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CENTER FOR EURASIAN STUDIES

SORRY MACRON! BRITAIN WILL LEAPFROG FRANCE POST-BREXIT EVEN WITHOUT SCOTLAND - SAYS REPORT

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Express (26 December 2018)

Brexit will not knock Britain out of its stride for long, a new economic report has indicated, with the UK likely to remain one of the worlds strongest economies once the dust settles after next years departure from the European Union □□□□□ could even end up getting a boost from it, a new study has indicated.

And even in the unlikely even that quitting the bloc resulted in the break-up of the union and secession of Northern Ireland and Scotland, Britain will leapfrog France □ tipped to overtake it temporarily next year - by the middle of the next decade. Meanwhile, China is poised to overtake the United States as the worlds biggest economy by 2032, according the The Centre for Economics and Business Researchs 2019 World Economic League Table. The research acknowledged France would overtake the United Kingdom to become the world's sixth biggest economy next year as the impact of Brexit is felt throughout the economy, a reports has said.

But it also said post-Brexit Britain would return to the sixth spot by 2020 - a position it is expected to retain through to 2033.

The CEBR said "disruption" to the British economy was inevitable due to lower inward and business investment.

The forecast also suggested even if Britain's departure from the European Union leads to Scotland and Northern Ireland breaking away, the rest of the UK is forecast to be a larger economy than France by 2026.

The United States remains the world's largest economy, but China is predicted to take the top spot by 2032.

Currency collapses in many emerging economies in 2018 have led to falls in the rankings for Argentina (down four places to 30th), Pakistan (down three to 44th) and Iran (down 10 places to 40th).

Deputy chairman Douglas McWilliams said: "The World Economic League Table shows that despite global uncertainty and the tightening in US monetary policy which has pushed down some of the emerging market currencies, the 21st century is still likely to be the Asian century.

"In 2003, the world's five largest economies were the US, Japan and three European countries.

"Thirty years later, three out of the top five economies will be Asian and only one will be European.

This is one reason why, even though Brexit will be disruptive in the short term, long term it is unlikely to do much damage to the UK economy and might, on some assumptions, boost it."

France is expected to grow more slowly than post-Brexit Britain as it has "not really come to terms with reducing its bloated public sector and resulting high taxes".

In general, CEBRs figures, which assessed the prospects of 193 countries between now and 2033, were more downbeat on the global economy than last year's outlook.

The report stated: "For the medium term, we are roughly as optimistic as we were a year ago, but suspect the route to growth will be more bumpy than we had assumed 12 months ago.

China will overtake the United States □ but two years later than previously expected, due to a more lax monetary policy and lower exchange rate.

Similarly, the CEBR expects Brazil to overtake Italy in 2020, not 2018, while will overtake Britain and France, probably in 2019, but possibly 2020, rather than in 2018 as it predicted a year ago.

The CEBR also projected Ireland to be among the fastest growing economies in the euro zone next year.

However, it warned Brexit posed a big downside risk to that forecast.

Kaynak/Source: