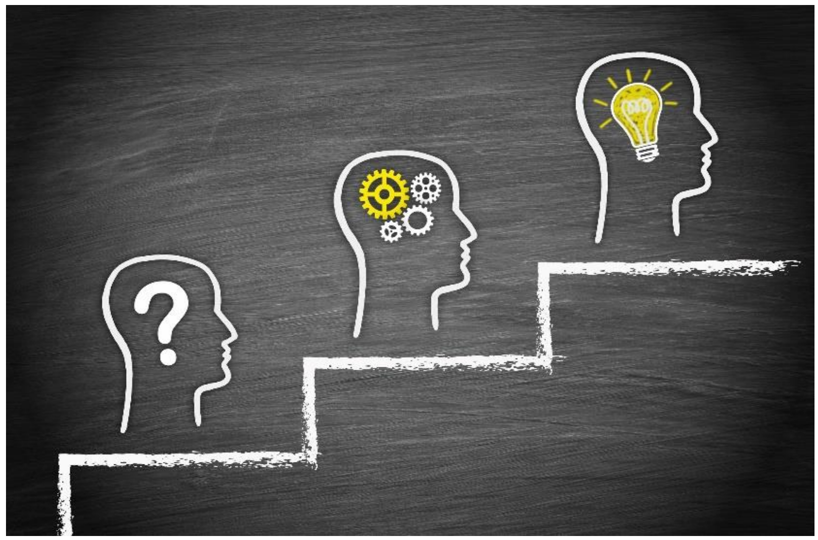
The pandemic has also caused greater dependence on famers as travel and imports have been halted, but the industry cannot afford the extra cost to ensure compliance to red tape regulations.

However, the effect on agriculture has been minimal compared to other industries, some farms have had to close but many are still fully operational and have only seen proportionally small dips in revenue. Whereas other industries such as hospitality and travel have seen unprecedented declines in revenue to the point of bankruptcy in extreme cases.

Farmers have been negatively affected by covid but not to the extent that many believe the main cause of declines in production from late 2019 to 2020 was the record amount of rainfall which postponed planting for many farmers and led to a fall in yield.

THE IRRATIONALITY OF RATIONAL BEHAVIOUR

Rational Behaviour, more formally known as the rational choice theory in the humanities, roughly refers to when a consumer is making choices that result in the most ideal level of utility for an individual. In other, it is the theory that people will choose the thing that will benefit them the most. For example, it is obvious that we would choose the product with the highest quality and at the most affordable price, so that we receive the greatest utility from it. However, such a perception of human psychology is quite contradictory to how we actually act in the real world. This, thus, has great implication for our economic models.



With most economic theories, Rational choice theory can find its roots in Adam Smith and his Magnus Opus *Wealth of Nation*. He proposed that because we can use utility to measure well-being, and that we, at all times, seek to maximise our well-being, and as such it is implied, in those propositions, that we are to use utility as a measurement of economic benefits as a result of economics decision. It might seem like we do this all the time: We compare the cost and the benefit of different competitor goods and decides the best good that maximises our utility; we watch a review of a product to rationally decide whether that product would maximise our utility or not. However, we do not.

It is, frankly, an illusion, and a false narrative, to believe that we are making rational choices at all times, or even some of the times. We are to believe that our rationale is flawless, and it will, given that we have perfect information of the market, lead to the best possible choice. Not only is our rationale subjected to logical inconsistencies, but more importantly, it is shown that we act more off our impulse, our intuition, than pure logic. We can this in action all the time: The absolute utility of saving 5 Nobel price winning scientist is undoubtedly greater than saving 1 close relative, yet most will save the one close relative. Similarly, one would obviously see the greater utility in paying and having 10 meals overpaying and having a Michelin-starred meal with the same amount of money, for the obvious fact that 10 meals will fulfil our sensation of hunger better than 1 Michelin-starred meal, however good that meal is; but, it is not obvious.

It is not obvious in a sense that how should we, the society, value the value judgement of individuals in relation to utility? In our post-modern society, value judgements and judgements on issues are not that judged, and that is an issue. If we have no way of quantitatively turn the values of value judgements into absolutes, or in any form turned into any sorts of objective, then how could we proclaim that “as the demand of good x decrease, price of good x decreases” or “as there is diminishing marginal utility for good x, people will buy that good x less”? It seems that economics and economics models, a supposed reflection of human behaviour and its relationship with money, fails to be any of that other, and perhaps, just perhaps, a fundamental change is needed.

HOW COVID-19 HAS AFFECTED DELIVEROO

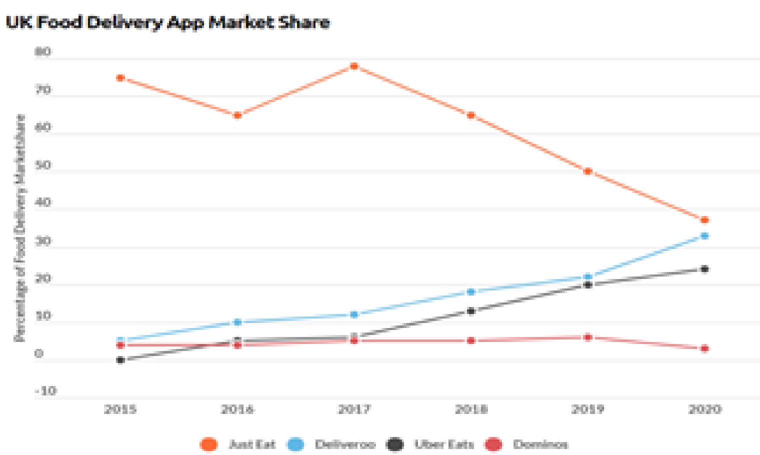
During this COVID-19 pandemic, people are encouraged to stay at home in the UK to reduce the spread of the virus. The ban of dining in restaurants during lockdowns caused a significant surge in demand for food conveniences leading to an expansion of delivery platforms including Deliveroo.

According to the table, the revenue of Deliveroo raised from $18 million in 2015 to $4.1 billion in 2020. The pandemic accelerated the trends in food deliveries and altered the consumer's behaviours. People started to order their meals online and get them delivered in front of their houses. This led to dramatically increase in revenue over six times between 2019 and 2020.

Deliveroo revenue

Year	Revenue
2015	£18 million
2016	£129 million
2017	£277 million
2018	£476 million
2019	£771 million
2020	£4.1 billion

As a result of the economic downturn experienced by most of the industries in the UK, many people had become unemployed or forced to be on furlough. More and more of them chose to become part-time workers at Deliveroo in order to make a living during this difficult period. A survey suggested that a driver on Deliveroo can earn around $8.94 to $14.34 per hour. Without a doubt, this became the main source of income of the unemployed and this lowers the unemployment rate.

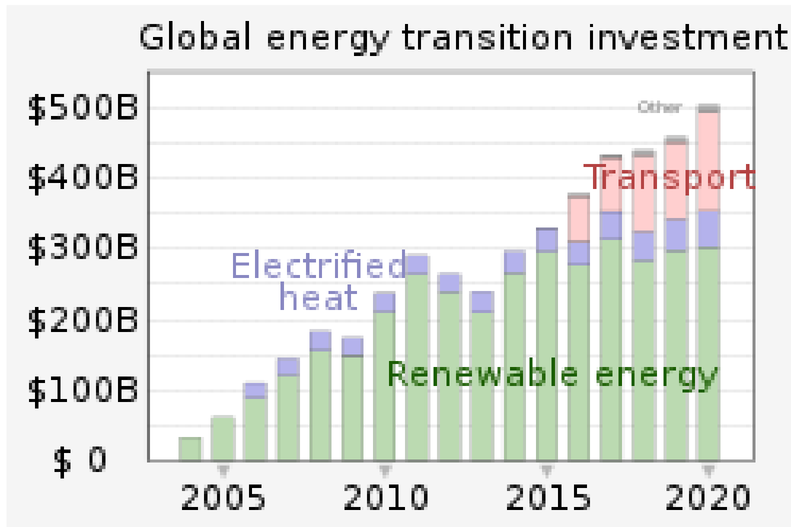


Meanwhile, delivery platforms are massively crucial to restaurants as they struggled to survive or even faced the risk of closing down when the dining in operations are heavily restricted by the government. Although they have to pay approximately 25% of their revenue as a commission fee, delivery platforms allowed restaurants to cover the loss of income from closing down. Moreover, restaurants can reach out to more potential customers while creating brand awareness.

The market share of Deliveroo emerged from 7% in 2015 to over 30% in 2020, becoming one of the top brands in the industry.

HOW FIRMS REACT TO EXTERNAL EVENTS

The COVID-19 pandemic started on December 31st 2019, when several cases of pneumonia with an unknown cause were reported by the Wuhan Municipal Health Commission, and on January 12th, SARS-CoV-2 was identified. The virus continued to spread and was declared a pandemic on 11th of March 2020. There were many difficulties associated with the handling of the pandemic that caused social and economic strain, and these difficulties are of a very similar nature to the difficulties of dealing with climate change. Considering the handling of the COVID19 pandemic, and the impacts it had on businesses, the concern arises that the ongoing climate crisis and the mitigation of this could have the same, if not worse impacts on businesses.



During the COVID19 pandemic, businesses were hit extremely hard due to the global lockdown, so not even MNCs were safe. The lockdown meant that people all around the word couldn't leave their homes for shopping as often as usual, so other than businesses selling essential goods such as supermarkets, had an extreme reduction in sales, therefore revenue. Many small businesses and lots of larger businesses such as M&Co and Go Outdoors, went into administration or were dissolved, this made many people unemployed. The spike in unemployment created a sharp decrease in GDP and disposable income, and this lack of disposable income means an even larger impact on businesses that are still running. The mitigation of climate change could have similar effects, as the transition to clean and/or renewable energy such as wind and nuclear power, is a very expensive process for the government and companies carrying out the process, therefore requires increased investment (shown in bar chart) as we expand our renewable energy capacity to meet the demands created by our reliance on fossil fuels. This investment would inevitably bring an increase in tax, meaning people would have less disposable income, so businesses selling non essential goods would suffer less sales revenue, therefore lower profit margins. Businesses will also have increased corporation tax, this combined with the reduction of sales can cripple a businesses cash flow.

A more positive impact of COVID19 on businesses, is that the pandemic and decline in sales meant that some businesses decided to innovate and remodel their businesses to function in this new environment. This innovation due to forced rapid decision making, included transitioning from a bricks and mortar business to an online business, operating virtually, or redesigning their products to be more relevant to the pandemic such as covid safe products or products that encourage social distancing or the usage of PPE. The drive for mitigating climate change and the transition to clean and renewable energy can also create innovation in businesses. Corporations are the biggest contributors to climate change, with only 100 companies being responsible for 71% of global emissions since 1988. Due to this comes strong legislation on businesses, such as SECR (Streamlined Energy and Carbon Reporting legislation) requires businesses of 250 employees or more, turnover of £36m or more or balance sheet assets of £18m or more to report all emissions in their end of year reports. This acts as an incentive for businesses to reduce emissions to create a stronger public image. To cut emissions, comes innovation in the way a business operates, whether it be more efficient transport to use less fuel, or remodelling the production plan to be more energy efficient.

It is clear that COVID19 and the handling of the pandemic had severe impacts on businesses and the economy, which put 900,000 small UK businesses at risk during the pandemic, and many high street retailers were put into administration. So, it is clear that one global crisis had these impacts, and it can also be assumed that a global crisis such as climate change, or more the mitigation of this crisis, will have similar, if not the same impacts on businesses.

INCOME INEQUALITY IN THE UK

Income inequality is how income is distributed unevenly amongst a population. A population can be divided in various ways to illustrate the various levels and forms of income inequality such as income inequality by sex or race. The UK is considered to have a high level of income inequality when compared to other developed countries. Despite the median income rising 2.2% between the years 2014 to 2019 most of it accounted for a 4.7% in the richest 20% of the population and on the other hand the poorest fifth has seen a fall in income of 1.6%.

There are several reasons for income inequality within the UK. Looking from the mid 1970s to late 1990s there was a sharp increase in the overall income inequality. For example, the fast growth in the financial sector allowed growth in wages for higher earners. This was due to privatisation and deregulation within the financial sector which gave people a higher profit incentive. Around this time saw the decline of the manufacturing industry and increased long-term unemployment. This saw the top 1% share of net household income in 1977 of 3% to increase to 8% by 1999.

In recent years income inequality has worsened more so than usual as a result of covid-19. As a result of the virus several firms were forced into downsizing their workforce and subsequently unemployment inevitably rose and peaked at 6.5%. As a result of this more people are claiming and receiving state benefits which has been increasing consistently over the last few years as more and more people are on sickness and incapacity benefits. Therefore, more people are on lower incomes. This is accompanied with rising property values leave less disposable income for younger people as an increased proportion of income is being spent on housing costs, causing wealth inequality and leading to income inequality.

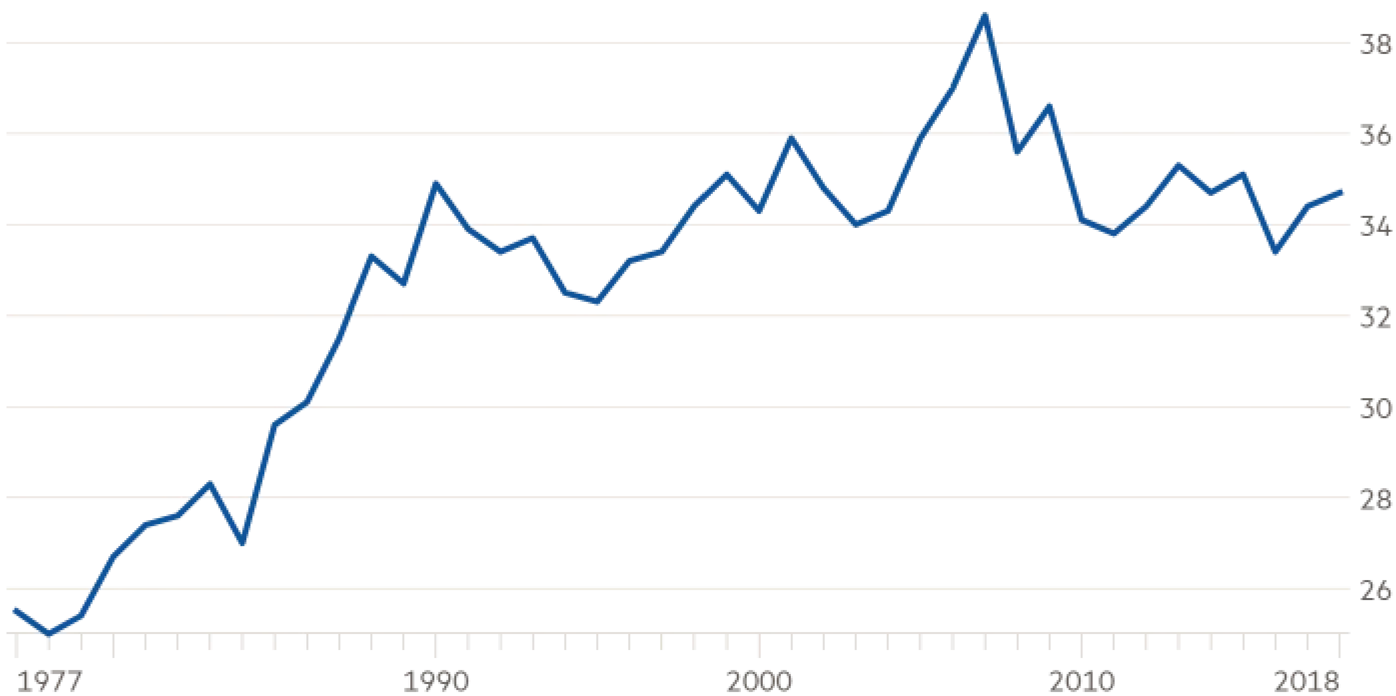
As a result of inequality there appears to be several impacts on the economy, being both positive and negative. Rising levels of economic inequality often correlates to economic growth. Some claim the correlation provides evidence that economic inequality drives growth because of an increased incentive to innovate and for entrepreneurship. Therefore, some economists argue that wealth disparities are an inevitable part of a successful economy. Some believe that a society with economic inequality is a fairer society than one with fair wealth distribution. This is because economic equality requires taking from rich and giving to the poor and political interference with natural economic processes, like inequality, should be kept to a minimum because substantial government involvement disrupts the moral rights of independence and individual freedom. Taxes and redistributive policies aim to reduce income inequality that generally benefit all members of a society. However, redistribution may not appear fair to some, especially the wealthier proportion of the population.

