

Growth, the Budget, and all that.

Jamie Rush (PhD)
Director of Global Economics
Bloomberg
London, December 2025

Growth, the Budget, and all that.

- Why we need growth
- Getting the basics right
- Unlocking Britain's potential

GDP and satisfaction

Self-reported life satisfaction vs. GDP per capita, 2024

Our World
in Data

Self-reported life satisfaction is measured on a scale ranging from 0-10, where 10 is the highest possible life satisfaction. GDP per capita is adjusted for inflation and differences in living costs between countries.

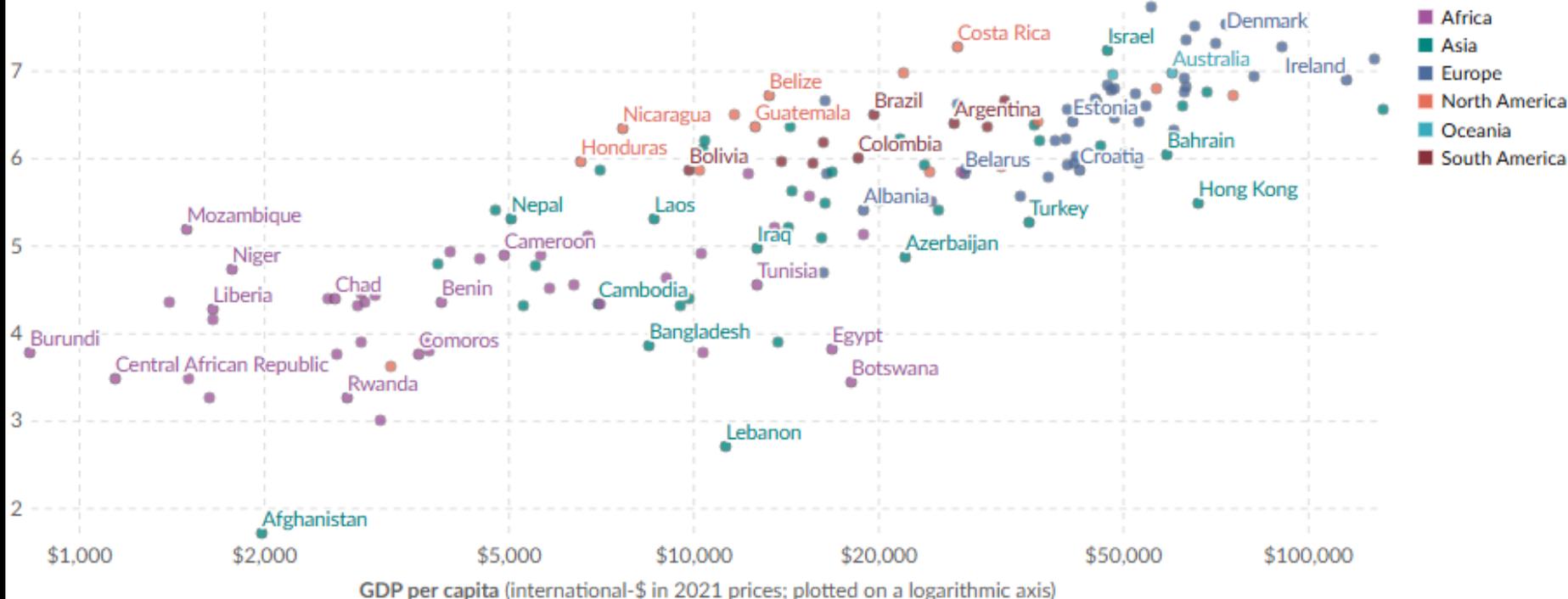
Table

Chart

Select countries and regions

Settings

Life satisfaction (0-10)



GDP and satisfaction

Self-reported life satisfaction vs. GDP per capita, United Kingdom, 2024

Our World
in Data

Self-reported life satisfaction is measured on a scale ranging from 0-10, where 10 is the highest possible life satisfaction. GDP per capita is adjusted for inflation and differences in living costs between countries.

