



## economic**sense** Spring 2022 Newsletter

**The price of resilience** The Covid pandemic revealed the fragility of global supply chains. From basic construction materials such as nails and timber for buildings to advanced microchips for cars and computers, the pandemic disrupted all these flows and ultimately economic activity. We probably took globalisation for granted for too long. Recognising the importance of key sectors such as microchips in an economy, the EU is now determined to achieve strategic autonomy in key sectors ([see here](#)). The war in Ukraine added energy security to the mix, something else we took for granted. A global economy more resilient to shocks and a diverse energy mix will take years to establish and will be costly to build. We will all have to get used to higher prices. Are we prepared for this? And talking of price increases ...

**Inflation - How high can it go?** Just when you thought that consumer price inflation might have been about to ease, the latest outlook from the Bank of England forecasts a rate of 10% by autumn 2022. No economic forecaster or central banker could have predicted the Russian invasion in Ukraine, which led to a massive jump in global energy and commodity, including agricultural commodity, prices.

For most of us it is difficult to fully appreciate the importance of energy and commodities in our economy. Everything requires commodities as inputs, and energy for production and transport. With energy and commodity prices rising by more than half within a few weeks in some instances, producer prices have exploded. Add significantly higher global prices for fertilisers and seeds required for agricultural production into the mix, and you have a perfect storm. The Bank itself can't ease supply chain issues or reduce energy prices. Having enjoyed low inflation for decades, we are now in uncharted territory.

**Weaponising finance and trade** Western sanctions imposed on Russia since the start of the war have been significant and unprecedented – the French Finance Minister described them as “*a total economic and financial war on Russia*”. From banning many exports to or imports from Russia, cutting Russian banks from global payment systems to freezing assets held abroad by the Russian central bank, these measures are aimed at crippling the Russian economy. Whether these measures will ultimately succeed will depend on the reach of the sanctions and also on what other countries are doing. Not all countries have imposed sanctions on Russia – notably China and India. And critically the sanctions do not currently cover all of Russia's valuable energy exports.

**economic**sense** – making sense of economics**

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**Strategic Career Development** Economicsense is now delivering SPE Courses. The 'SPE' is the Society of Professional Economists and SPE Courses are designed to support professionals including economists, statisticians, operational and social researchers, and analysts in their day-to-day work. The courses will cover the latest theoretical and empirical developments in economics including the emergence of green finance, data visualisation and big data. The first two courses have been launched: 'Introduction to Python' and 'Cost-benefit analysis with applied example' - see below.

## Upcoming events and courses

*Courses are currently delivered both online and in person.*

**Cost-benefit analysis for non-economists 9.30am–12pm 11<sup>th</sup>, 12<sup>th</sup> and 13<sup>th</sup> July 2022** Ideal for government analysts (outside economics), and policy and finance professionals who are involved in preparing and reviewing business cases and impact assessments. The course will give participants the skills to critique CBA analysis quickly and effectively. This course is run online. To book: [Cost-benefit analysis for non-economists](#)

**Strategic Career Development for Analysts 10am-1pm 15<sup>th</sup>, 21<sup>st</sup> September and 8<sup>th</sup> December 2022** This course is designed to support strategic career development for experienced analysts. Whether you are considering promotion, looking to deepen your knowledge as an expert in your analytical field or simply deciding what to do next, the course will provide you with tools to develop a fulfilling career. This course is run online. To book: [Strategic Career Development for Analysts](#)

**Introduction to Green Finance 9am-1pm Monday 10<sup>th</sup> October 2022** The capital markets are playing an increasingly important role in facilitating the shift towards a low-carbon economy. This course gives participants an understanding of what Green Finance is, why it matters, and what the future might hold. No prior knowledge of economics or financial markets is required. This course is run online. To book: [Introduction to Green Finance](#)

### SPE Courses

**Introduction to Python 9.30am – 5pm 5<sup>th</sup> July 2022.** This course introduces Python, one of the world's most versatile and fastest-growing programming languages. It is aimed at professionals using data analysis as part of their work, be it economists, financial professionals, or statisticians. The focus is on data-science applications, in particular data management, analysis, and visualisation. This course is delivered in person by Dr. Paul Wohlfahrt at the University of Westminster, Marylebone Campus, 35 Marylebone Road, London NW1 5LS. To book: [Introduction to Python](#)

**Cost-benefit analysis with applied example 9.30am–12.30pm 27<sup>th</sup>, 28<sup>th</sup> and 29<sup>th</sup> September 2022** This course is ideal for analysts wanting an overview of cost-benefit analysis This course is run online over three half days. The third session brings the theory to life with an applied example conducted in excel. To book: [Overview of cost-benefit-analysis with applied example](#)

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