However, by lowering the wage of a low-paid worker decreases productivity by a greater amount than increasing the wage of a high paid worker increases theirs. This would cause long run aggregate supply to shift inwards. This can potentially cause increased levels of poverty around the UK as a result of increased crime and decreased health. This places a burden on the economy. As food prices rise and incomes decrease, support for expansionary government policies decreases meaning that economic growth will come to a halt in the economy. As inequality rises access to quality health care and healthy food is sometimes limited and unavailable for poor individuals. This means that in poorer regions of the UK obesity rate is significantly higher in the North East compared to the South. This is because people have lack of information on a balanced diet and exercise. Accompanied with some regions of the UK having less financial backing in health department can cause noticeable differences in the life expectancy. For example, Blackpool has a life expectancy of 79.5 which is 7.7 years lower than Westminster.

To conclude, economic inequality can bring about economic growth which is ideal in the short run but when compared to the long run there begins to be several issues that appear. So that inequality and growth remain stable the there are two main ways to control and reduce inequality and poverty as they are one of the macro-economic objectives. The government employs a progressive tax and benefits system which takes proportionally more tax from those on higher levels of income and redistributes welfare benefits to those on lower incomes.

UK income inequality is up slightly in the 2019/20 financial year

Gini coefficient for disposable income



Source: ONS

36HOSTING A WORLD CUP AND ITS EFFECTS ON THE ECONOMY

Many nations bid millions to host the world cup, but it is not just for the passion of football and there are many other benefits to the economy if hosted by the right country.

The main factor is the Qatari GDP will show a noticeable rise. The increases in GDP of Qatar would mean that there will be an increases in production, income and expenditure. According to World Bank reports: "The economy is expected to expand by 3% over the medium term, helped by continued investments related to hosting the football world cup." The hosting country will be able to produce more and increase the GDP, which mean that the consumption, investment, government spending and net exports will increase.

By hosting 2022 Qatar will attract many local and international companies to invest in different new projects. For example, Hilton which is an American owned multinational hospitality company which is building their seventh hotel in Qatar to accommodate the fans. Many local firms will open to provide the local market with required supplies that be used to finalize the projects. It is expected that with the increasing of GDP in Qatar the unemployment rate will fall down. The firms will hire more people to implement the new projects as there will be many more opportunities and jobs for people.

Hosting a world cup may cause demand-pull inflation due to the expected high spending rates especially by the foreigners thus making consumer goods to be expensive which is a great disadvantage to the poorer people in the country.

The money spent and invested by the government in preparation for the world cup could have been used for education, healthcare or welfare. For example, in Brazil 2014 people had to move out of their homes in order to free up land for new stadiums that are no longer been used after the world cup. The money spent on building stadiums delays the infrastructure that would have helped the poor.

There is also potential for bad publicity, for example the deaths of 6500 migrant workers that were building infrastructure for the 2022 World Cup. Workers often live in cramped, dirty and unsafe accommodation, Recruitment agents also make false promises about the salary workers will receive, and the type of job on offer. One worker was promised a salary of US$300 a month in Nepal, but this turned out to be US$190 once he started work in Qatar. Sometimes, salaries aren't even paid for several months.

In conclusion, I think hosting the world cup can be very beneficial for certain countries and mainly MEDCs as they won't have as big of a financial problem to invest in stadiums, hotels and transport. However, they may still have the risk of demand pull inflation which would cause financial problems to the poorer people in the host's country.

COLOUR PSYCHOLOGY IN MARKETING

Colour psychology is the study of hues as a determinant of human behaviour. Arising from the principles of associative learning the relationship between colour and emotion holds much power, albeit subconsciously, in marketing.

A particular colour palette can evoke certain emotions, convey subliminal messages and most importantly impact consumers' decision making process. So it is clear that businesses must go further than viewing colour as purely an aesthetic addition in order to maximise their success. By simply creating an advert in colour as opposed to black and white it is read 42% more, this is without even taking into account the colours chosen.

Red is a commonly used colour by major brands, such as Target, as it evokes strong emotions. This colour is dominant, immediately capturing potential consumers' attention, a response key in an environment extremely saturated with competitors. Passion, excitement, urgency - a range of responses to this visual stimulant that enable marketers to provoke impulsive buying, acting upon desire. Red is also proven to encourage appetite therefore is frequently used often by fast-food chains like McDonalds. This is as a result of its physical effects on the body causing raised blood pressure and faster metabolism.

Blue is another widely used colour in marketing, with its versatile nature meaning it can be used by a host of different companies. Associated with tranquillity, reliability and trust, blue offers a sense of security promoting trust in a brand. This is seen most evidently in American Express who use this colour to impart feelings of stability which is paramount in the banking industry. Thus, blue is the most common colour used for conservative, corporate brands. On top of this, blue is highly popular in social media logos as it is suggested to represent communication, a key aspect of a brand's media presence.

Our associations with colours can vary depending on our cultural and personal backgrounds. This is seen through the colour yellow. In Japan it implies courage yet this is directly contrasted in South America where it is linked to cowardice. However, there are still generalisations scientists can make that when coupled with market research can prove highly accurate.

So, it is clear colours have the ability to amplify your marketing message. Speaking a language words cannot replicate, they can communicate with us on an emotional level thus are more effective at persuasion. If used strategically colour choices will reinforce and enhance a brands identity whilst harmonising with customers' expectations: making it clear that businesses cannot rely upon simply choosing their favourite colours.

THE EUROPEAN SUPER LEAGUE

The breakaway European Super League was set to bring together 15 of the biggest European football clubs for a new midweek competition in place of the existing UEFA Champions and UEFA Europa League.The super league plan had support from investment bank JP Morgan. However, plans quickly collapsed under intense scrutiny and pressure from fans, players, governments and other key stakeholders.

Although the response to the new super league was mainly negative and many people were talking about the bad impacts that the league would have on the football community, for the clubs involved in this new league the financial benefits were set to be massive. Each of the founding teams would receive an expected €3.5 billion to join, plus €10 billion for an ‘initial commitment period’. For some of these clubs, this sum of money is worth more than the clubs themselves, for example, Arsenal is worth around an estimated 8.2 billion dollars. If the league was to go ahead this sum of money would help transform teams like Arsenal back into the European superpower they used to be. As well as the money these clubs would receive from the league, being part of Europe’s elite competition would mean they are entitled to the best possible broadcasting and commercial opportunities.

However, on the other hand, this super league may benefit the teams involved but the effects on the rest of football would have been detrimental. The proposed european super league was met with large amounts of opposition, the likes of these include UEFA, FIFA, and many governments. Boris Johnson even said this “How can it be right when you have a situation where you create a kind of cartel that stops clubs competing against each other?”. Throughout its history football has always been divided into leagues that any team could be in if their squad was strong enough, whereas this new super league is just taking Europe's elite into a league with no relegation and promotion, therefore removing a massive competitive aspect to the sport. UEFA and FIFA were also set to impose bans for players taking part in the super league; they were prepared to ban these players from playing international football for their countries. This would decrease the quality of international football and could potentially lead to a decline in viewership, which could have a negative impact on events like the football world cup which is arguably one of the biggest sporting events in the world.

In conclusion, if the super league was to go ahead i think the effects on football would be massive and these effects would impact football at every level. Also the backlash that the founding clubs received means that I don't think this competition would have ever been able to go ahead. football is meant to be a competitive sport where any team is able to compete with one another, but with the super league this would have been ruined with only the elite and wealthy teams being able to win the biggest prizes available, taking away any underdog stories.

BEHAVIOURAL ECONOMICS AND NUDGE THEORY

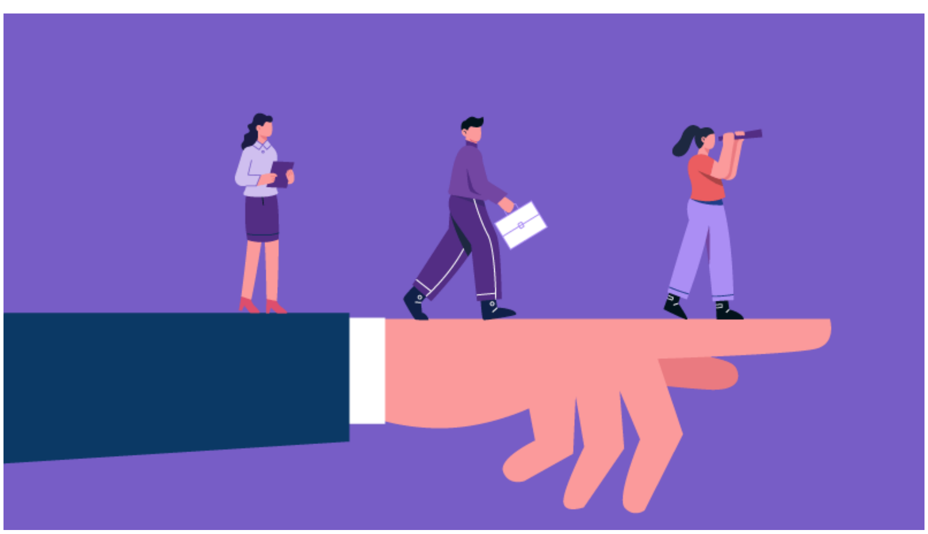
What is behavioural economics? Behavioural economics studies the psychological effects that can affect our decision making that shows that we are not always rational thinkers and that we can be irrational when it comes to decision making.

One concept within behavioural economics is nudge theory which was popularised in 2008 by economist Richard Thaler who explains that small 'nudges' can direct people into making decisions that benefit them in the long term. Well- placed nudges can help reduce market failure, improve efficiency and help the government save money and it can be as simple as highlighting the amount of salt or sugar that's in a product so consumers can rethink their choice and reduce their salt or sugar intake. One way governments use nudge theory is when they send out letters to encourage people to pay their tax debts and on that letter it stated that 9 in 10 people had already paid their taxes and from that they saw a 15% increase in tax payments compared to those who didn't have that statement on the letter. This is because we tend to follow others' behaviours as we want to fit into the social norm.

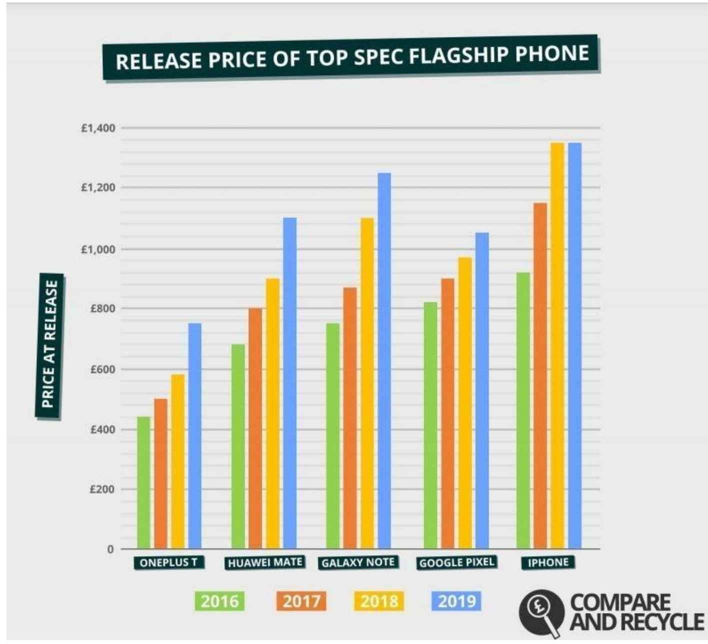
Some clever examples of some 'nudges' are seen within Japanese train stations. Due to Japan having one of the world's highest suicide rates they installed deep blue LED lighting across the stations which have improved moods of commuters and reduced suicide attempts at the stations by 84%. Also a small melody was introduced to notify commuters of the trains departure, this has been key ,especially during the busy rush hours, to help relieve the anxiety and stress of commuters as it has reduced passenger injuries that have occured during these hours by 25%. Furthermore, to reduce the loitering and vandalism by young people stations have introduced a high-frequency that only people under 25 can hear.

Another popular example of a nudge is through organ donation forms. Instead of giving people the option to opt in the forms some countries now use the opt out option and these countries have seen a 90% increase in organ donations compared to opt in countries with only 15% participation. Also when a survey was taken of people in the different programmes they did not see the default option as one that was made for them but they appear to rationalise whatever the default is as what they have decided to do on their own free will.

Using these nudges can be beneficial and they can be very effective but they may only have a minor impact as it still allows the consumer to make their own choice, which is why we still need restrictions and taxes on certain goods to help improve welfare, efficiency and market failure.



APPLE AND ANDROID



A duopoly is when two firms dominate their own market and an oligopoly is when two firms work together rather than competing to increase overall profits, manipulating the market. During 2017, a record 99.9% of smartphones sold were based on either Android or iOS, showing the clear dominance of the two firms. Apples first phone was introduced in 2007 and android not long after. These were some of the first touchscreen mobile phones, which is one of the main reasons why there is such a distance between them and other businesses. The two firms have worked together by increasing their pricing by a large amount, almost every year. The price increase of the apple iPhone has increased over five years from $650 to $1,000 and the Samsung galaxy phone, for example, has increased from $650 to $900 in four years.

Tactically, the two industries have worked together here to increase each of their total revenue. The fact that their price increases is unlikely to have a huge impact on demand shows that it is a necessity good. This, therefore, shows that they're top of the list in priority when it comes to people's needs and wants.

However, the ethical issues that is taking place in this situation is one due to there being a lack of competitiveness and opportunity for other technology companies. Having a lack of breadth within a market gives a consumer a lack of choice and also is expensive for them. Moreover, prices of the duopoly will continue to rise as there is no competition driving it down. In addition to this, less competitiveness also produces less drive for businesses to create new items. This would result in a fall in vibrancy in the market which may have negative individual and social outcomes, like providing less access to necessity goods. In this case, apple and android is also an oligopoly market. Furthermore, price fixing Is very common in these types of markets. You could suggest that apple and android is an example of price fixing, both companies have increased their prices a significant amount. Also, the buying power of the firms can fund political special interests to an extent that the general public cannot compete. Those special interests then persuade politicians to pass legislation that benefits the firms more than the people.

Although, duopolies, as well as oligopolies can have some positive outcomes. For example, with so few significant competitors, firms are able to generate significantly higher profits and it also is for the consumer, the duopoly market is simpler for them to decide on what to buy. Increasing overall profits would eventually increase wages which provides more disposable income for individuals. This therefore increases aggregate demand and benefits the economy as a whole.

2014 – A WORLD CUP DISASTER

The World's most successful footballing nation having won the world cup a record 5 times in their history is of course the football loving country of Brazil. It wasn't surprising therefore to see the South American giants eagerness to win the bid for the 2014 world cup, after years in the past of the hosting of these major sporting events only being available to the MEDC's in the world, it was seen as a privilege to the newly industrialising nation of Brazil to win the bid.

The Brazillian government was keen to construct it's vision, spending an estimated total of 15 billion dollars on the project (including the bid and building stadiums etc). A significant part of this money was from public money and therefore meant the government would have to cut public spending elsewhere, which was not particularly popular. Aldo Rebelo was the Brazillian minister of sport at the time of the world cup, and promised that the tournament would provide Brazil with long lasting economic growth, boosting the Brazillian economy by around 90 billion dollars.This claim to this day has never been backed up with any evidence and FIFA themselves have been accused of stealing the vast majority of Brazil's profit from the event. Concerns further arose when Brazillian citizens demanded the government to tackle Brazil's real socio economic issues such as inequality and massive deprivation instead of spending its money away on the tournament and its infrastructure which only lasted 31 days.

2013 marked a year in which millions of Brazillian citizens had had enough and took to the streets in protests against how the government was handling its economic issues. The first being the inflation rate of 6.2%, this was far away from the target of 3.75% (+-1.5%). This high inflation rate added to peoples uncertainty going into the event, and potentially leading to less investment in the future, which did not fill people with confidence. Lack of government investment in Brazillian public services was also a massive factor leading to the disputes as demonstrated by the image on the left, citizens voicing their concern of their public services being sub optimal, and Brazil as a nation not being in the position of spending billions on a 31 day sporting event.

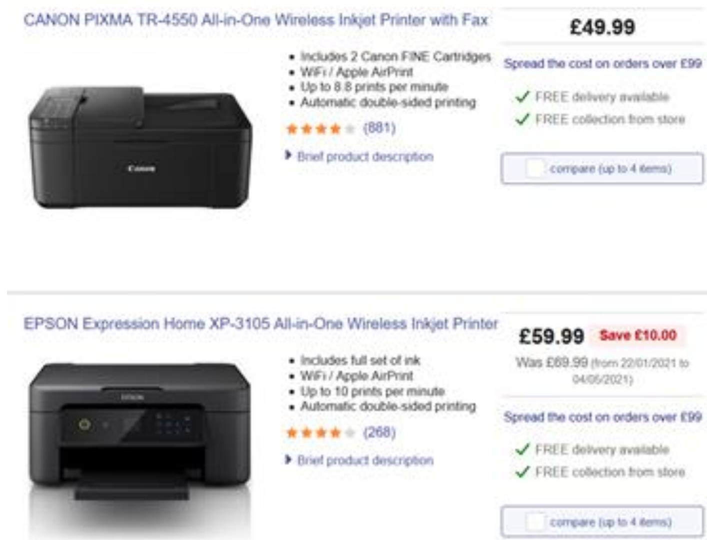
The image on the right demonstrates Brazil's most famous stadium-the Maracanã. Next to the impressive stadium with a capacity of over 78,000 lies some of the Rio de Janeiro slums commonly recognized as favelas.The highly controversial concept of social cleansing was said to have begun in Brazil and in particular Rio De Janeiro prior to the world cup, which resulted in the Brazillian government trying to eliminate the imagery of the slums around the stadiums from the public eye (eg demolishing favelas homes to millions of people and displacing them 40km away) ,as questions will have and are being raised of how a nation can have such impressive infrastructure next to extreme poverty. This is an example of severe inequality within a nation.

Overall, I would suggest that sporting events in the future, eg. world cups and the olympic games should be given mainly to more economically developed countries, or countries with infrastructure already in place. The idea of hosting global events in poorer countries may help them in the long run to develop ,however like this example of the Brazillian 2014 world cup shows, we need to be careful to give the residents of these nations who are impacted by the events their rights and compensation and perhaps in the future, global organisations like FIFA and the UN should support nations taking on projects like this and make sure these events do not worsen the socio economic situation of these nations and their people. After all, we should always put human rights and extreme poverty ahead of making extreme profits and there needs to be more in place to protect this.

ONE OF THE MOST EXPENSIVE LIQUIDS: PRINTER INK

If you were to go shopping for a new printer, whether you look in store or online, one thing you may soon realise is that many printers are much cheaper than you would imagine them to be. While many can cost upwards of £200, it isn't hard to find some for much less than £100, especially one for basic home use while still being able to print in colour. However, this is a trend you will only ever notice with inkjet printers, not laser printers. But why is this?

The prices of some Ink Cartridges. Note how some cartridges might not work with certain printers.



It's no secret than printer ink (a complementary good to inkjet printers) can be costly, with prices around £15 at their lowest. At this price point, you are most likely purchasing a single cartridge of black ink. Coloured ink is often more expensive (hence why many people prefer to print in black and white when possible) and companies also like to upsell people by selling them more ink at once, whether by providing larger cartridges or multiple ones (sometimes of multiple colours). The high price point of this complementary good is what allows printers to be so cheap. Companies like HP and Canon will sell inkjet printers at a loss but will soon recuperate these costs with overpriced ink. While ink cartridges may cost consumers anywhere from £15 to £45 for a single cartridge, it only ever costs printer companies less than £5 per cartridge (often this is much less, closer to <£1) However, companies like to make sure they get their money back and have a multitude of methods to ensure that customers keep purchasing their ink.

While every printer and printer company works differently, often times the same methods are used between them. These methods range from ensuring only the companies own brand ink is used to completely disallowing printing when a single cartridge is low no matter the colour or printing settings used to using small amounts of coloured ink when printing in black and white. All of these methods ensure that consumers will not only keep buying the expensive ink (instead of any cheaper alternatives) but will also have to go and buy ink more often. While some methods of making consumers buy the ink can be justified (such as requiring the ink that will be used in the printer to be available) others can not. This is often times why laser printers are the more expensive option. While laser printers and their toner cartridges are much more expensive than inkjet printers, the running cost of an inkjet printer is more than a laser printer, as you will go through ink cartridges much faster than toner cartridges.

THE HIGH STREET DECLINE

With the growth of online shopping the high streets are in decline. The Covid-19 pandemic has accelerated the rate of retail shops closing down especially small independent shops who have struggled with legislation forcing them to close for over a year. This legislation has pushed millions of customers to change their ways in how they shop moving them from high streets to online.

A decline in shoppers is having a huge impact on how the fashion industry is run, including the deadly competition from fast fashion brands such as Shein, higher costs due to a weaker pound effected by Brexit as well as demands for higher wages have contributed to the decline of the high street. Even though customers are increasingly using the internet to shop accounting for 20% total sales in the summer months of 2018 they also look for other experiences merged with their high street shopping adventure. Outlets such as York Designer outlet has achieved this by having a mix between fashion, food and fun, allowing their customers to have a full experience from the Ice Skating at Winter Wonderland all the way to buying a suit from Ralph Lauren. These experiences have kept the high street afloat as even though online shopping has allowed customers the ability to order anything, from a new pair of jeans to a brand-new sofa with a free delivery service, a true experience hasn't been created.

However, have the shoppers just simply got bored of what the high street has to offer? With a limited number of stores available in comparison to the wide range online, this has resulted in the decline of the small-town high street with the loss of 48 shops, restaurants and other leisure and hospitality venues daily during the Covid period. Some of these closures included major stores including the entire Debenhams chain and several more John Lewis outlets, even though these stores where popular at times sales were falling for several years and the pandemic was the final blow. It is argued that these businesses have been left behind during the transition to online markets. Fashion retailers such as Asos have come largely dominate in the online market enjoying a take in of £2.42billion.

Numerous changes can be made to help save the high street, although there are countless opportunities for start-ups on the high streets due to the area being extremely attractive for entrepreneurs, the access to physical retail space at a reasonable price is hard to find and sustain as well as reassurance to prevent the high street from seeing any further losses. Furthermore, as the squeeze on physical space continuous to be a problem across the UK, many high streets such as York city centre where traffic can be stopped from up to an hour to reach the centre are just not worth the wait. A lack of affordable, close-proximity parking has made securing a spot equivalent to winning the lottery, if changes were made in the accessibility of the high street for shoppers the decline will slow down and perhaps increase due to the experience being worth the travel.

THE ECONOMICS OF YOUTUBE

As the world has become more technologically advanced, people have been able to make careers online and most notably: careers as YouTubers. The influence of YouTube is astronomical with around 2.5 billion monthly logged-in users, 500 hours' worth of content uploaded every minute and around 1 billion hours of content watched per day. This goes to show just how big of a site YouTube is and the gigantic size of its market.

Many YouTubers start as normal young adults with a very normal life and begin their career by making videos in their bedroom; however, within a few years they can become millionaires with their careers branching out from YouTube into Music and even starring in Movies. So how is money made from YouTube and how did the content creators get so rich? A YouTuber's main source of income is advertisements. When a YouTube channel is deemed popular enough (over 1,000 subscribers and 4,000 hours of watch time withing twelve months) it can join the YouTube Partner program in which it has the ability to monetise its videos, this means that before or during a video, ads will appear for viewers. Depending on the number of times the advert is viewed, how long it was viewed for and how many clicks the advert itself receives determines how much the advertisers will pay. YouTube then takes 45% of this revenue and gives the other 55% to the creator in question. Therefore, the more views a creator receives, the more revenue they get. However, in recent years advertising revenue for many YouTubers crashed following a series of 'Adpocalypses'. These happened as YouTube shifted towards promoting more 'Family Friendly' content as they realized the huge potential of a far greater audience from younger children, therefore they penalised YouTube channels who swore or touched on topics which were not deemed 'Family Friendly' enough. Their videos were demonetised and revenue plummeted. Moreover, due to controversial actions by huge creators such as PewDiePie and Logan Paul, many advertisers such as Coca Cola and Pepsi left the site thus leaving many creators in ruins. YouTubers then had 3 options: 1) Leave the site altogether 2) Specialise in specifically family-friendly content or 3) Branch their influence to create Merchandise, spread to other platforms or seek Brand Deals. Nowadays, many YouTube channels are a whole franchise with Merchandise stores which thousands buy from, Music careers in which some reach the charts and even fast-food chains. Many YouTubers also feature in adverts both on YouTube and actual TV which goes to show just how broad the influence of YouTubers is becoming. YouTubers, and social media influencers in general, meet the same decisions to do with their content as firms do with goods and services. For example, they must choose between specialization and diversifying their content as well as quality or quantity of content. With these ideas considered; YouTube channels can be seen as firms, the individual creators as workers and videos as the goods they produce in the microeconomy of YouTube. As we move to the future, many more microeconomies from social media will be created, earning money from social media may cease to be something done by a select few and rather become a viable career path and social media will have greater macroeconomic impacts.

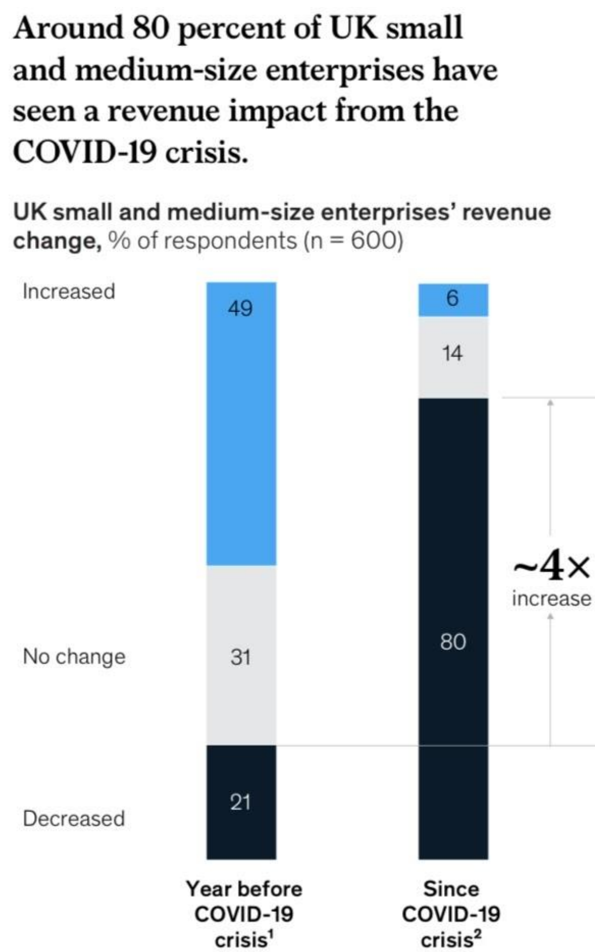
THE EFFECT OF CORONAVIRUS ON SMALL BUSINESS OWNERS

The uncertainty of the impact of the coronavirus on small business owners is staggering and likely to be substantial. Entrepreneurs are being forced to take drastic steps to continue operating and many are fearful about their futures. The widespread closing of stores and businesses in the United Kingdom and around the world due to the coronavirus is unprecedented. Factories and many other businesses have closed by policy mandate, downward demand shifts, health concerns, and many more factors. Many of these closures may be permanent because of the inability of owners to pay ongoing expenses and survive the shutdown. Moreover, some small businesses may have closed due to them already being at financial risk before the pandemic crisis hit.

From researching this topic, I found that last year, small businesses and the self-employed expected total Covid-19 costs to reach £69 billion;however, nearly 12 months later, the latest reports revealed that the total anticipated cost will be upwards of £126.6 billion which is nearly double the initial estimated amount.

Despite business challenges, new entrepreneurs are on the rise and some have been resilient and adaptable. For example, home baking and online businesses have changed to work around coronavirus regulations therefore the demand for their products will not be as affected as other businesses. Businesses with relatively limited financial resources are most at risk, but none are immune to the global pandemic's effects. By mid-April, according to a report from the Facebook & Small Business Roundtable, about a third had temporarily stopped operating, and by mid-May more than half had laid off or discharged employees.

Overall, Coronavirus has had a huge impact on small businesses resulting in large losses of demand and overall profit. Some support is available for small businesses such as a new 'Restart grant' which became available from April 2021 for businesses in England to help reopen the high street after lockdown. The 'Restart Grant' offers a one off cash grant of up to £18,000 to businesses including pubs, restaurants and salons and non essential retail businesses can get up to £6,000.



HOW WAR MAKES MILLIONAIRES

As stated by the arms dealing warlord, Mladen Đorđević, "War is just the different name for successful business". This can be seen by the way in which at least 21,000 new millionaires were made in the US off of the back of World War 1 alone, but it also rings vehemently true with regards to the US's involvement in the gulf war. This American manipulation of the Middle East for economic gain is what I will discuss in my article.

Unfortunately for war mongers like Mr Đorđević, in order to profit from conflict, there must be one in the first place: this is where the US comes into play, and in March of 2003, revolutionised modern, economic warfare by bizarrely inciting conflict with Iraq as a result of the Afghanistani (Alqaeda) attacks upon the World Trade Centre.

The incentive for this invasion was based predominantly within Iraq's vast wealth of oil, and was veiled by the motive of removing the tyrannical Sadam Hussain from power. Conveniently, the majority of the oil fields of Iraq were based within the Northern, Kurdish regions (a people who had been harshly oppressed by Sadam's regime) and around the south eastern border: allowing fluidity of US deployment due to their amicable relations with Kuwait: allowing Western forces to easily sever all of Hussain's revenue from what was effectively, the nation's sole source of income.

In December of 2011, the Iraq war came to a close. With a death toll of 300,000 and a US party line of "mission accomplished" it was now becoming further evident that the war efforts were rooted less around humanitarian matters and more greatly within the commercialisation of the mostly nationalised, unexploited oil industry of Iraq and the Middle East as a whole. But who truly benefited? As of 1928, the predominance of Iraqi oil was controlled by the government organisation, Iraq Petroleum Company, however, a post-war lack of governmental mandates and control over the industry left it without direction. This allowed not only for the privatisation of this industry due to the capitalist ideologies of the US, but for its domination by foreign, big oil firms, especially those within the US. One example of this is the controversial firm, Halliburton. Throughout the war Halliburton were tasked with the job of providing safe water, and food to the troops, in exchange for partial control of the Iraqi oil fields: valued at around 40 billion USD. Despite the fact that many of their provisions caused malaria and consequential bombings, the true controversy was the nature of the contract. This was due to the fact that, Dick Cheney was both the CEO of Halliburton and the vice president of the US, allowing him to effectively carve up the fields with his own interest in mind. Cheney was one of the largest beneficiaries from the Iraq war due to the fact that he was able to instigate the conflict from a political possition, support it as a contractor, and then receive huge benefits due to an amalgamation of these two factors.

Another way in which the US funded their war effort was through the employment of Chevron. The controversy here stems from the way in which Chevron were previously, illegally funding Iraqi oil under the Hussein regime and making huge profits by illegitimately capitalising upon the privatised industry. This lasted from the early 80's up until the start of the war, yet Chevron had to pay a meagre 30 million USD in reparations for these illegal kick-backs. Not only did this allow the US government to acquire a second hand profit from these illegal transactions but it also allowed them to further reinforce their hold upon the market by way of manipulating a pre-existing force within the nation. This also provided Chevron with a greater incentive to support the US military as it was clear that the government had allowed them huge amounts of profits by disregarding the evident disparity between the capital earnt from their Iraqi involvement and their subsequent repercussions. Chevron was able to profit so greatly from the war by presenting themselves as a necessity within the market: providing stability for the US, and giving them greater leverage within negotiations.

The US's economic manipulation of the Middle East was propagated within Iraq and was accomplished via the coupling of corporate incentivisation through means of land ownership, and through the hold of reparations for previous economic discretions.

GAZPROM: SPORTS WASHING

In 2006, the company Gazprom agreed a $125million 5-year deal to sponsor the German football club Schalke. Following success in the early 2000s, winning the DFB Pokal twice and reaching the semi-finals of the UEFA cup in 2005-06, Schalke vied to regularly contend for Bundesliga titles. As well as this, Gazprom's financial backing could alleviate the club's mounting debts.

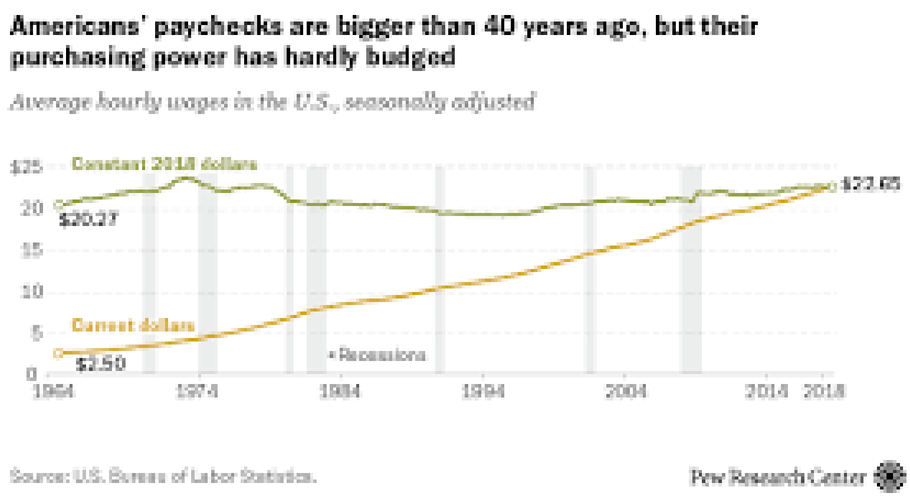
Sponsorships for Kits, Stadiums, and advertising boards were and are ubiquitous in football. Sponsorship deals, such as Nike's with Liverpool, serve a direct economic purpose. Traditional sponsors associate themselves with a club to increase brand exposure and evoke club tribalism, therefore increasing their products' sales. However, Gazprom is a natural gas company, they are contracted by sovereign states not individual consumers. Subsequently, Gazprom's sponsorship of Schalke does not operate under sponsorship's principal logic.

On the surface of it Gazprom's association with Schalke enhances the companies image and is not dissimilar from traditional sponsors. However, there is a separate dimension to the sponsorship. In 2005, the Russian State became the majority stakeholder of Gazprom. Thus, Gazprom's decisions align with the desires of Putin's regime. Adjacent to the sponsorship a corruption scandal involving the former German Chancellor Schroder emerged. During his time in office Schroder was a strong advocate for the Nord Stream project, a proposed gas pipeline which would bypass Ukrainian tariffs and supply Germany with Russian natural gas, which would be built and operated by Gazprom. In his last weeks in office Schroder hurried legislation to begin the pipeline. However, soon after leaving office, Schroder accepted Gazprom's nomination as head of the shareholders' committee of Nord Stream AG, raising questions about a potential conflict of interest. Subsequently, the Nord Stream project was heavily criticised. Relevantly, Schalke is located in The Ruhr Valley, Germany's industrial heartland; and the club has historic ties with Germany's energy sector. Therefore, Gazprom vied for support from Schalke supporters many of which were influential in the energy industry, so that the Nord stream project could go ahead.

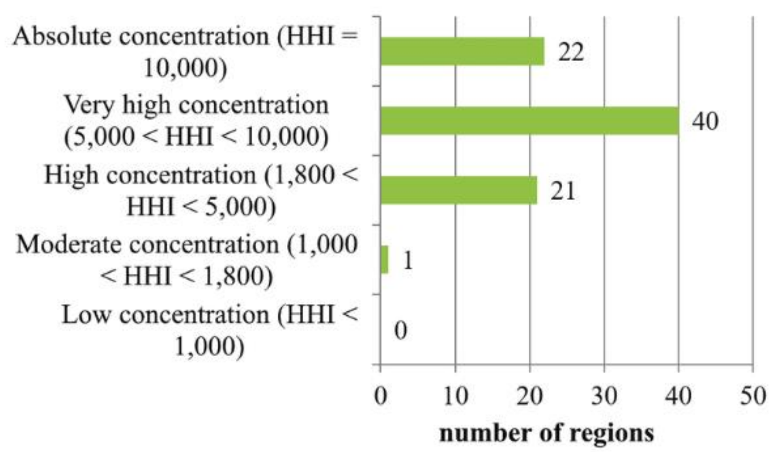
This is one of the earliest examples of Sports washing, however subsequently it has only increased driving football to new financial absurdities. From buyouts of middling clubs like PSG and Manchester City to constant gulf state airline sponsorships; these sponsorships are aimed to increase the reputation of autocratic and abusive regimes and football is indulging in it. The Russia and Qatar world cups are clear examples of corruption and sports washing, which is evident to anyone interested in football. However, The United Arab Emirates' sports washing is relatively uncriticised. What do you think of when someone mentions Dubai, human rights abuses, probably not? If you are a Manchester city fan you might praise the redevelopment of the local community (although I suspect many do not live in Manchester), or if you are an Arsenal fan you might rail at the blatant capitalism of American owners but happily refer to their stadium as 'the Emirates'. Not only does this dilute the sport to clashes between petrostates; for example, PSG v Manchester city in the champions league semi-final which can easily translated to Qatar versus the UAE. Which reduces competitiveness, but more importantly it masks the actions of autocrats.

WAGE STAGNATION

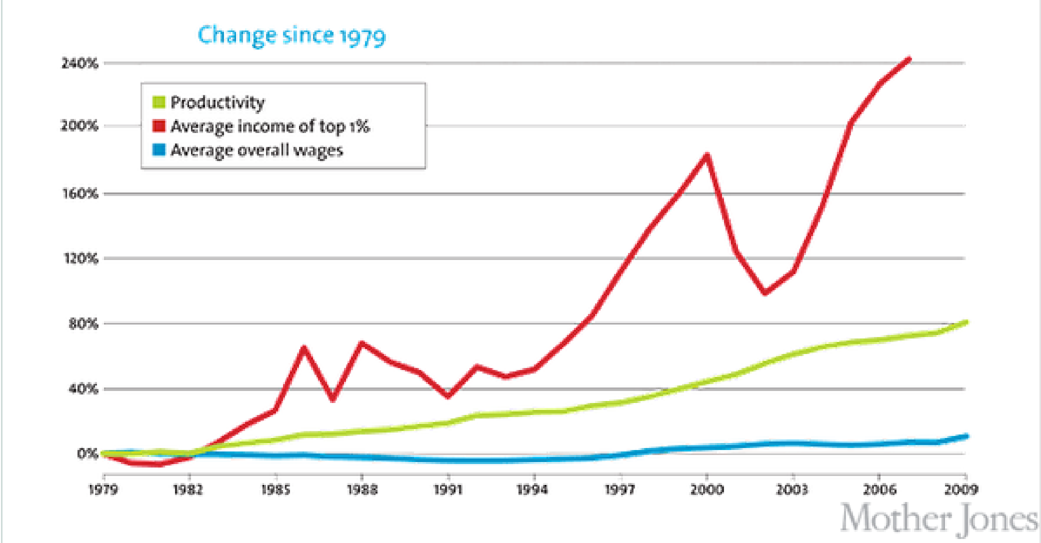
Since the 1970s, real wage growth in the USA has decelerated dramatically in relation to its economic growth. Productivity has grown about 85% since 1979 in contrast to an average 5% of overall wages. Moreover, this is especially apparent in the lower and middle classes, where wage growth has been between 3% and 4% in the last 20 years, compared to a 15% growth in the upper middle class.



So, what exactly are the causes of the lack of growth? Some would say it is a direct effect of Globalisation and the low-priced imports it has brought from countries such as China, or that technology has made corporations more capital and machinery orientated, thus replacing many opportunities for employment. Although this may be partly true, it is prompted by a vast combination of concerns which are still slightly unclear. One of these may quite feasibly be 'Monopsony Power'. With minute competition as a result of local-labour-market concentration of large organisations and firms, the capability to control and stifle wages more and more has become very evident. This local-labour-market concentration was assessed using the Herfindahl-Hirschman Index (HHI). Researchers discovered that as HHI escalated (concentration of the labour market by one or few companies) wages declined. To expand on this, the inability of macroeconomic officials to pursue complete employment for most of the last 35 years, has had overwhelmingly damaging consequences on wage growth. As there are considerably less jobs than job seekers, those employing are able to employ and keep people devoid of the need for ample wage increases.



Furthermore, the results of this failing growth are immense. For example, income inequality has become much more prominent. The holdings of family wealth in 1989 by the top 10% was about 20 trillion out of 30 trillion, which has further grown to an astonishing 60 trillion out of 70 trillion in 2013. On the other hand, the holdings of family wealth by the 51^{st} to 90^{th} percentile and the bottom 50% has remained almost stationary. Within the 51^{st} to 90^{th} percentile, about 10 trillion of 30 trillion was held in 1989 compared to about 12 trillion of 70 trillion in 2013. With inequality comes rises in poor health and a decline in educational capabilities which in turn may lead to further consequences for the economy. Problems such as unskilled workers and thus an overall reduction in output and productivity may become apparent when these consequences become apparent. Inequality may also lead to amplified crime rates and lower standards of living. As income gaps generate social tension, feelings of injustice increase and thus demonstrations of this injustice in violence arise. It is clear to see that with stagnation of wages, the economy suffers much more than one may think.



IS ARTIFICIAL INTELLIGENCE THE FUTURE OF FARMING?

Agricultural production has tripled between 1960 and 2015 with the world's population growing from 3 billion to 7 billion. With this it has put added further pressure on farmers to deliver high yielding crops to help feed the population. This is shown by a UN study saying that food production will need to increase by 50% with the increased 2 billion people that need to be fed. Therefore, with the AI been introduced into agriculture it tackles the labour challenge due to less people entering the $5 trillion industry. This new technology helps aid to two major sides livestock and arable.

AI Arable farming

AI has had a huge impact so far with the major tractor brands creating GPS tractors that drive in

straight lines by themselves, this helps increase yields by reducing soil compaction and time is saved as the same land isn't over worked that saves time. The main leader in this fields is John Deer with their Greenstar GPS that cost $1050 for an annual subscription with a new John Deer tractor costing over £150,000.

Farmers are now also using AI to create seasonal forecasting models to help improve accuracy and increase productivity. This allows them to accurately predict upcoming weather patterns months ahead to help the farms make better decisions when planting crops. This technology is helping smaller farmers due to small farms produce 70% of the world's crops.

AI used in drones allows farmers to analyse their fields from the sky, this can be used to show how good the yield is and help identify areas of the fields that require more work to increase yields. By farmers using this its reducing their total cost by only buying the required products needed meaning more money left in the bank to re-invest.

AI technology can also be used on arable farms to identify diseases in the plants, pests and poor nutrition of the plants. Further to this the AI sensors can detect, and target weeds then decide which herbicide that need to be applied within certain regions to increase plant yields.

AI livestock farming

AI technology is been used in livestock farming too. The most recent advancement is farmers place GPS collars onto livestock like sheep and cows, with this GPS collar on the animal it enables the farmer to create an invisible boundary in the field. This is due to COVID sourcing fencing materials has been hard with people been unable to work. The average cost of pricing of agricultural fencing is £7-10 per metre. Then replacement cost of the fence been £10 per metre. So, with these collars on the animals, it reduces fencing costs as less is required due the invisible boundary been set up. These collars can also improve the health and welfare of the animal by the farmer been able to monitor health of the cattle by been given early distress alerts and carving distress alters. These collars also allow the farmer to monitor the herd group that can help improve their welfare as the farmer can see what they require leading to better milk and meat quality leading to the farmer making a higher profit.

Another recent modern technology that has entered the livestock scene is the 'Lely Astronaut' costing £20,000 second hand. This piece of technology auto milks the cows by using lasers to mark up onto the right park of the cow leading to more efficient milk extraction than other technologies. With miking required both morning and evening taking up a lot of time, using this robot to do it allows the farmer to get more done in the day and less time milking. This technology can read each cow then analyse their milk quality then relay this information to the farmer so they can see what is needed to improve the milk quality.

In conclusion, AI will help with the future development of the agricultural industry with it been more efficient with less time been lost by human error. With the AI been able to complete tasks quicker and to a higher standard it will increase the yield of crops leading to farmers receiving more money to revives back into their farms.

HOW COVID-19 HAS AFFECTED THE UK PUBLISHING INDUSTRY.

The publishing industry of the UK has been hit in several ways by the impacts of COVID-19. This includes the publishing of educational resources and physical books in general, which have seen great change in things such as consumption levels and rate of supply as COVID-19 has took its course within the UK economy. This is due to changes in the role of consumers as their online purchasing power increases. The industry has also been impacted by a fall in employment due the impacts of covid-19 on revenue.

The switch from physical to e-book:

First, COVID-19 has led to a disruption in the print supply of physical books as many switched to the use of e-books. This was due to the inability to visit main book shops during most of the UK lockdown period. With shops such as Waterstones closed, consumption of physical books decreased, leading to an overall fall in demand for physical books in the UK by around 40%. This meant that publishers decreased their production rates to meet the change in habits of consumers as their online purchasing power rose. Within this, online education throughout lockdown saw the use of physical educational books to decrease as the use of online resources rose. Overall, publishers around the UK were split, with some experiencing positive outcomes with the increased efficiency of the publishing and supply of e-books. However, others who may not have reviewed technology infrastructure saw a negative disruption in their supply chain as they were restricted to supplying only physical books, effecting their success within the UK market of publishing in the long run.

The decrease in employment:

In the UK, the government introduced the furlough scheme which allowed employees without work during the pandemic to continue getting paid, not being made redundant. This was applicable to many of those working with publishing companies as their workload and business decreased massively with the closure of book shops and the change in habits of consumers. As lockdown begun, publishing companies mainly had their employees working from home. This caused disruption to those without the facilities to complete efficient work at home, causing the overall success of some publishing companies to decrease. This is because these disruptions led to decreased supply rates of books and more. This meant that companies became unable to pay the wages of workers and unemployment levels rose among many major publishing companies, as well as many workers being furloughed. This conveys how the impacts of COVID-19 caused a decrease in employment in the publishing industry, leading to other long-term effects such as decreased supply and even the closure of major companies.

Overall, the impacts of COVID-19 have created competition between major companies, especially those who were not prepared for the shift from physical to e-book production. Those who were not fell behind within the industry, seeing a fall in revenue as they were unable to efficiently supply to customers during the lockdowns within the UK. As well as this, the overall industry was hit by decreased employment rates as companies failed to pay wages, especially those who already fell behind due to increased competition within more technologically structured publishers. Those who were furloughed also saw disconnection from the workplace and distraction within their homes, decreasing the efficiency of many publishers around the UK. This illustrates how the UK publishing industry has been affected massively by COVID-19 with the change in means of consumption and the change in ways in which employees have been able to complete work throughout the pandemic.

HOW THE ILLEGAL SALE OF DRUGS SAVED BANKS DURING THE 2008/9 FINANCIAL CRISIS

As the world slowly starts to look at legalisation as a solution to the drug problem, it’s interesting to remember a time when drug money saved the world. During the 2008 global banking crash, the black market played an enormous role in keeping capitalism afloat.

After financial deregulation, banks were eager to give out more mortgages to support an increased engagement in hedge fund trading. Bank workers were incentivised to give out more mortgages to clients by receiving a commission on every mortgage they sold. This paired with relaxed lending standards lead to subprime lending and over lending which fuelled a big housing bubble. When the bubble burst, the banks were left with huge debts. The Lehman Brothers became bankrupt which caused a domino effect on other banks, as well as lots of TNC’s. The following inevitable recession made liquid capital hard to access. Antonio Maria Costa* stated to the guardian “In the second half of 2008, liquidity was the banking system's main problem and hence liquid capital became an important factor."

Banks stopped lending money, and people were hesitant to spend. Governments were still working to curtail the drug supply and imprison those responsible, but money from the illegal drug trade made up a large percentage of the small amount of liquid capital in circulation. Profits from organised crime therefore constituted the only liquid capital which was available to banks nearing collapse*. The estimated global value of the illegal drugs market was $352bn at the time, and it is believed that the majority of this money was absorbed back into the economy. However, this money was buried even further into the financial markets by way of loans between banks. As Costa explains: "Inter-bank loans were funded by money that originated from the drugs trade and other illegal activities ... There were signs that some banks were rescued that way." Ironically, far more effort was being put into crime prevention. In the fiscal year of 2008, America’s DEA (Drug Enforcement Agency) seized $12.5 million in assets. As well as this, FBI statistics show that just over 1.2 million Americans were arrested in 2008 for drug related crimes.

I am in no way arguing that the production or distribution of narcotics is a positive thing for society, however it is clearly good for the economy. The purchase of drugs in bulk with the ability to sell them easily for a very high mark-up is the reason why the illegal drugs market is so profitable. There were a number of lifelines preventing a complete financial breakdown but the illegal drugs trade was undeniably important in keeping capitalism from collapsing completely.

*This is according to prominent economist Antonio Maria Costa who, at the time, was the head of the United Nations Office on Drugs and Crime.