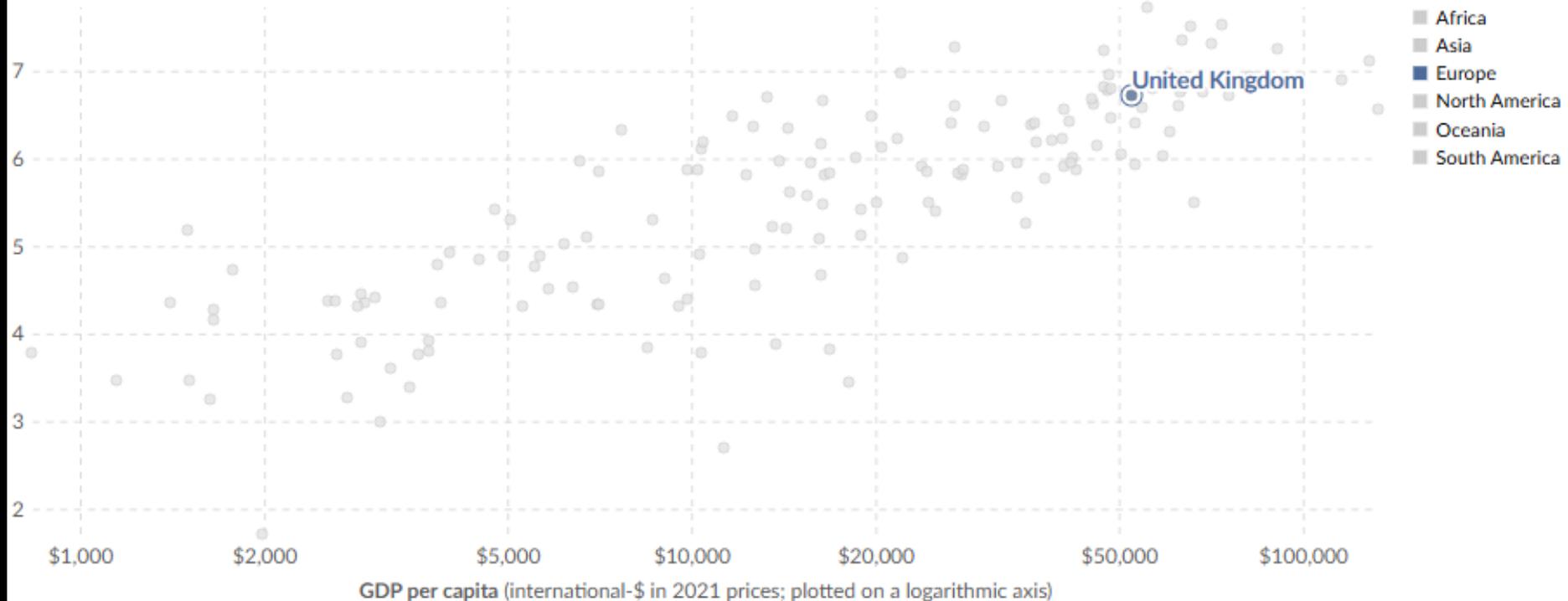
Table

Chart

Select countries and regions

Settings

Life satisfaction (0-10)



GDP and satisfaction

Self-reported life satisfaction vs. GDP per capita, Poland, 2011 to 2024

Our World
in Data

Self-reported life satisfaction is measured on a scale ranging from 0-10, where 10 is the highest possible life satisfaction. GDP per capita is adjusted for inflation and differences in living costs between countries.

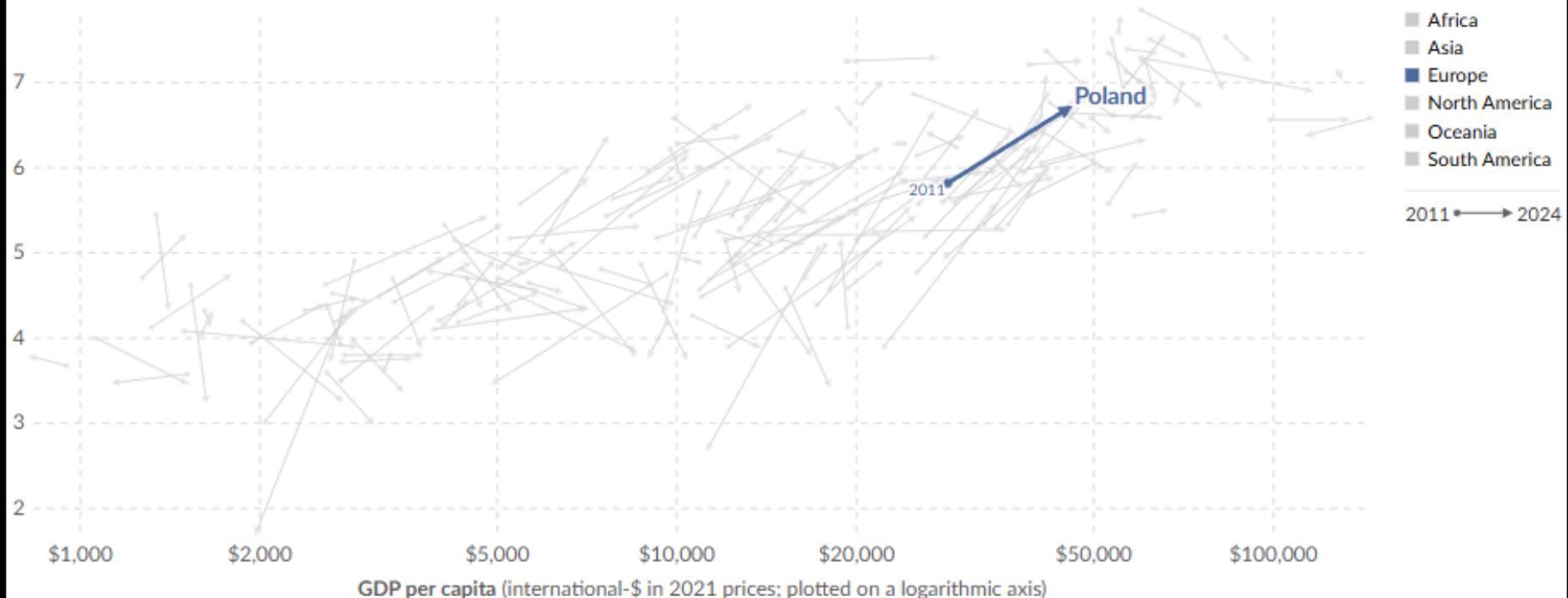
Table

Chart

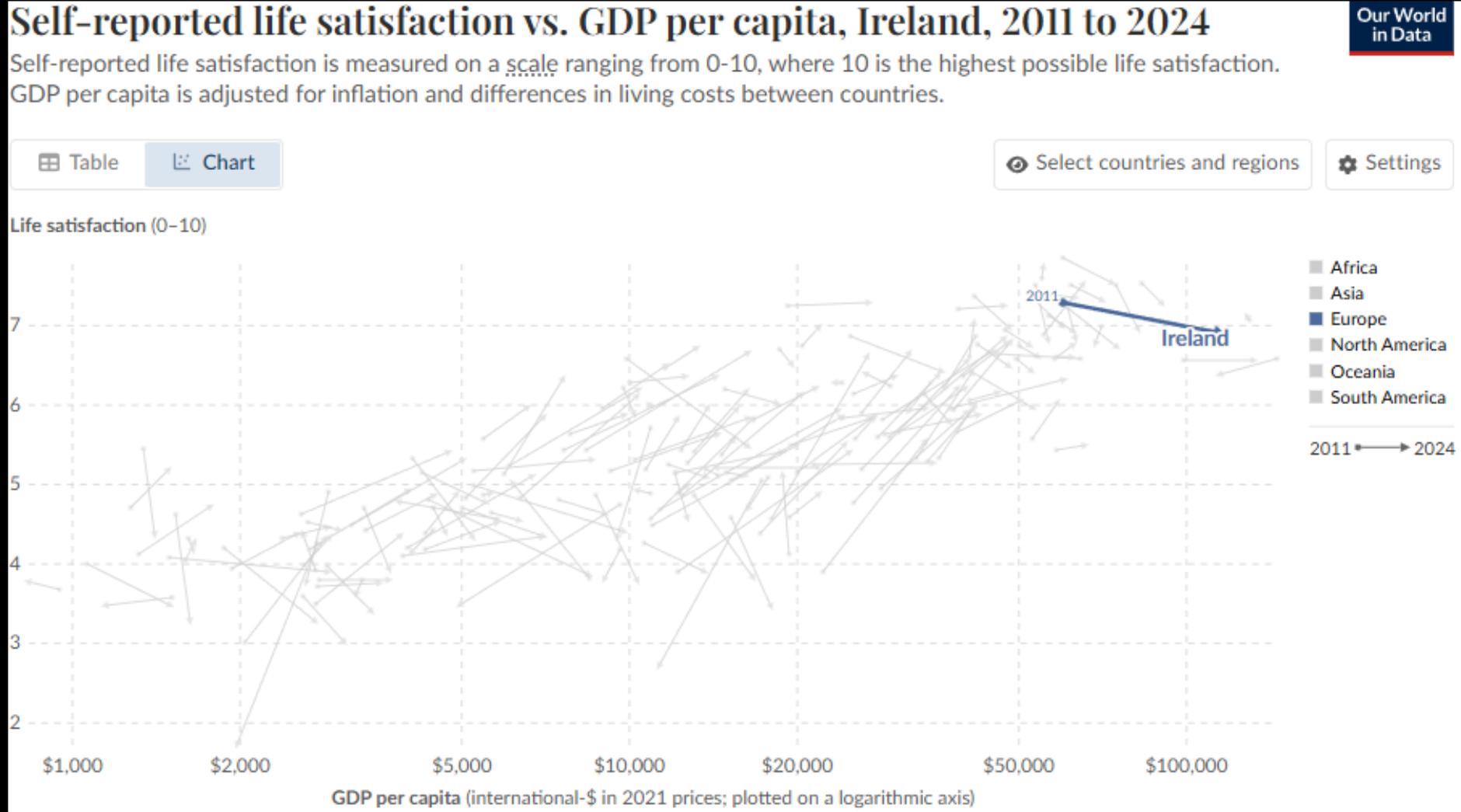
Select countries and regions

Settings

Life satisfaction (0-10)



GDP and satisfaction



GDP and satisfaction

Self-reported life satisfaction vs. GDP per capita, United Kingdom, 2011 to 2024

Our World
in Data

Self-reported life satisfaction is measured on a scale ranging from 0-10, where 10 is the highest possible life satisfaction. GDP per capita is adjusted for inflation and differences in living costs between countries.

