

The UK heads towards worst economic crisis since 1926



Image showing British coins and notes. | Photo: Xinhua

London, September 6 (RHC)-- As millions of people in Britain face the prospect of escalating bills, Keith Baker, a research fellow in fuel poverty and energy policy at Glasgow Caledonian University, warned the country could face its worst peacetime crisis since the General Strike of 1926.

For many British families, food prices were already rocketing, adding extra dollars to weekly food bills, but planned rises in the cost of electricity and gas due in the fall would add to the misery, Baker said.

"Many people are going to be struggling to keep roofs over their heads, or to pay their mortgages and rents. I honestly don't know what households can do about it that wouldn't be either illegal or futile," he said.

Since the winter of 2021, Britain's inflation has kept rising and successively hit new highs. The latest data from British Office for National Statistics (ONS) showed the Consumer Prices Index (CPI) rose by 10.1 percent in the 12 months to July 2022, far above the 2 percent target set by the Bank of England (BoE).

The 40-year-high inflation has eaten into the value of people's wages at a record pace. Baker said more than half of the British population is likely to be drastically hit by the cost of living crisis.

"We are now into really quite scary, unknown territory. We don't know how much mortgage rates will go up, we don't know how much food prices will go up, but we are seeing a trend that is certainly heading in that direction, and there's no sign of it changing. In fact, there's every sign it's going to get worse," said the scholar.

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