HOW HAVE BUSINESSES ADAPTED TO BECOME MORE SUSTAINABLE AND ECO-FRIENDLY?

A large number of businesses have introduced new routines to join the fight against climate change and reduce their negative impact on the environment. This can be achieved in many ways including selecting goods that are non-toxic, recyclable, or that are made from renewable materials, reducing waste, lowering greenhouse gas emissions, conserving energy and water, and using renewable energy sources.

An example of this is IKEA, they have invested in sustainability throughout all their business day to day practises such as stock procurement, including things customers can notice and things they can't. At the start of the production process, where the Swedish furniture maker has sourced close to 50% of its wood from sustainable forests and 100% of its cotton from farms that meet good Cotton standard. Also they have actively reduced water usage, as well as energy and chemical fertilisers and pesticides. These decisions are examples of easy ways to transform the carbon footprint of a business. It does help to collaborate with local suppliers. This includes sourcing goods and services that are produced in a sustainable way, and made locally to reduce travel requirements and so decreasing fuel emissions. Also Ikea has adapted their stores to be more sustainable, they have more than 700,000 solar panels powering it's store electricity needs and has plans in place to start selling them to customers in the UK. Alternative sources of energy such as solar power, wind power, and water power can create electricity in a way that avoids releasing toxins and carbon into the air. These not only help the environment but can reduce your company's energy bill.

The benefits of business becoming more eco-friendly is not just the impacts of the environment it can give them a massive competitive advantage against rivals and product differentiations, leading to an important USPs. When they boost sustainability they become more dependent on renewable natural resources which will not be in shortage for many years' time, therefore can continue with current rate of production for a long period of time. Reducing your Carbon Footprint means you also reduce your business expenditure which allows for the company to reduce its fixed and variable cost base and get better buying terms by buying in bulk from suppliers, reducing overall cost of company and increasing profits. Another major benefit of business adapting to become more eco-friendly is it allows the product to capture the attention from their customer base. It is not just businesses but customers that are motivated to do more to fight against climate change, therefore they are more likely to buy sustainable products which stand out with green messaging on the back of their packaging or through advertising. The Nielsen Global Corporate Sustainability Report found that 66% of survey respondents stated they are willing to pay more for sustainable goods and another study conducted by Harris Interactive found that 82% of adults claim to be well informed about brands with a strong track record for sustainability. Therefore this allows the company to charge higher prices, build their brand and differentiate from competitors, as well as increase their overall profit.

However when a business adapt to become more eco-friendly it can create challenges and cause problems. Producing goods in an environmentally friendly way can often mean spending more money initially, as it can require research and investment in new production methods. Also becoming environmentally friendly can take up a lot of time, particularly in large businesses decreasing current rate of production rate thereby reducing profits. Finally there is also the risk of companies being accused of making inaccurate claims. Any business that wants to make claims about its environmental efforts, for example saying it is Net Zero must make sure those claims are justified. Inaccurate claims can cause significant damage to the reputation of a business. An example of where this happened is McDonald's. In a move to be more eco-friendly, McDonald's announced it would cut plastic straws, replacing them with a paper alternative. The fast food chain uses 1.8 million straws a day in the UK, so they took a significant step in helping to reduce plastic use. But there's a problem where the old plastic straws could be recycled, the new paper ones can't. Customers are told to put them in the general waste. And on top of the straws not being a greener choice, they perform poorly, quickly going soggy. Leading to reduced sales and bad publicity for the company.

To conclude, I believe business's adapting to be more eco-friendly is very beneficial for the customers and the environment to helping out future generations, also in the long run, it is likely to become law that you need to consider the environmental impact of your business decisions and if you make the change effectively, it will be extremely profitable for business, as customers will pay higher prices and be attracted to your product compares to competitors. However, in the short term it will, be costly to implement the steps needed and it must to be done to the best of the company's ability to protect its market reputation.

EFFECTS OF COVID-19 ON TOPSHOP

A fashion chain store Topshop, has gone into administration, the British equivalent of bankruptcy, putting 13,000 workers whose jobs are at risk and leaving behind a ghost chain of 500 shops after a huge reduction in footfall. Many outlets had to close as they couldn't afford to stay open due to no sales during lockdowns and operating at a loss as they still had to pay their workers. "You don't know when you'll be open, you don't know what stock to buy," a senior source at the company. However, even before the pandemic, Topshop were struggling against nimbler online-only fashion retailers like Asos, Boohoo and Pretty Little Thing. Their low prices and rapid turnover draw in customers wanting to always change their wardrobe which is something that has become more popular with social media. And rival high street chains like Zara have invested heavily in their digital business while Topshop has been slow to catch up. There's this perception on social media that you always have to be changing your outfit so of course to do that, you buy fast fashion. The pandemic, which forced physical stores to close for months this year, only accelerated fashion's move to the digital marketplace.

THE IMPACT OF COVID-19 ON SPORT GOVERNANCE AND MANAGEMENT

COVID-19 has presented much complexity and uncertainty for industries across the globe, including sport and leisure organisations. This disease has had significant negative consequences for society, the economy and for the practice of sport and recreation. For example, the cancellation of large sport events, such as UEFA EURO 2020, the Olympic/Paralympic Games and many small community recreation sports, has had both economic and social implications .

In fact, the impacts on sport in general and on how sport and recreation are managed, need consideration in light of this pandemic. Matches and competitions are being cancelled or postponed, disrupting governing bodies, organisers, teams and athletes as well as the non-stop live sports content we have come to expect. Owners, broadcasters, and sponsors are trying to navigate the impacts and implications of event cancellations and modifications. The impact of the COVID-19 crisis on the sport sector includes lost revenues, athletes in difficulties, organisation cash flow issues and unemployment suggests this is the time to come together. Many small scale sporting organisations rely heavily on revenue to keep alive and during this pandemic there is a real risk those organisations could go bankrupt.

Organising events, meeting with agents, securing sponsorship deals and commercial activity has been the main driving force in sport of recent decades. During the pandemic, some sport governance practitioners and athletes, managers and officials have been redirecting their efforts to support each other, stay safe, help others stay safe, and donate money where needed, there has also been consideration of change to the organisation of sport and its governance. Suggested mergers of men’s and women’s tennis organisations to market and promote equality between genders may mean coronavirus has a real benefit to athletes, sponsors and more importantly, the values that sport encourages in young people, society and future generations of sport administrators. In a sport such as Rugby global governance has played a huge role in the way in which the sport has slowly and safely made its way back to normal.

Governing bodies such as England Rugby have created a scheme called Return To Rugby which aims to abide and communicate with the governments suggestions and rules to gradually start up rugby again. This scheme is aimed at grass root rugby in local communities however, the positive effects of it have led to professional rugby teams being able to compete against each other. This is great for the commercial world as it creates revenue from sales of tickets which is needed for gaining those funds lost over the last year. World Rugby has reduced costs over a four-year period by 10 percent to £540million and has benefited from staging the 2019 World Cup in Japan shortly before Covid-19 struck, while France 2023 is still three years away. This has led to them being able to survive during the lockdown period due to good governance and management. In conclusion the path that the governing bodies took to manage the virus whilst still continuing with sport in as many ways as possible played a crucial role in keeping the sports industry alive. It allowed consistent revenue in most sports where social distancing is possible, however overall, there was a detrimental dent in the sporting economy.

ABSURDLY EXPENSIVE ART

Would you ever consider buying a painting for £325 million? “Salvator Mundi”, a painting by Leonardo da Vinci was originally thought to be lost, until it was rediscovered and eventually sold for this ridiculous amount of money at Christie’s Auction House, making it the most expensive artwork ever sold.

Why is art so expensive? The short answer is most art actually isn’t. Emerging artists find it very difficult to break into the market or do it well. Firstly, they need to find an art gallery to represent them. Once scouted by a gallery, their art is typically displayed in a group showing, amongst other amateur artists. If their work does well, they might secure a solo exhibition in an art gallery – if this show sells well, then their career will really take off, albeit their earnings remain modest - up to £35,000 at best. This is a stark contrast to more famous artists who can earn millions of pounds with little effort.

Revenues and profits in art sales are distributed in a majorly unequal way. Only 0.2% of artists have work that sells for more than £10 million. Additionally, around 40% of art sales come from works that sell for above £8 million. Artists in the middle segment of the market regularly have a hard time surviving in an inequitable market. They’re rarely given the same opportunities or privileges due to famous artists that dominate the top end of the market.

Demand for art is not evenly spread across all living and active artists. Many art enthusiasts concentrate their efforts across a particularly small number of artists only. This drives prices up higher. There is an unhealthy consensus in the art world that some specific artwork should and must sell for millions of pounds and that’s what typically transpires.

Consumers in the art market look for quality signals. Has the artist had exhibitions in museums? Do influential collectors buy their work? If art lovers across the market are seeking out these similar signals, at some point, market forces will see consumers agreeing on the most desirable artists. Furthermore, art is a market for unique and disparate objects which implies a sense of scarcity. The uniqueness and rareness of these good quality, desirable pieces not only spurs demand but also restricts supply, which again, pushes prices up.

Art isn’t just a luxury good but also an investment. Those that invest wisely, with market foresight and rigour can reap incredible financial rewards. One painting, by Robert Rauschenberg, had an original price tag of around £900 in 1958. It then went on to be sold for £85,000 in 2019. Additionally, trends and fashion also play a significant hand in what’s artful at any one point in time.

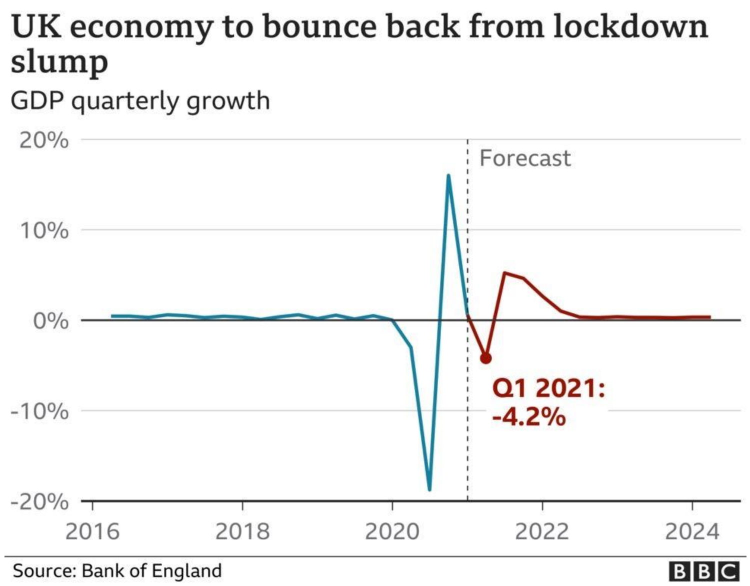
Economists use the term psychic benefits to describe the benefits of consuming art. These can be broken down into three main areas: the satisfaction of helping and supporting artists, the functional or decorative benefit of art used to adorn and fill spaces, and the prestige that comes from possessing art as a form to display good taste, wealth or power. This type of ‘conspicuous consumption’ means that as people become wealthier, their demand for high end art increases, and thereby the economic inequity in art continues to thrive unjustly.

The art market is directed towards the very privileged. Collecting art can be perceived as a hobby for the super rich, and the super rich only – this is unlikely to change and the ability to determine what is the beauty of art should not be limited to those who can afford it. Whilst the principle of art is to evoke thought, it also has the ability to be distasteful in one person's eyes and fashionable in another’s and therefore leads to market inequities. Much like Pablo Picasso was famously quoted as saying - ‘every child is an artist. The problem is how to remain an artist once we grow up’.

VACCINES AND UK PRODUCTIVITY

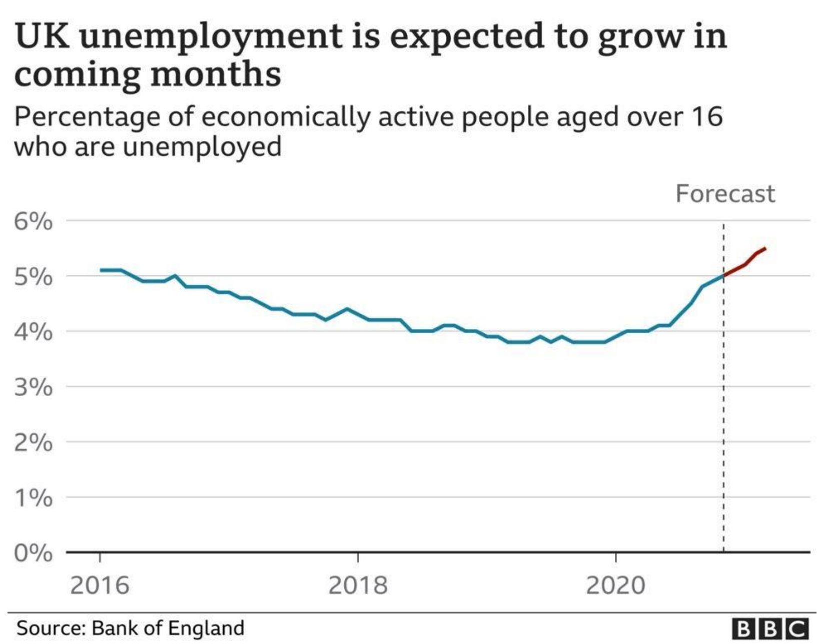
Due to the outbreak of the pandemic since 2019, a steep recession has caused significant economic challenges. In order to tackle the root of the problems, the existence of the vaccines plays a key role.

To start with, the vaccines demonstrate the ability to provide a high degree of immunity from the Covid-19, which prevents rapid spread of the disease among the population. This reduces the absence of employee from work, as the governments will gradually lift the lockdown, for example, restaurants, Cinema and other sectors in service industry are allowed to reopen. The service industry accounts for nearly two thirds of the UK's GDP, thus the ease of the restrictions in service industry boosts the circular of income in injection, which causes the UK to experience rapid recovery (7.25% economic growth in June) after nearly 66% of the population was given the first dose of the vaccines. Due to the increase in employee attendance, the production chain can operate more effectively. Hence, the total output produced can be maintained to a higher standard, creating higher productivity and efficiency, which increases the profits received by the firms. Therefore, the firms are likely to demand more labour in order to meet their increasing productivity.



On the other hand, the household spending, for example, the spending on holidays has increased as the consumer confidence has been stimulated by the positive vaccine news.
It contributes to an increase in UK's total aggregate demand.

However, it takes a long time to ease the social distancing restrictions across the country, so the economic uncertainties still exist. For example, according to the figure from the central bank, it indicates that 70% of people it surveyed are more willing to keep the money in savings, which suggests the economic activities are not as high as predicted. The consumers are still lack of expectation and confidence. Although the firms were expected to increase their productivity and potential demand for more labour. The UK's unemployment rate is still predicted to rise to 7.8% later the year. A full economic recovery from the harm caused by the pandemic still looks some way off.



DO OUR PHONES KNOW US TOO WELL?

Ever wondered if your phone is listening to you? Spoken about a new item or show and suddenly a suspiciously personalized advertisement appears on your phone within a week.
It often feels surprising and perhaps even useful but then starts to feel a little worrying, however with a bit of a reassurance often labelling it as a 'coincidence' it feels more useful than anything dangerous. The question remains is there more going on underneath the surface?

All over the world companies have come to the realisation that one of the most important assets of the 21st century is consumer data. Businesses now gather large amounts of quantitative and qualitative data to help them gain a better understanding of how consumers behave online, defining their overall demographics and identifying how they can improve their overall customer experience.
Every click and new website accessed generates an online profile of ourselves through Cookies an online piece of text that a Web server stores on a user's hard disk. Therefore, Cookies allow a website to store information on a user's machine and later retrieve it. The data collected consists of not just the traditional age, name and gender, but as Harvard historian Rebecca Lemov has noted, it also includes "Tweets, Facebook likes, Twitches, Google searches, online comments, one-click purchases, even viewing but skipping over a photograph in your feed."

The plain lack of transparency when it comes to data leaks is as clear as day, with companies only releasing information years after the incident has occurred that offers no real help to the people who's security has been breached. Often, we don't realise the vast number of data leaks that happen daily because only the most dramatic and sensational seem newsworthy like the Facebook Cambridge Analytica data scandal. But some of the less noteworthy leaks of data pose a higher level of danger than you would expect. For example, In July 2019 over 100 million people's sensitive financial information from 'Capital One' such as social security and bank account numbers were exposed. The information was gathered from credit card applications submitted to the Virginia based bank from 2005 to 2019 that had been later stored by the company. The cause of this breach was a cloud firewall configuration vulnerability which 'Capital One' reassures us has since been fixed, however the question still stands: how was this allowed to happen? Should there not have been legislation in place to prevent this from adding to the vast list of consumer information leakage.