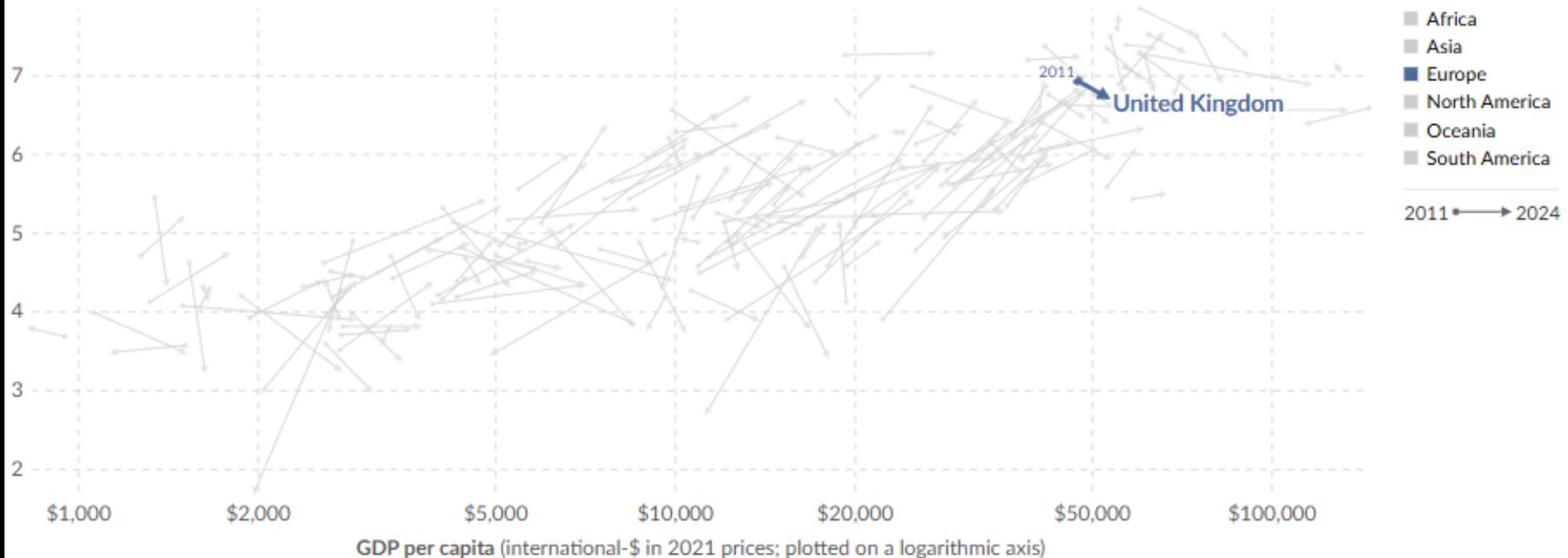
Table

Chart

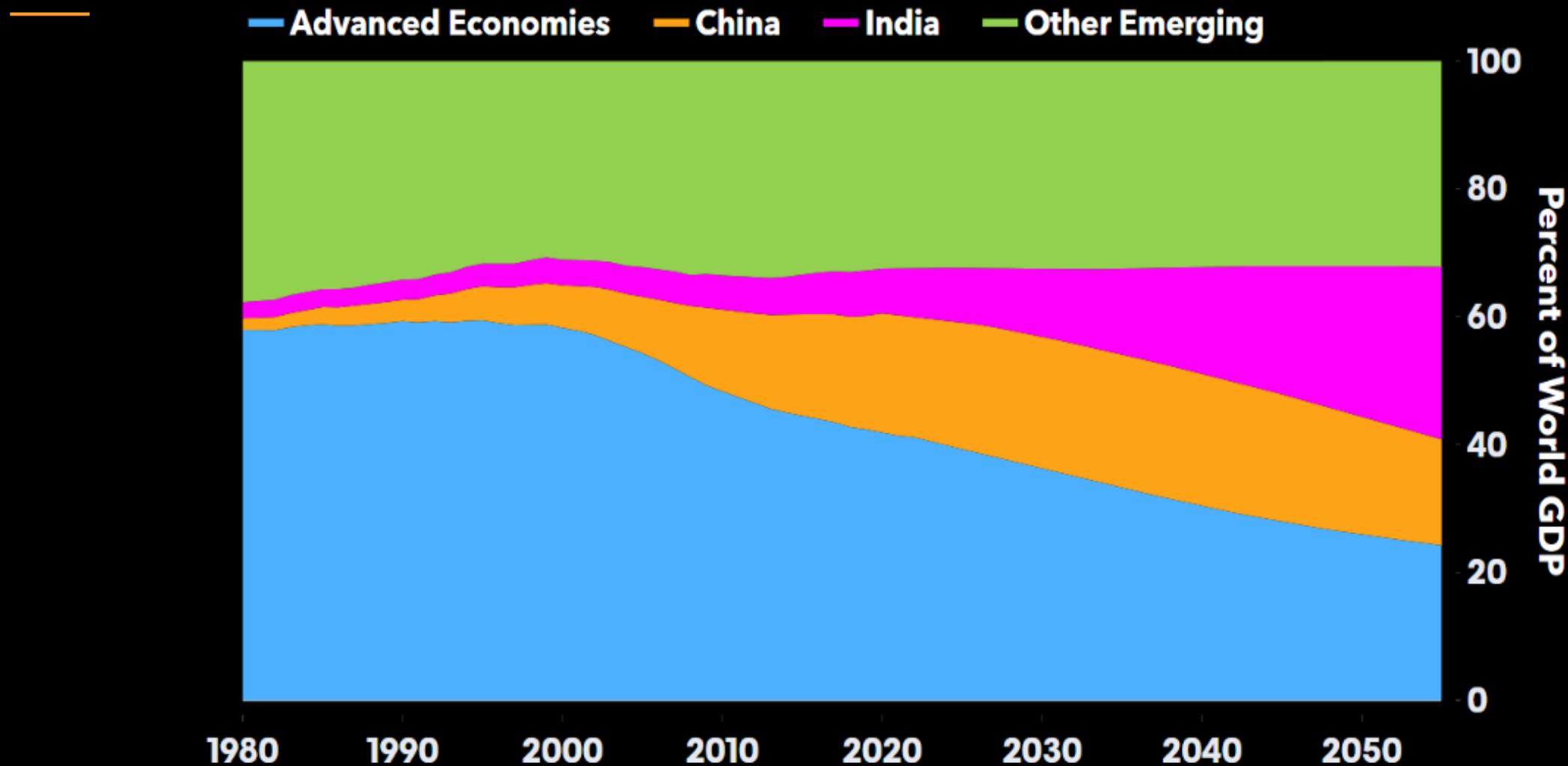
Select countries and regions

Settings

Life satisfaction (0-10)