It is painfully obvious there are negative and often worrying impacts of businesses gathering consumer data, however, the use of this data has the potential to strengthen economic competitiveness and productivity growth across the UK economy, whether that is through innovation or new products, promotion processes, organisational methods and markets, or even enabling entirely new business models to form and thrive. On a final note, with the correct laws and regulations enforced by our government on companies, protecting ourselves, and even myself as I am writing this article, will help us develop into a more intuitive and informative society.

THE EFFECT OF COVID-19 ON DIFFERENT TYPES OF BUSINESSES

From the first lockdown, starting 23rd of March 2020, firms in the UK have suffered due to multiple lockdowns which have taken place, which have left small businesses suffering as a result, with little to no financial support given from the government. Even large chain corporations such as John Lewis are struggling to maintain their revenues, as they recorded their first loss ever in 2020, which lead to a closure of 16 stores before the national reopening on the 12th of April.

Even though the government has given some form of financial aid to 91% of small businesses in the UK, it hasn't been enough to sustain them, as 81% of small businesses feel as if they haven't had enough support from the government. 18% of businesses also think that it will take them 18 months minimum to recover from the pandemic and their financial losses, with an additional 20% thinking that it will take them three years or more, which isn't sustainable for an entrepreneur with unlimited liability over their business to maintain. 64% of small businesses have had to take on a form of external finance to be able to sustain themselves. Because small to medium enterprises account for half of the total revenue generated by UK businesses and 40% of the labour force, this is a concern for the wider economy as they take up a huge percentage of the whole UK workforce. In May 2020, 4 out of 5 respondents to a survey said that their revenues had fallen due to the pandemic, which furthermore effects the government due to less corporation taxes having to be paid, which they need in order to cover rocketing medical expenses.

Certain large chains have taken the hit as well as small firms, with John Lewis being a main example. By taking the decision to close 16 major stores due to their annual loss of 2020 being £517million, this has left 1,465 jobs under threat, which contributes to the rising unemployment rate, from 3.8% in 2019 to 4.7% in 2021. Many UK residents are starting to claim out-of-work benefits which reflects the consequences on this, rising from 2.6 million in April 2021 in comparison to 1.4 million in March 2020.

However, some business owners do believe that the pandemic has had a positive impact on them, as 45% of small businesses have decided to change their business model, by doing things such as adopting new technologies, developing entirely new products, or expanding on existing product lines. Nearly three quarters of these businesses do envisage these changes to be permanent, which will help future profit margins to increase.

The main business which has prospered coming out of the pandemic is Amazon, an online retailer, with their stock prices rising by $1,000 in just a few months, due to a surge in demand because of customers not being able to go to stores to make purchases; the amount of Prime subscription members increased to 200 million in 2021, with the subscriber base increasing by 25% in the last year. Online streaming services have seen a surge in demand, such as Netflix gaining 16 million new subscribers during the first quarter of 2020 as customers are seeking new means of entertainment due to theatres, cinemas, nightclubs and concert halls still being closed.

WILL GLOBAL CORPORATION TAX BE SUCCESSFUL?

The G7 have agreed that they will be setting a minimum global corporation tax rate of at least 15% and this could be negotiated higher in the future. The global corporation tax is seeking to extract more from big tech companies mostly from the US including Apple who decided to locate their European headquarters in Cork in Ireland. This was due to them having the second lowest corporation tax in Europe of 12.5%. However, even with Apple gaining the privilege of a low corporation tax they are in dispute with the Irish government and have been ordered by the EU court to pay back $14m. The idea of global corporation tax is ultimately trying to gain unity between countries and reduce inequality, especially with major TNC's and aiming to stop countries from undercutting each other.

How will it work?

With the global corporation tax there are different "pillars". Pillar one would apply to global companies with at least a 10% profit margin who must pay taxes where they operate. Twenty percent of any profit over the 10% profit margin would be relocated and taxed in the countries in which they operate. As an example, the UK would raise more tax revenue from large multinationals which would help pay for public services needed. Pillar two in the agreement commits states to a global minimum corporate tax of 15% to avoid countries undercutting each other as I said above.

Why?

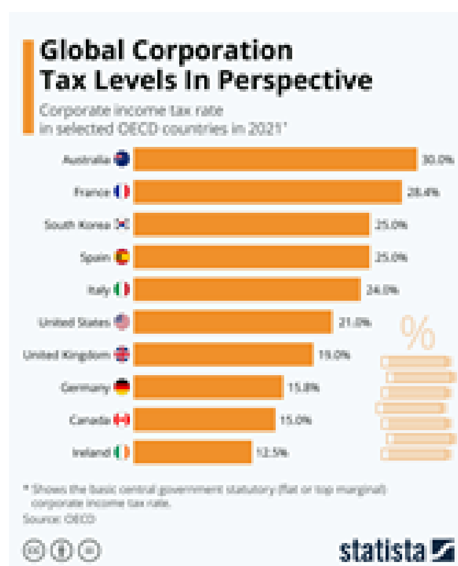
With global corporation tax major economies are aiming to discourage multinationals from shifting profits and tax revenues to lower tax countries regardless of where their sales are made. Companies have been able to avoid paying higher taxes in their traditional home countries due to income from intangible sources such as drug patents.

Avoiding global tax

Finance ministers believe the rules would be difficult to avoid or bypass due to them having the backing of the world's largest western economies. It is also believed that through the strength of the G7 deal low tax member states such as Hungary and Cyprus (which both have corporation tax below 15%) will not be able to isolate themselves from the world's largest economic powers. With the global minimum tax each country would collect the underpaid taxes of its multinationals helping to stop countries avoiding paying the global tax.

How much would it raise

According to the institute for public policy the UK would reap an extra £14.7bn from a 21% global minimum rate. This is obviously higher than the agreed 15% however, many countries are asking for this to be raised. With many countries on board this could see billions of dollars flow to governments which would allow them the chance to pay off some of the debts incurred by the coronavirus crisis. This shows the overall impact that a global corporation tax could have.



Conclusion

A global corporation tax will be successful due to it bridging the inequality gap between countries and will stop all undercutting from happening. However with the global corporation tax could reduce the competitive environment which I believe is key for all countries and their economies.

GLOBAL TRADE OVER LOCKDOWN

Global trade, also known as international trade, is simply the imports and exports of goods and services across international boundaries. Countries can gain comparative advantages through international trade due to producing some goods or services at a lower opportunity cost than other countries.

COVID-19 is a humanitarian crisis on a global scale. The introduction of the global restrictive measures began in the UK in March and included rigorous social distancing, the closure of businesses and travel bans. As widely expected, the measures introduced have disrupted global trade flows including temporary export bans, the elimination of import tariffs on certain commodities, increased trade costs and delaying or entirely prohibiting border clearance. The onset of the pandemic also created demand shocks, leading to stockpiling of essential commodities such as food products and medical items. Massive unemployment caused by the economic slowdown and business closures have fueled uncertainties, further reducing demand for international traded goods.

The coronavirus pandemic impacted upon UK trade in services, which saw falls in both imports and exports of £16.7 billion (31.8%) and £14.9 billion (18.5%) between April to June 2020 as compared to 2019. Globally, within the first few months of lockdown international trade of goods and services declined by 27%. The fall in services was largely seen in travel and transportation services; these trends are consistent with travel bans, global lockdowns, and the requirement to work from home where possible.

Within industries, there have been both winners and losers. A winning industry has been the trade of medical products related to COVID-19 such as ventilators, hand sanitizers and protective masks. The three major economies show that international trade played a positive role in meeting demand of medical products related to COVID-19. While international trade of such medical goods contracted at the start of the pandemic, it then increased in February and March and almost doubled in April 2020, thus contributing to the availability of critical equipment to countries affected by COVID-19. For instance, the first two months of 2020 saw that the increase in Chinese domestic demand for such medical products resulted in a strong increase in imports. April saw a massive increase in Chinese exports of medical equipment (338% increase). This surge was largely driven by exports of protective equipment. Too add, April data for the United States reflect the increasing concern for the COVID-19 pandemic as import of medical products increased by almost 60% while export declined by approximately 20%. On the other hand, a losing industry has been the trade of oil. With travel and broader economic activity across the world restricted, demand for transport fossil fuels has dropped. This reduction in demand is particularly notable in China, the world's largest energy consumer, which in 2019 accounted for more than 80% of global oil demand. Industrial output and electricity demand and in the country has been functioning at levels far below their usual rate, with coal consumption at powerplants down 36% and the countries' oil refining capacity reduced by 34%.

However, the easing of restrictions in June increased demand and allowed many more businesses to increase output or resume some level of trading. Trade in goods therefore made some recovery within July to September 2020 compared to April to June 2020. Although, exports and imports were not at pre-covid levels. Trade in services has not yet seen a similar increase in trade in goods exports and imports.

FINANCIAL INCENTIVES

Finishing in the top four of the premier league is a very hard task to accomplish for many teams which is why it usually seems to be the regular teams such as Chelsea, Liverpool, Manchester City and Manchester United achieving this for consecutive seasons, however clubs do not aim to finish in the top 4 for mere bragging rights, they do this because it comes with a monetary reward and a placement in the upcoming champions league. The monetary value you gain alone for a top 4 finish makes it worth it for example it was Manchester City who were champions of the premier league 2020-21 season and for this they were given £38m on top of all central broadcast revenues. Although 38m would not be enough to sign the top name players in world football it would be enough to acquire promising young talents, such as in July 2016 when Chelsea bought N'golo Kante from Leister city for £32m who is now arguably the best midfielder in world football and played a pivotal role in helping Chelsea to win the Champions league.

Another financial incentive that is gained by achieving a top 4 place in the Premier League is that it gives you a place in the champions league. As far as profit goes in the champions league Chelsea's line up going into the champions league cost them a total of £308.9million with a total squad value worth £437.4million which is increased because of the champions league victory which means that if they were to sell some of their players they would have a higher market value because of this fact, it also makes potential signing view upon your club more favourably. As far as the champions league prize money its self goes Chelsea managed to take home £105 million, although winning the Champions league is the goal of any club the import thing to them is that they attain a placement as this yields £18.6million alone and this follows throughout the tournament with teams earning money for every win, loss and draw they encounter.

CLUB	AMOUNT PAID (MILLION)
LIVERPOOL	£153
MAN CITY	£148
MAN UNITED	£151
CHELSEA	£143
LEICESTER	£132
TOTTENHAM	£140
WOLVES	£129
ARSENAL	£134
SHEFF UNITED	£119
BURNLEY	£115
SOUTHAMPTON	£115
EVERTON	£120
NEWCASTLE	£120
CRYSTAL PALACE	£110
BRIGHTON	£105
WEST HAM	£112
ASTON VILLA	£105.5
BOURNEMOUTH	£102
WATFORD	£101
NORWICH	£96.5

This table shows all the money that was paid out to each club in the premier league during the 2019-20 season past, and shows that the clubs who attained a top 4 position were paid out the most money, however there are cases which don't work like this with arsenal for example who placed 8th yet still earnt more than Wolves who placed above them and this is because they are a more supported and generally higher rated team which is a result of their previous victories in both winning the premier league and all the times they have held that top 4 spot which has helped them to be named as one of the top 6 teams in the premier league.

THE EFFECT OF COVID-19 ON TOURISM

The effects of the Covid-19 disease on the global tourism industry have been colossal. This is because tourism is one of the greatest sectors in the world's economy, as it accounts for 10% of the Global GDP and more than 320 million jobs worldwide, as well as this in 2019 over 1.9 billion people travelled abroad. The huge effects occurred due to government-implement lockdowns disrupting life for billions of people, and restricting travel from a local level to a global level, resulting in an economic collapse scenario. The pandemic has resulted in a rapid increase in unemployment levels worldwide, for example in March 2021 UK unemployment rates were up to 4.8%. As well as this, the Bank of England estimates unemployment rates will increase by 5.5% in the Autumn, as this is when the furlough scheme is due to end. Supply and demand curves suggest the pandemic creates panic amongst the public that contributes to a lower demand in the travel industry. There have been two main effects on tourism, there has been a decrease in global travel due to international restrictions, but an increase in domestic travel and tourism.

The effect of the pandemic on global tourism is huge, especially in countries that heavily rely on the income from tourism, for example Caribbean islands. For example, Barbados has gone into crisis due to the crash in tourism and the IMF has been forced to augment about $90 million or 2% of its GDP. All over the world, tourism-dependent economies are working to afford several measures to soften the impact of plummeting tourism revenues on businesses. Cash transfers, grants, tax relief, payroll support, and loan guarantees have been distributed by banks and the government. Banks have also halted loan repayments in some cases. Some countries have focused support on informal workers, who tend to be concentrated in the tourism sector and are highly vulnerable. Overall, this has heavily reduced countries GDP’s, employment rates and overall health leading to a crash in the global economy by over $4 trillion due to the Covid-19 impact on tourism.

The effect of the pandemic on tourism within the UK has been negative in terms of people entering the UK from abroad, in 2020 the UK received 11.1 million inbound visits, which is a 73% decline from visits in 2019. This affected the UK negatively as visitor spending was down by 78% which equates to a £17.9 billion loss. This has led to thousands of people losing their jobs, especially people in the tourism sector, for example over 10,000 pubs shut in the UK. On the other hand, there has been an increase in domestic tourism within the UK, this is because it is very hard, or even impossible to travel abroad so the population are resorting to taking stay-cations. A statistic to show this is that it has been reported Google UK searches for "staycation" increased by over 500 percent in July 2020 compared to the previous summer, and as a result of this staycation bookings have been seen to surge by 300% compared to 2019.

THE AVIATION INDUSTRY

The outbreak of the global pandemic has hugely impacted the aviation industry, particularly the decrease in number of passengers and the loss of money. The aviation industry was one of the first sectors to be hit by the coronavirus outbreak as lockdown prevented non-essential domestic and international travel. During the first lockdown passengers stopped flying to areas with a higher number of cases. Figures show that by the end of 2020, the number of passengers at UK airports had fallen by 75.2% to figures that hadn't been seen since 1985. There were only 73.8 million passengers reported to have travelled, mainly in the first 3 months of the pandemic. In total, 14.1 passengers travelled through UK airports from July to September in 1975, and in 2020, 14.2 million passengers travelled through the Uk airports in the same period of time. Even though flights to destinations that are considered safe have started again, the aviation industry still expects to lose around £1bn. Financial analysis by the international air transport association initially projected that airline passenger revenues would drop by $314 billion in 2020, a fall of 55% compared to 2019; however figures have shown that this could fall by $419 billion instead. Passenger demand Passenger capacity Net profit Global -54.7% -40.4% -$84.3b The impact of the pandemic on the aviation workforce was also significant, with many staff being deployed to support the pandemic effort. The companies need to ensure that staff are returned to their roles with appropriate support and training. As government and industry restrictions on the aviation industry begin to ease, it is vital that the procedures set out by the appropriate industry bodies and authorities are adhered to consistently to control and manage risks caused by the COVID-19 pandemic. In terms of the passenger journey, every element of departure, arrival and the flights themselves, the airlines must ensure consistent and effective risk management to ensure the safety of the passengers and the staff.

THE ‘WINNERS’ IN A PANDEMIC

From late 2019, to a date still unknown, the Coronavirus has had a long-lasting impact on various lines of work, business and people. For some it has been very detrimental, causing a business to lose vast amounts of profit, or even go bust. However, some businesses have managed to benefit from this period, with some even performing better than they did prior to the lockdowns the world has faced.

Food services

Whilst various countries have had to face lockdowns, restricting people’s freedom to dine at restaurants and go to pubs, it has not restricted them to order food online. There has recently been a takeaway surge, where orders had increased by a vast 46% for companies such as Just Eat, Deliveroo and Uber Eats. Elsewhere, online grocery companies, such as Ocado have seen benefits for their services. For Ocado specifically, which was founded in 2000, there has been a sales increase of 40%, as many shoppers are able to get their entire weekly shop from home. The demand for Ocado is at a high level, with customers often placed in queues to place their order. For investors in these companies, there were increases in share prices at approximately double their value in early to mid 2019.

Ecommerce

Ecommerce is where companies sell goods or services using the internet. In lockdowns, companies such as Amazon, who use Ecommerce, saw their company become vital for many people stuck inside. This led the company to achieve record revenues of around $96.15bn in the third quarter of 2020. Another company, Shopify, who are similar to Amazon in terms of online selling had a very successful stint over the last year or two. The company had managed to overtake eBay to become the second biggest Ecommerce site, with its value doubled since the start of 2020. The company managed to process around $61bn worth or merchandise, which was accelerated by the global shift to online shopping.

Technology Companies

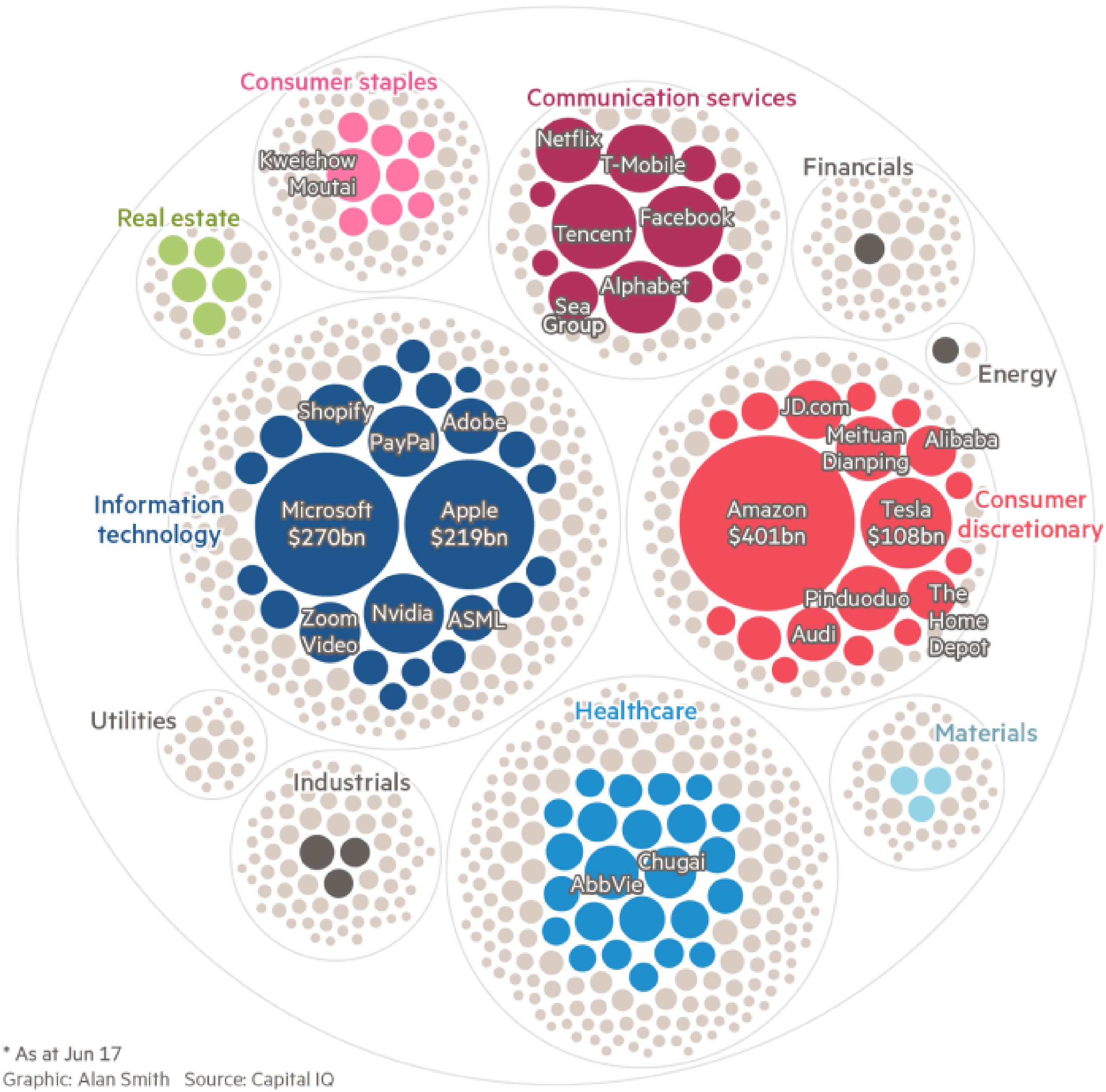
Despite Amazon being the current stock market leader, the Technology sector is the largest sector in the market in 2020. The biggest Tech company in 2020 was Microsoft and due to numerous people working getting an education from home, the Microsoft Teams communication app has been vital for keeping schools and businesses working and functioning effectively. In April 2020 there was around 75 million people using Teams daily. Another giant in the Technology market, Apple had managed to gain $58.3bn in the March quarter of 2020, despite closing retail stores. The internet allowed them to make up from lost retail sales in stores across the world. Arguably due to reliance on computers and phones during the lockdown periods, many people have gone to Apple for products such as iPhones, iMac and MacBook Airs, which helped people facilitate online working/ learning. Apple even managed to release new versions of these products, and with their premium prices and the high demand faced, they gained a vast amount of revenue in 2020.

Which sector benefitted the most?

Looking at the stock market listings for 2020, the sector with the largest share value is the Technology sector, due to companies such as Microsoft, Apple, Zoom and various other huge companies having such a prosperous year. However, the E-commerce sector is close to the value of the Technology sector largely down to Amazon having a value of $401bn and Tesla having a value of $108bn. There were many other industries that had a good year in terms of the stock market. This is shown in this diagram below:

Big tech companies lead stock market winners

Companies with net market cap gain of more than $1bn in 2020, by sector.
Circle size shows market cap added YTD*, top 100 highlighted, top 25 labelled



* As at Jun 17
Graphic: Alan Smith Source: Capital IQ

GLOBAL PANDEMICS AND LUXURY GOODS

How does a Global Pandemic influence luxury goods; in the case of Puppies?

As of 26thMarch 2020, when the UK went into the first lockdown, millions of people were bounded to their homes, isolated from the rest of the world. Not only did this mean people were becoming lonelier, but they also had more time on their hands; with jobs being more flexible and unemployment levels rising. However, some parts of the UK started to have more money as there was far less going out so, people were not spending money on fuel, holidays, and trips.

A combination of these factors meant that the demand for puppies rose to a dramatic extent. Delightful and loveable puppies have always had a steady demand, but in 2020 when the Global Pandemic properly hit the UK, thousands of people knew they could put in the effort and the time to train and love a dog, so the demand massively rose. Unfortunately, there was no increase in the number of puppies available, so the supply decreased, generating a huge upsurge in price.

On average the price of puppies has almost doubled, a standard puppy costing almost £1,900, when in March 2019 the average price was £888. Popular breeds like Cocker Spaniel's, Jack Russell's and Cockapoo's prices have almost tripled, selling for £3000 or more. Such an escalate in price has had significant knock-on effects, in particular dog theft. Wayne May organiser of Dog Lost said: "I've been doing this for 30 years now and it's the worst year I've ever known". Unfortunately, it is clear that criminals have caught on and taken advantage of the rising price and demand, stealing puppies from their forever homes and selling them on for more.

Although criminals target litters of puppies most, there has been several cases of pregnant dogs being captured, and even small dogs that are 3 or 4 years in age being taken, to then be sold on to new owners as a '2-month puppy'. Not only is puppy theft devastating to the original owners and unfair and uncontrollable to the new owners, but smuggled puppies are often in poor health and inadequately socialised because of their early life experiences. This means the puppy is more likely to have problems that affect their ability to interact with other humans and dogs and may even acquire separation issues due to being taken at such a young age and not having a delicate and normal upbringing.

Additionally, there is a worry that when the world supposedly gets back to normal, there will be a major rise in the number of puppies that will be abandoned. The RSPCA said the figures were 'really concerning' and they are worried about the situation across the nation and how they are going to cope. Overall, COVID-19 had a had a significant change on all luxury items, especially puppies. Puppy theft, abandoned dogs, and distressed, upset owners is now becoming more common, with very little being done to reduce the risk of this in the future. Although, with it becoming more frequent, people are gathering additional knowledge and are being extra careful when buying new pups.

THE ECONOMIC CRISIS IN VENEZUELA

Hyperinflation is the out of control general price increase in an economy. Venezuela has the highest inflation rate in the world being at 10,000% in 2019, to contrast this the inflation rate in the UK in 2019 was 1.79%. The main cause of this was Venezuela's heavy reliance on oil making up 90% of their total income from exports, and the drop of international oil prices In the 1980s. This fall in demand for oil led to the value of the bolivar (Venzuelan currency) decreasing, meaning the price of imports increased which over time had put them in debt of an estimated $150 billion (which is more than double the estimated size of its economy), and therefore leading to a further increase in inflation.

As a result, the venezuelan government was unable to pay for most of their imports causing industries in the economy to collapse- in the healthcare industry alone, there was an 85% shortage of medicine, causing Venezuelans and health care workers having to buy medicine and other goods on the black market. In 2013 the president made the decision to print more money to keep the economy moving to overcome this issue caused by a short-term price shock, however this only caused the economy to shrink by an extra 30%.

As their debt continues to increase, crime rates, wages and prices of imported products also continue to increase due to the government underfunding police and other sectors in the economy. It has been said that the average family requires more than 100 times the official minimum wage to meet its basic needs- in 2019 the average worker's income in Venezuela was just $0.92 per day putting 96% of the population in poverty,People on lower salaries who were struggling to keep up with the increase of prices have started to exchange their bolivars for a more stable currency - in this case the US dollar. People have even started using crypto currencies in order to buy and sell goods for lower prices.

As a result of the hyperinflation and economic crisis, between 2015 and 2021, 16% of people within the population have fled the country, whilst others look for ways to tackle high priced goods and lack of support given from the government.

INSIDER TRADING ON THE STOCK MARKET

What is it?

Insider trading is the illegal use of information available only to people who work within inside a business or with a business in order to make a profit in financial trading. This insider information normally involves information that if it was published would have a significant effect on the share price of the company. Therefore the Insider trading legislation means that anybody who trades based on private information is guilty of illegal activity.

What is being done to stop it?

The government tries to stop insider trading by monitoring the trading activity in the market. The Securities and Exchange Commission (SEC) monitors trading activity. In Particular around important events such as earnings announcements, which may move their stock prices significantly. In Addition the SEC gets tips from whistle blowers who come forward with the knowledge that people are trading on non-public information. Whistleblowers can be employees of the company in question, or they can be clients, or service firms. The main incentive for whistleblowers to come forward is the fact that they can receive 10% to 30% of the fines collected from successful prosecutions of insider trading. Before it escalates to the government level, most companies take several measures to prevent insider trading. Some companies have blackout periods when officers, directors, and other designated people are barred from purchasing the company's stock usually around earnings announcements.

Examples of insider trading and why is it so hard to monitor

Ivan Boesky is an American stock trader who became well know for his role in an insider trading scandal during the 1980s. This scandal involved several other corporate officers, employed by major U.S. investment banks providing Boesky with tips about upcoming corporate takeovers. Boesky had his own stock brokerage company, Ivan F. Boesky & Company, and starting in 1975 when he opened his firm, he made large amounts of money speculating on corporate takeovers. In 1987, after a group of Boesky's corporate partners sued Boesky for misleading legal agreements detailing their partnership, the Securities and Exchange Commission (SEC) began investigating Boesky. It was later revealed that he was making his investment decisions based on information received from corporate insiders. Another example of insider trading occurred when R. Foster Winans a columnist at the Wall Street Journal wrote a column called "Heard on the Street." In every column, he would profile a certain stock, and the stocks in the column often went up or down according to Winans' opinion. Winans arranged a deal where he leaked the contents of his column. Specifically the stock that he was going to detail–to a group of stockbroker. The stockbrokers would then purchase positions in the stock before the column was published. After the brokers made some gains they would share some of the profit with Winans. Winans was eventually caught by the SEC. However, his case was tricky because the column was the personal opinion of Winans, rather than material insider information. Meaning that it was hard to pin him down for his crime.

THE RISE OF SOUTHEAST ASIA

Just 100 years ago the world looked very different. European nations had global Empires, there was no modern technology and the Southeast of Asia was slumped almost entirely in poverty. At the beginning of the 21st century, however, the economies of countries in this region were some of the fastest growing in the world. Why and how did this happen? What were the reasons for his region's success?

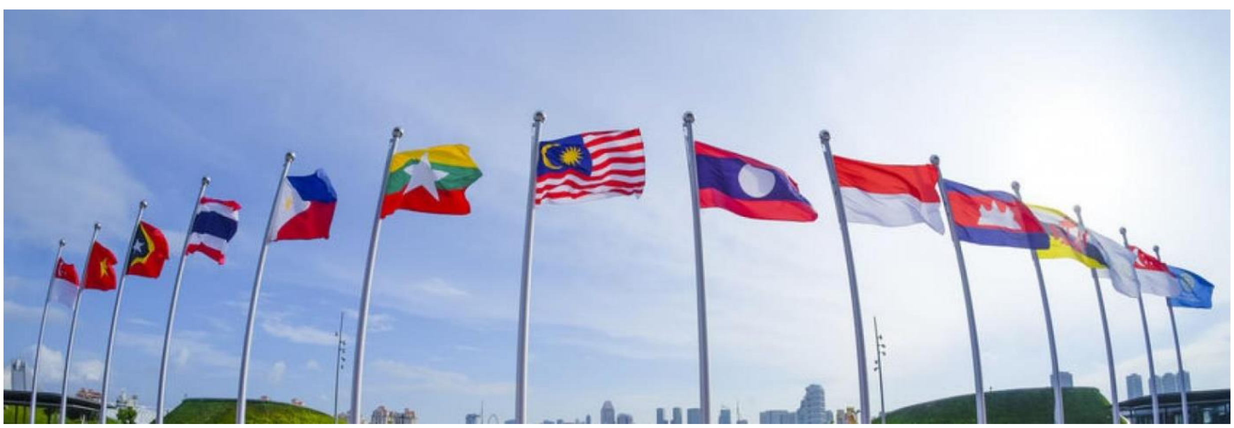
Industralisation. Technology. Trade. These are the three words I would use to describe why this drastic transformation has happened in this region and the reasons for the political and economic rise of nations in the Southeast of Asia. For an economy to develop massively, change is needed, and change is what these nations received. The majority went from being colonies of European powers to independent, sovereign nations able to manage their country, political system, and economy, without outside interference.

Industrialisation. This has occurred relatively recently in Southeast Asia, as the majority of development that has taken place in this region has occurred since the 1960s, when nearly all of the countries had been granted independence. The economic development strategies of virtually all capitalist countries in Southeast Asia has emphasised urban industrialisation, while agricultural development has been seen as less important than industrial development and growth. This change in economic policy and focus has been a real success for countries in this region, the most prominent example of this being Singapore, which has reached a highly advanced level of industrialisation and is one of the most economically developed countries worldwide. Increased spending on infrastructure and investment into new machinery and equipment has certainly made this region more prosperous and competitive, and a highly popular location for foreign firms to set up offices in.

Technology. The era we live in is the information age, and this new age is certainly a huge reason for the economic rise and subsequent success of nations in this part of the world. This era has brought employment, wealth and competitiveness to economies in this region. The increased demand for handheld electronic consumer devices has meant that there has been a need for economies to develop and produce highly desirable electronic parts, and this is exactly what many economies in Southeast Asia have done. For example, Singapore, which has the second highest GDP per capita worldwide and a strong and stable economy predominantly produces manufactured consumer goods such as mobile devices and parts. This has meant that increased demand has caused the GDP and GDP per capita of Singapore to increase rapidly year on year, therefore making it one of the four big 'Asian Tigers.' Even though technology has significantly boosted this region's economic success, the tech boom of Southeast Asia has not yet occurred, and is likely to occur in the near future, which will make this region even more successful.

Trade. The Southeast of Asia is a crucial point in the global trade network, and has some of the largest and most visited ports in the world, for example Singapore's main Port, which is the second most visited port in the world and transships over 20% of the world's shipping containers. This port is also connected to over 600 other ports in 123 countries worldwide. This means Singapore is one of the most important countries for international trade, meaning that it attracts a lot of interest from foreign firms and merchants coming into and out of the country, boosting GDP and international reputation for the nation and region itself. Other countries in this area also have excellent ports which are important for world trade, such as Port Klang in Malaysia which is one of the busiest ports worldwide. Southeast Asia's total trade rose by nearly 50% between 2004 and 2014, showing that in recent years the region has become highly important in the global trade network, as the Strait of Malacca and South China Sea are becoming increasingly useful for trade between Europe and the West and economic powerhouses in the East, such as China and Japan.