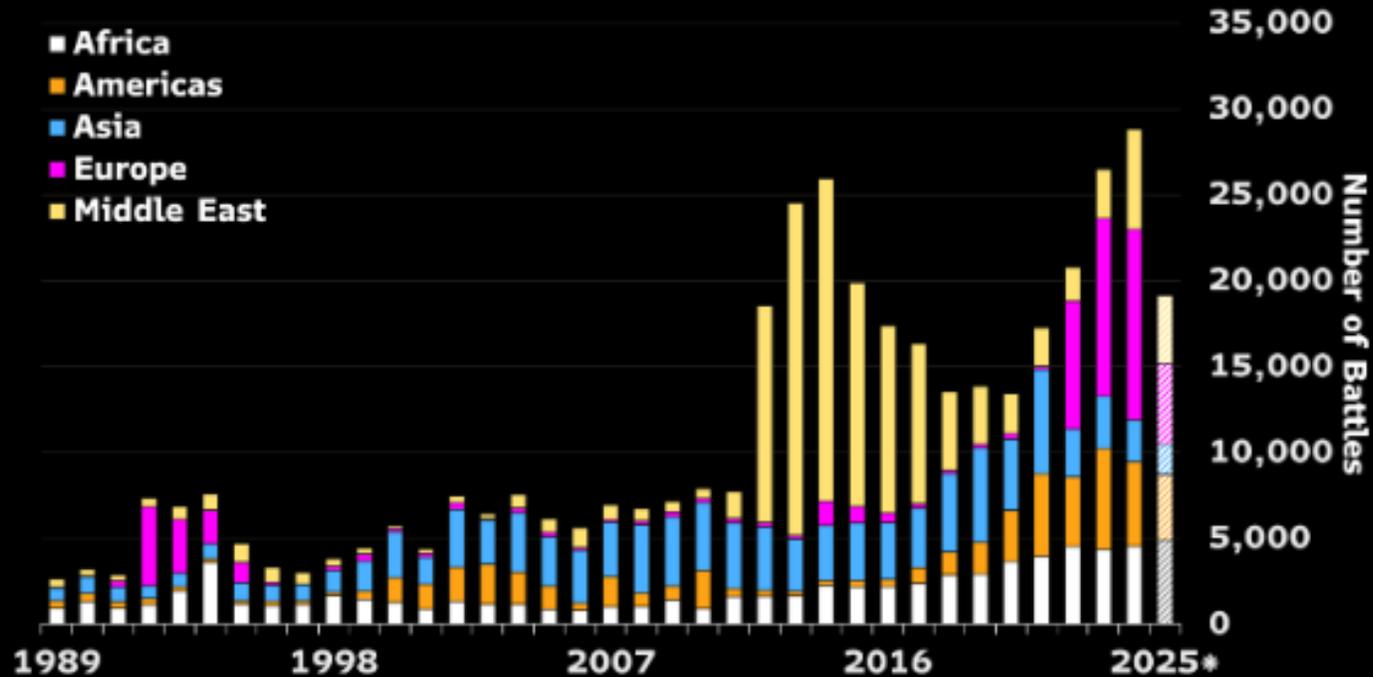


It is not good to be small in an increasingly divided world...



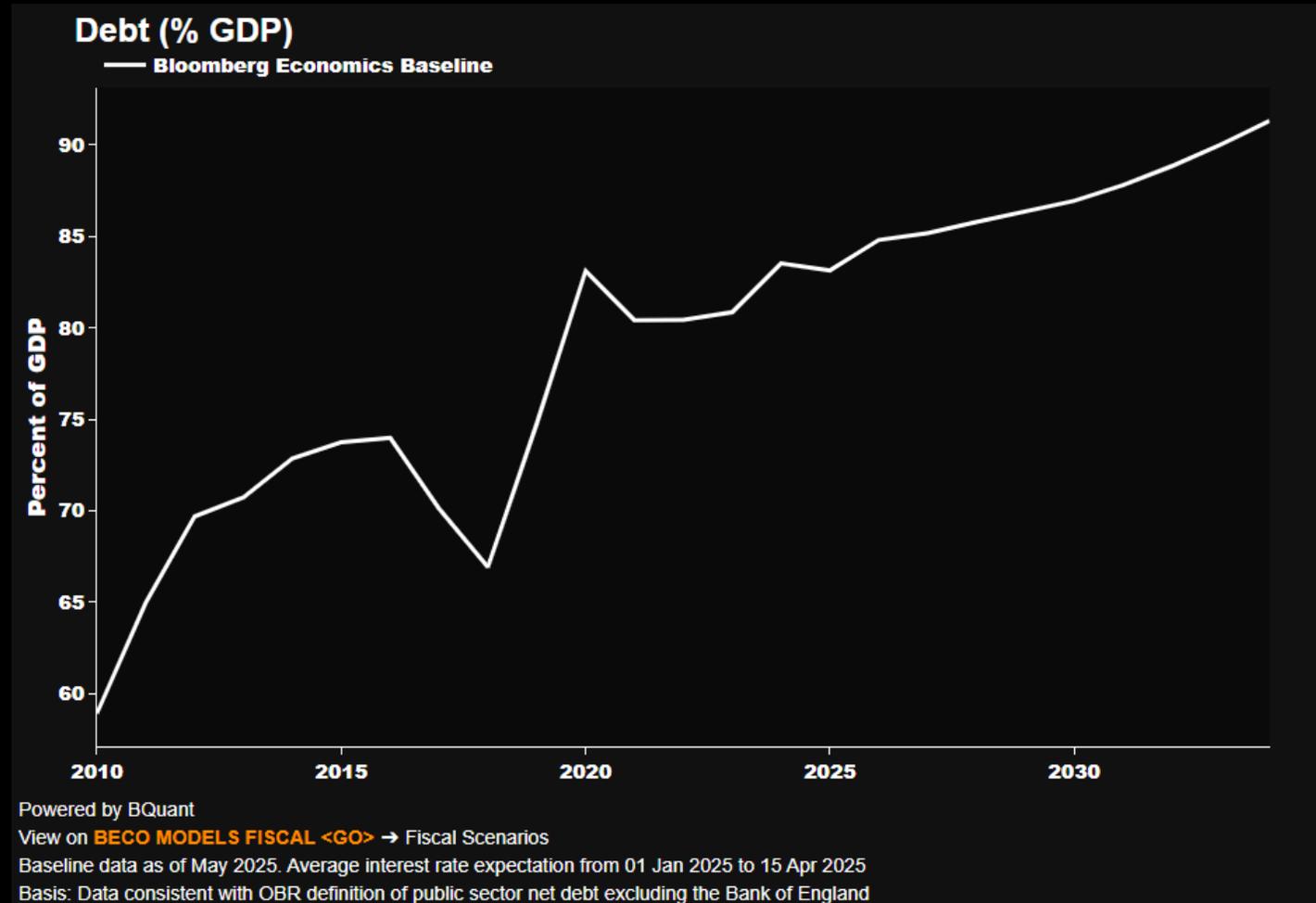
...with the American security guarantee in doubt

Increasing Incidence of Conflict

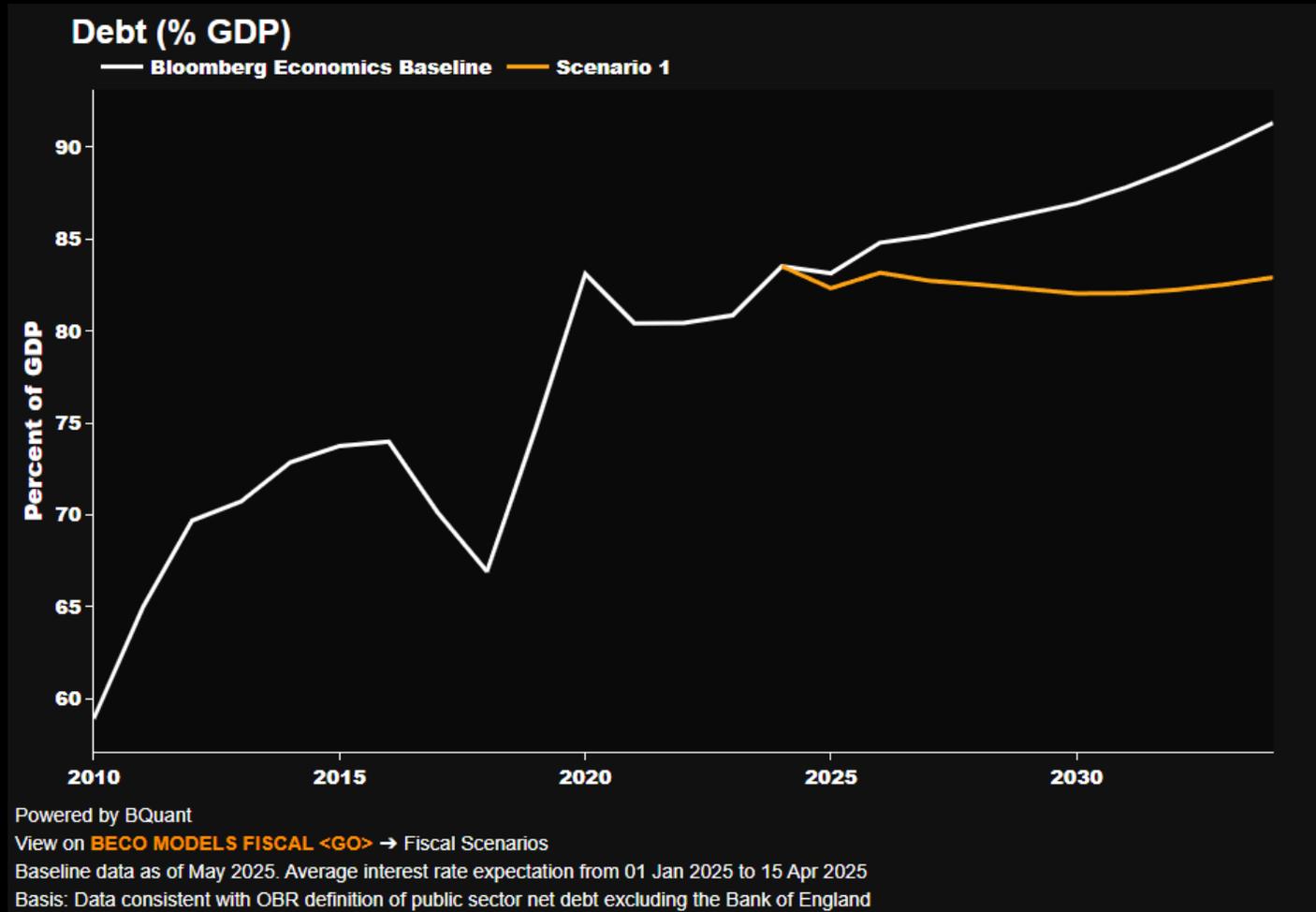


Source: Uppsala Conflict Data Program (UCDP). Note: Figures for 2025 reflect information available through August 2025. UCDP defines a battle as an event in which armed force is used by an organized actor against another organized actor, or against civilians, resulting in at least one direct death at a specific location and on a specific date.

The outlook for UK debt is, not great...