Other factors have also contributed to this region's success, such as increasing political stability, especially in the countries of Brunei, Singapore and Malaysia. The economic union called ASEAN also promotes intergovernmental cooperation and aims to bring closer political and economic ties between its members and other countries in the Asia-Pacific region, helping to strengthen international relations and diplomacy. However, there are still countries which are not entirely stable, and this is certainly one of the reasons holding back some economies in Southeast Asia, as a politically stable country will almost always outperform one which is unstable. Even though in recent months we have seen growing political unrest following a coup in Myanmar, this is not in any way indicative of the situation in other countries in Southeast Asia, and although some are currently suffering massively from COVID or other negative factors, the future is bright for this part of the world, and I am certain this region will continue to grow and succeed.



SPONSORSHIP IN F1

Formula one, a modern ‘travelling circus’ and the world’s largest marketing campaign. With the average spending of an F1 team being well over £150 million (and some spending upwards of £400 million) there is a lot of money floating around at the cutting edge of motorsport. There is some prize money involved in the competition however it is often not even enough to cover half the yearly spending of the teams never mind turning an actual profit. Despite this, each year new sponsors and investors shell out millions to buy shares in teams and to stick their logo on the sides of the cars and the shirts of the drivers despite the fact there’s seemingly little profit to be made from this and therefore, on the surface, little incentive. Which makes you think: where do these billions come from and why is there so much investment into something which seems so irrational?

There are 4 main sources of revenue in Formula 1: team sponsorship, trackside advertising, series sponsorships and payments from team owners. In 2018, 44.7% of total revenue came from team sponsorships alone and over the past 15 years it is estimated around $30 billion in sponsorship revenue has come into the sport. Firms dish out millions a year to stick their logo on the side of the car with no guarantee of a return on their investment (mainly an increase in sales and therefore revenue), it would seem completely irrational to do so, yet so many do; but why? You would assume that the main reason would be brand exposure, as is the aim of most sponsorships. However, in F1, the focus of sponsorship seems to be less focused on brand exposure and more focused on increasing brand preference. Many of the main sponsors in F1 are already well known, established brands such as Honda, Tommy Hilfiger, Ray Bans, Rolex, Heineken and many more. The aim of their sponsorship is not to increase their overall reach but instead increase their consumer preference through means of association with something like F1 which is seen as an elite sport. A marketing strategy like this is particularly useful in times of economic growth and especially when there is increasing average incomes as it makes consumers perceive your good as more luxurious and will therefore, they’ll be more willing and able to spend a larger proportion of their new income on your product which in turn will hopefully increase total revenue (which is the main aim of pretty much all firms).

Sponsors are vital to the survival of Formula One teams and because of this, F1 has become increasingly advertising driven throughout the years. The peak amount of money spent on Formula One sponsorship was in 2007 and saw the net income from team sponsorships nearing $3 billion that year but even after the 2008 financial crisis, the amount of money sunk in by sponsors only saw a minimal decline and was at a level even higher than we see today. However, with the budget cap coming into play at the start of the 2021 season, the sponsor driven nature may be set to change with teams requiring less money than they did previously.

BEHAVIOURAL ECONOMICS AND SUPERMARKET SHOPPING

Behavioural economics is defined by incorporating the study of psychology into the analysis of the decision-making behind an economic outcome. Such as, the factors leading up to a consumer buying one product as an alternative to another.

Richard Thaler created the idea of the nudge theory to suggest that changes can be made to an individual's "choice environment" to adapt their behaviour. This can be done by drawing attention to certain products to encourage consumers to spend money. In a supermarket this can be done by the placement of goods. Goods with the largest profit margin are placed at eye level and the goods with smaller profit margins are placed at the bottom of the shelves. This encourages people to buy the more expensive goods if they are in a rush and do not have time to compare the goods.

Another way placement can be used is by placing items near the till as consumers don't necessarily consider the price of the good, they just buy the good off instinct, this is known as irrational behaviour. Supermarkets may also place goods at the end of an aisle because aisle ends are the most profitable place to locate a good. This it why manufactures pay a premium to locate their goods there. Essential items are located at the back of stores to encourage people to be enticed by other goods on their way towards necessities, such as bread and milk, this is known as incidental purchases.

Supermarkets also adapt their layouts to keep customers there longer, as the longer they stay, the more likely they will purchase more items. Some supermarkets do this by playing slower music to relax the customers or upbeat music so that the customer is surrounded by a nice atmosphere which encourages them to buy more goods.

Supermarkets have lots of variety and choice of products, this overwhelms the customer, and they stop making rational decisions and start purchasing on emotion, which leads them to accumulating stuff they don't need.

Tips to help you not be influenced by behavioural economics in supermarkets include, making a list before you go so that you are more likely to make rational decisions if you're having to justify why you should be buying the good but didn't include it on your list. Do not shop on an empty stomach as you will feel hungry and end up buying more than you need. Never shop on payday as supermarkets know when pay days are, even when student loans come in. This is because if you have more money in your pocket, you are more likely to overspend due to the wealth effect. It is also advised to shop alone so that you can't be persuaded by others to buy unnecessary goods.

THE PRICE OF CYBERCRIME IN AN ECONOMY.

'Cybercrime To Cost The World $10.5 Trillion Annually By 2025'

Firstly some context; The biggest economy in the world is the US, valued at around 22.68 trillion. The second largest is China at 14.34 trillion and the third largest being Japan at 5.08 trillion. Therefore, if valued in the same terms as a country's economy - the total cost of cybercrime around the world would be the equivalent to over the value of the third largest economy in the world. With an expectation of global cybercrime costs to grow by a further 15% per year for at least the next 5 years, this is an increasing worry for the economy. This represents the greatest transfer of economic wealth in history.

The fact that a cyberattack could potentially disable the economy of a city, state or the entire country proves the seriousness of it and the impact it can have on the future with cyber becoming a larger and larger part of society. Cybercrime costs include damage and the destruction of data, stolen money, lost productivity, theft of intellectual property, theft of personal and financial data, embezzlement, fraud, post-attack disruption and to the normal course of business, forensic investigation, restoration and deletion of hacked data and systems, and reputational harm- so it will undoubtedly affect anyone and everyone in some way or another.

In April of 2021, Facebook faced mass legal action over a data leak including the passwords, contact information and saved credit details of over 530 million people. In terms of its impact on the economy this had a huge effect on banks and the security of consumers' money and left many consumers with low confidence in case of future attacks. This is worrying for the future with more and more people relying on online banking and cards over the use of cash and will increase to be like this over the years.

TAX EVASION

Tax evasion is an illegal activity in which a person or entity deliberately avoids paying a true tax liability. Those caught evading taxes are generally subject to criminal charges and substantial penalties. To willfully fail to pay taxes is a federal offense under the Internal Revenue Service.

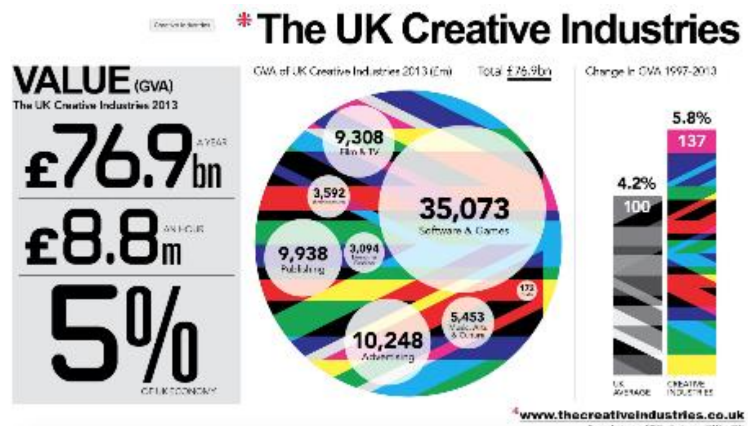
One huge incident occurred in the UK recently that involved the TNC starbucks who were speculated to be committing tax avoidance. Starbucks' UK-based European business paid just £18.3m in tax last year, while paying the coffee giant's parent company in Seattle £348m in dividends collected from licensing its brand. One way that they avoided the UK corporation tax was by sending lots of money over to HQ in Amsterdam as business investment, when in reality they were just trying to be taxed at the lower european corporation tax rate. For the business and its workers this was a huge benefit as the company paid less tax and had extra money that they can reinvest into the business or even its employees in the form of pay rises or bonuses. However for the UK government this was a huge detriment as it meant that a huge sum of tax revenue in the coffee sector of the economy was missed. For the british people this is very bad as there will be less government spending which may start the negative multiplier effect.

Another interesting way that people try to tax evade is through the use of artwork. This works when an individual has a sum of money that they want to make tax free, they will get a semi-famous artist to create a painting and then value it at the same value of the sum of money. Then the individual will donate it to a local museum at the value price and receive the money from the museum/gallery from the auction they hold or if they keep it, and finally since it's a charitable donation the money cannot be taxed and the individual will then receive the money tax free.

Some may consider tax evasion smart however it is very risky for businesses for many reasons. One of them being if it's not a loophole and is against the law firms can face huge fines and even jail time for the ones responsible. Also it can be bad for public relations as some consumers may stop purchasing your businesses products and services due to the company being unethical. FInally it also takes a lot of time and expertise which could drive up costs and unfocus a business from their main targets and goals within a market.

THE SURPRISING LINK BETWEEN ART AND THE ECONOMY

The art and visual culture degrees are often overlooked, as they come under the lines of 'soft-skills' and gather traits that many over-looks. However, in a modern changing environment many of the fast-thinking critical skills that the humanities subject acquires more employers are looking at, with the new tidal wave of millennials that bring in the chance of change. With some universities requiring higher A-level grades for undergraduate studies in Liberal Art degrees than Medical or Economic degrees; for example, Birmingham University requires AAA for Medicine and Economics while the Liberal Arts degree requires A*AA.

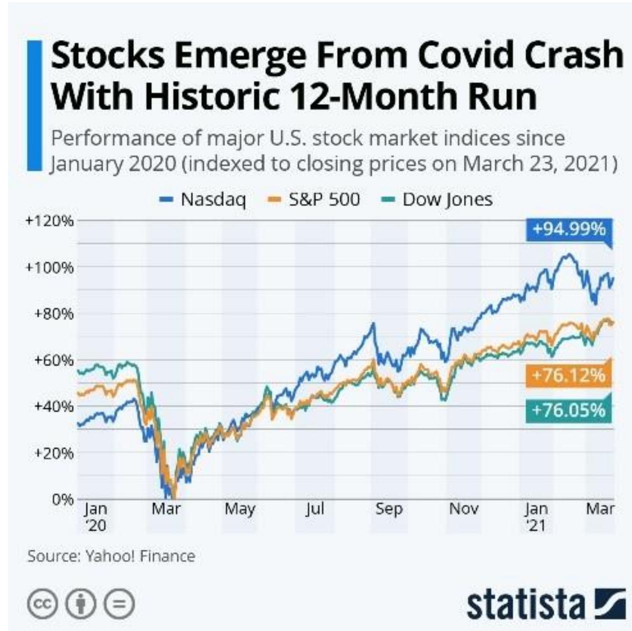


Degrees in art and culture are becoming increasingly popular due to strengthening skills that many develop throughout the course, such as critical thinking as well as creativity and innovation that many employers look for. A study in 2016 produced by the Business Register and Employment Survey concluded that the art sector brought in 137,250 employment jobs where labour jobs only brought in 124,575 jobs in the same year. Clearly showing that not only were employers keenly looking for more creative and forward-thinking employees, but employers were also looking to improve staff knowledge and expand the range of thinking styles within the business structure. The performing arts category was the largest contributor to employment in the arts and culture industry, responsible for 35 per cent.

An article published by the Tate modern in 2019 stated that the modern gallery itself accumulates over around £100 million, of which £50 - £70 million is specific to Southwark with over 30% of the employment coming from local areas. This proves that the art and culture sector have direct links to the local welfare and economic growth. The Centre for Economics and Business Research's (CEBR) also estimates that the arts and culture sector contributes £7.7bn to the UK economy. For every £1 of salary paid by the arts and culture industry, an additional £2.01 is generated in the wider economy through indirect and induced multiplier impacts. It is estimated that in 2016 the National Portfolio Organizations of Arts Council England (excl. museums) directly contributed £2.4bn in output, £1.2bn in Gross Value Added (GVA) and 22,300 jobs. The arts can be an important part of a city's economic development and growth strategy—and this growth often comes without huge price tags or tax concessions.

Especially during the pandemic and lockdown many recognizable contemporary artists provided a range of entertainment through their own artist experiences as viewers were able to watch shows that not only provided educational understanding but a sense of stability. Grayson Perry created an art show which brought celebrities and artists together and allowed them to create showpieces personal to themselves. Perry later produced an art exhibition which allowed the public to view the artworks in an open exhibition in Manchester- which was postponed due to the second lockdown; however, the exhibition brought a massive amount of funds to the gallery with the exhibition bringing in £10,241 in visitors. Perry is now travelling to other Uk art galleries showing off his own work 'the pre-therapy years' of his development. This can not only bring new tourism to cities such as York but also brings a new dynamic of spenders, again boosting the economy.

CORONAVIURS AND THE ECONOMY



The coronavirus pandemic has affected almost every country in the world. Its spread has left national economies and businesses counting the costs, as governments struggle with lockdown measures to tackle the spread of the virus. Despite the development and distribution of vaccines, most are still wondering what full recovery could look like.

One impact of the coronavirus on the economy is big shifts in stock markets, this is shown through the FTSE, Dow Jones Industrial Average and the Nikkei when there were huge falls in the first months of the crisis as the number of Covid-19 cases grew. The FTSE dropped 14.3% in 2020, its worst performance since 2008. In response, central banks in many countries, including the UK, have slashed interest rates. That should, in theory, make borrowing cheaper and encourage spending to boost the economy. However, this can result in depreciation in the pound meaning exports will become more competitive and imports more expensive.

Another impact of coronavirus has been a huge rise in unemployment. Many people have lost their jobs or seen their incomes cut due to a general reduction in revenue of businesses and therefore they have increased redundancies to minimis e their variable costs. In the United States, the proportion of people out of work hit a yearly total of 8.9%, according to the International Monetary Fund (IMF), signaling an end to a decade of jobs expansion. Some experts have warned it could be years before levels of employment return to those seen before the pandemic. However, coronavirus has also brought new job opportunities such as contact tracers, temperature screeners and Covid-19 testers.

Coronavirus has caused most countries to be in recession. This is measured by looking at the percentage change in gross domestic product, or the value of goods and services produced, typically over three months or a year. The IMF estimates that the global economy shrunk by 4.4% in 2020. The organisation described the decline as the worst since the Great Depression of the 1930s. However, a recession can enable the economy to be more productive in the long term and tends to be a shock, meaning inefficient firms may go out of business allowing new firms to emerge.

The hospitality sector has also been hit hard throughout the coronavirus pandemic, with millions of jobs and many companies bankrupt. Data from Transparent - an industry leading intelligence company that covers over 35 million hotel and rental listings worldwide - has registered a fall in reservations in all the top travel destinations. Billions of dollars have been lost between 2020 and 2021. However, despite the UK resuming international travel on May 17, many analysts believe that international travel and tourism won't fully return to the normal pre-pandemic levels until around 2025.

Retail footfall has also seen unprecedented falls as shoppers have had to stay at home, resulting in a huge surge in online shopping. This has a devastating effect on businesses which require consumer interaction or even consumer product testing. Research suggests that consumers are still feeling anxious about their return to stores. Accountancy giant EY says 67% customers are now not willing to travel more than 5 kilometers for shopping. However, this change in shopping behavior has significantly boosted online retail, with a global revenue of $3.9 trillion in 2020. This therefore forces businesses to adapt by promoting themselves online.

Pharmaceutical companies appear to be the winners among businesses. Governments around the world have pledged billions of dollars for a Covid-19 vaccine and treatment options. Shares in some pharmaceutical companies involved in vaccine development have shot up - Moderna, Novavax and AstraZeneca have seen significant rises. However, other pharmaceutical companies such as Pfizer have had a share price fall. The partnership with BioNTech, the high cost of production and management of the vaccine, and the growing number of same-size competitors have reduced the investors' trust in the company to have bigger revenue in 2021.

In conclusion, as previously mentioned, the coronavirus pandemic has affected almost every country in the world therefore resulting in global economic fluctuation. Despite negative effects on the stock market, increased unemployment and damage to the hospitality industry, Covid-19 has also changed the way consumers shop, bringing new opportunities to businesses who are able to adapt to suit consumers' desires.

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ECONOMICS