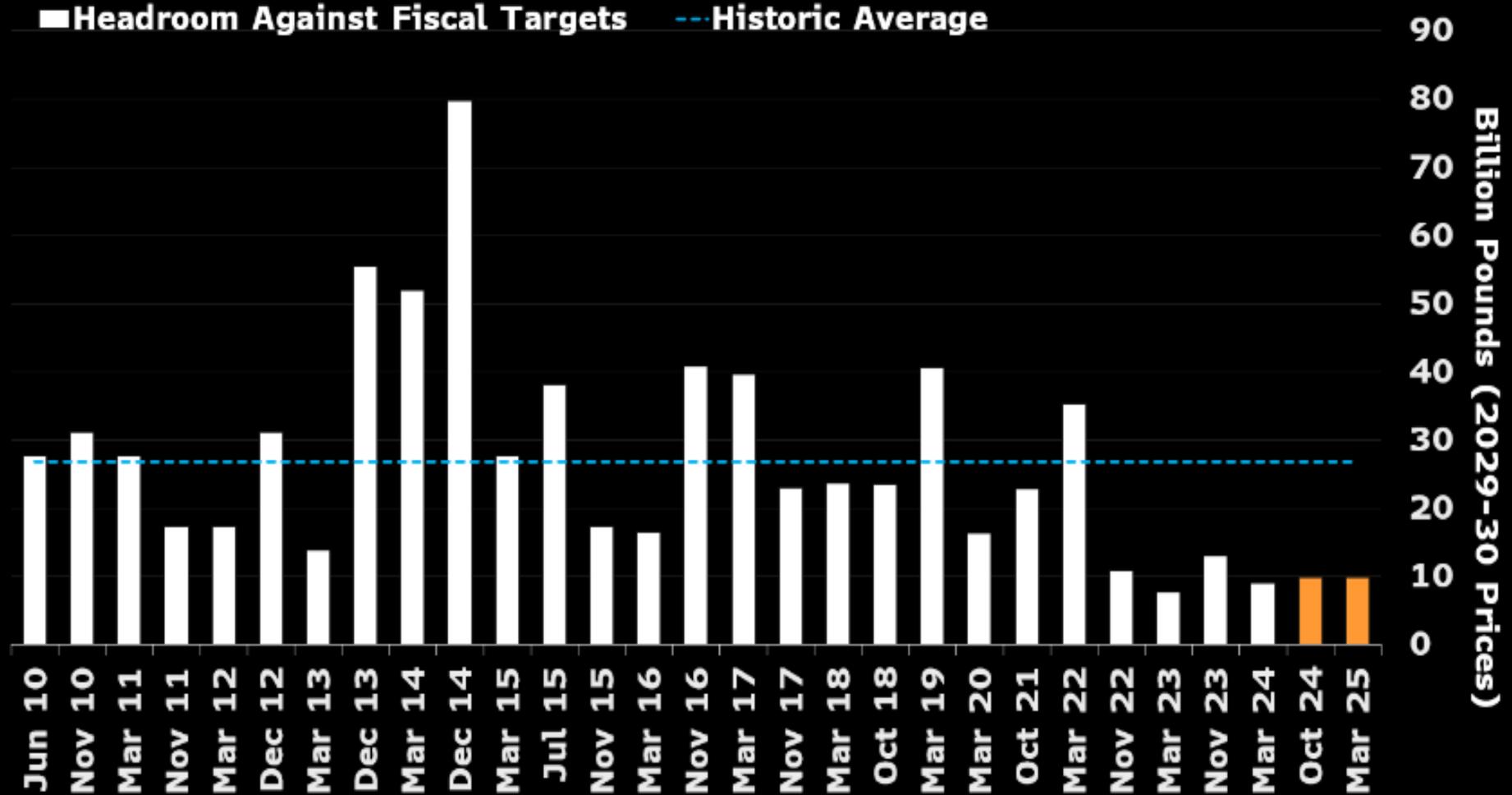
...a 1ppt boost to growth would help a lot.



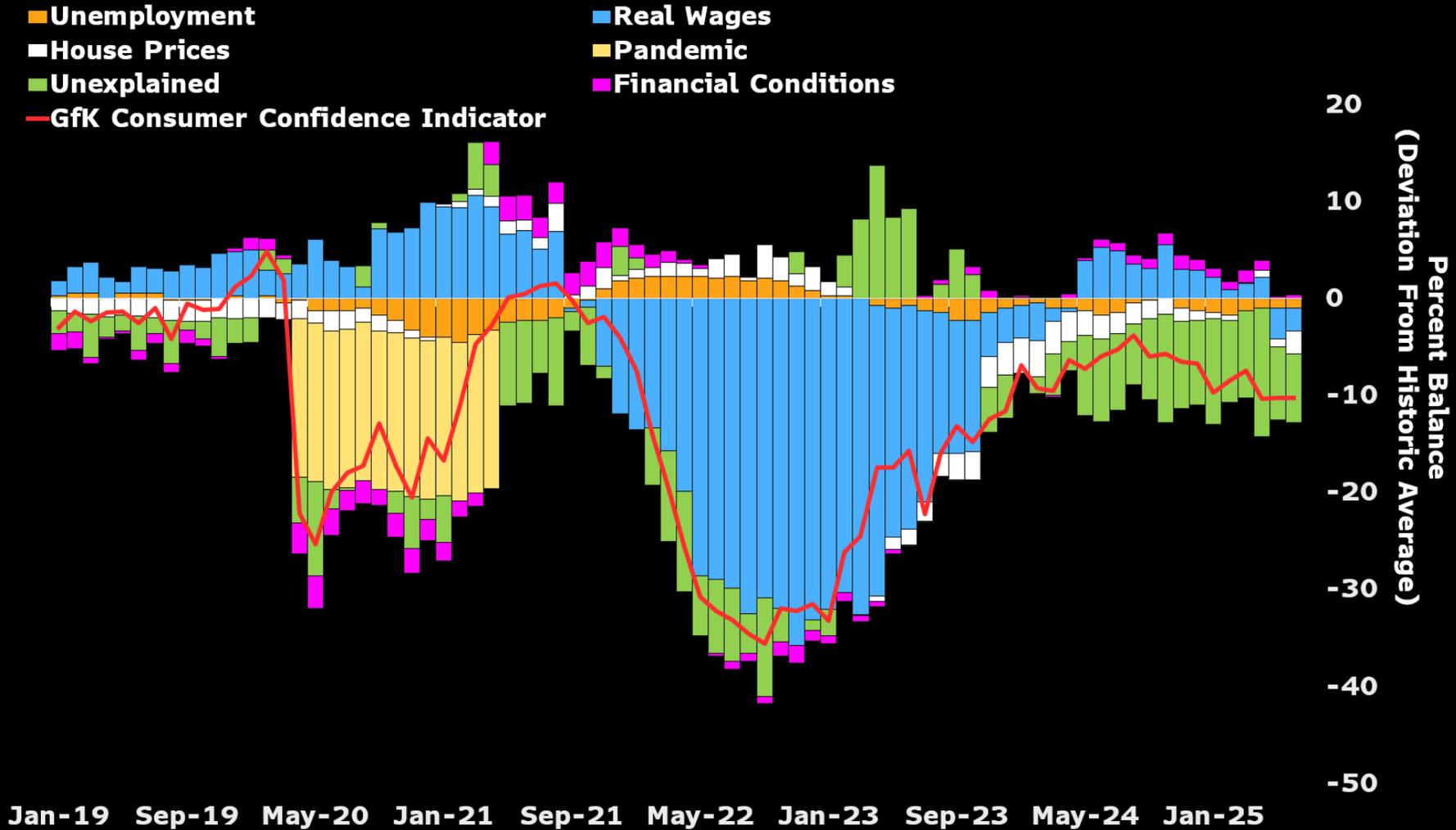
Getting the basics right



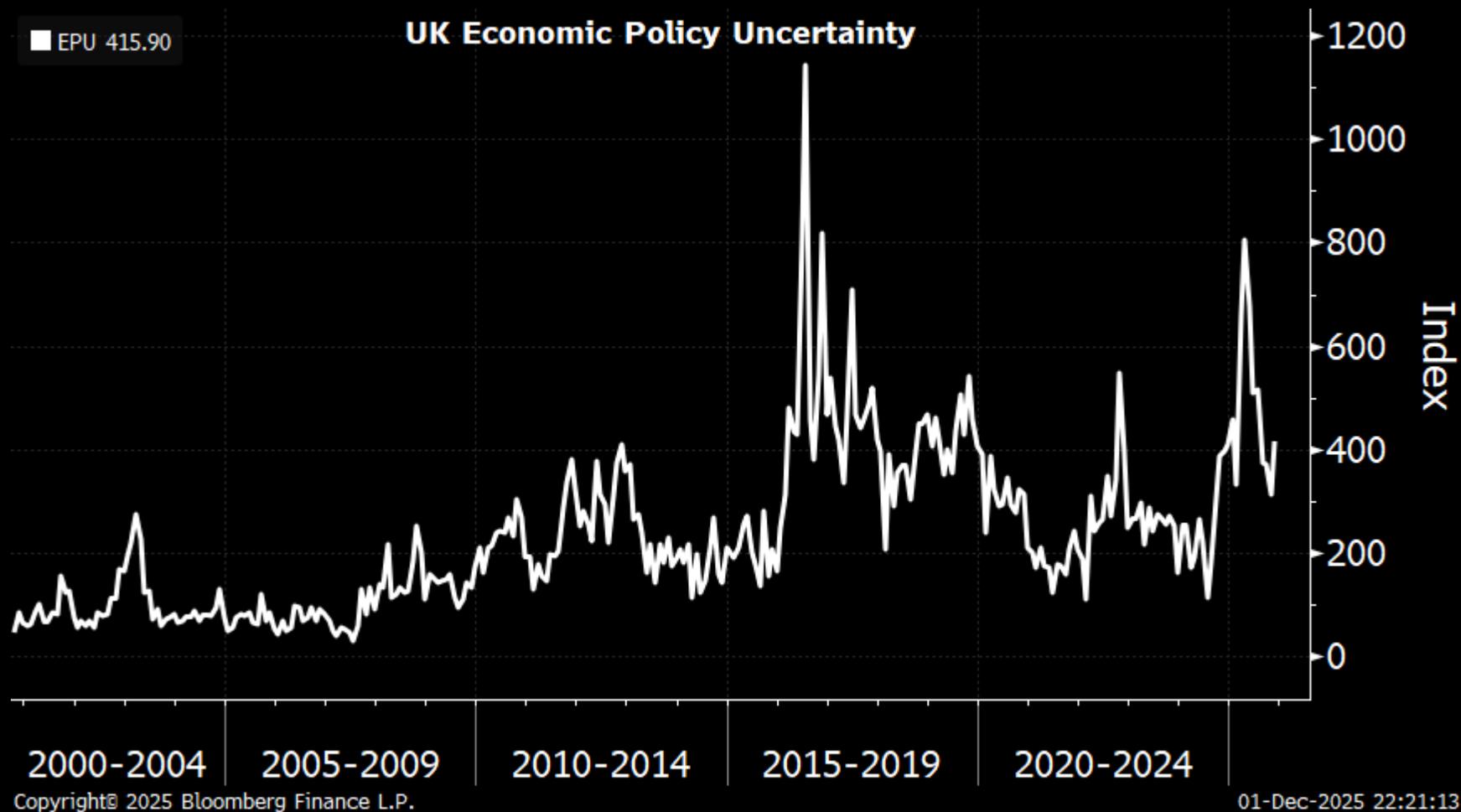
Fiscal buffers have been too small...



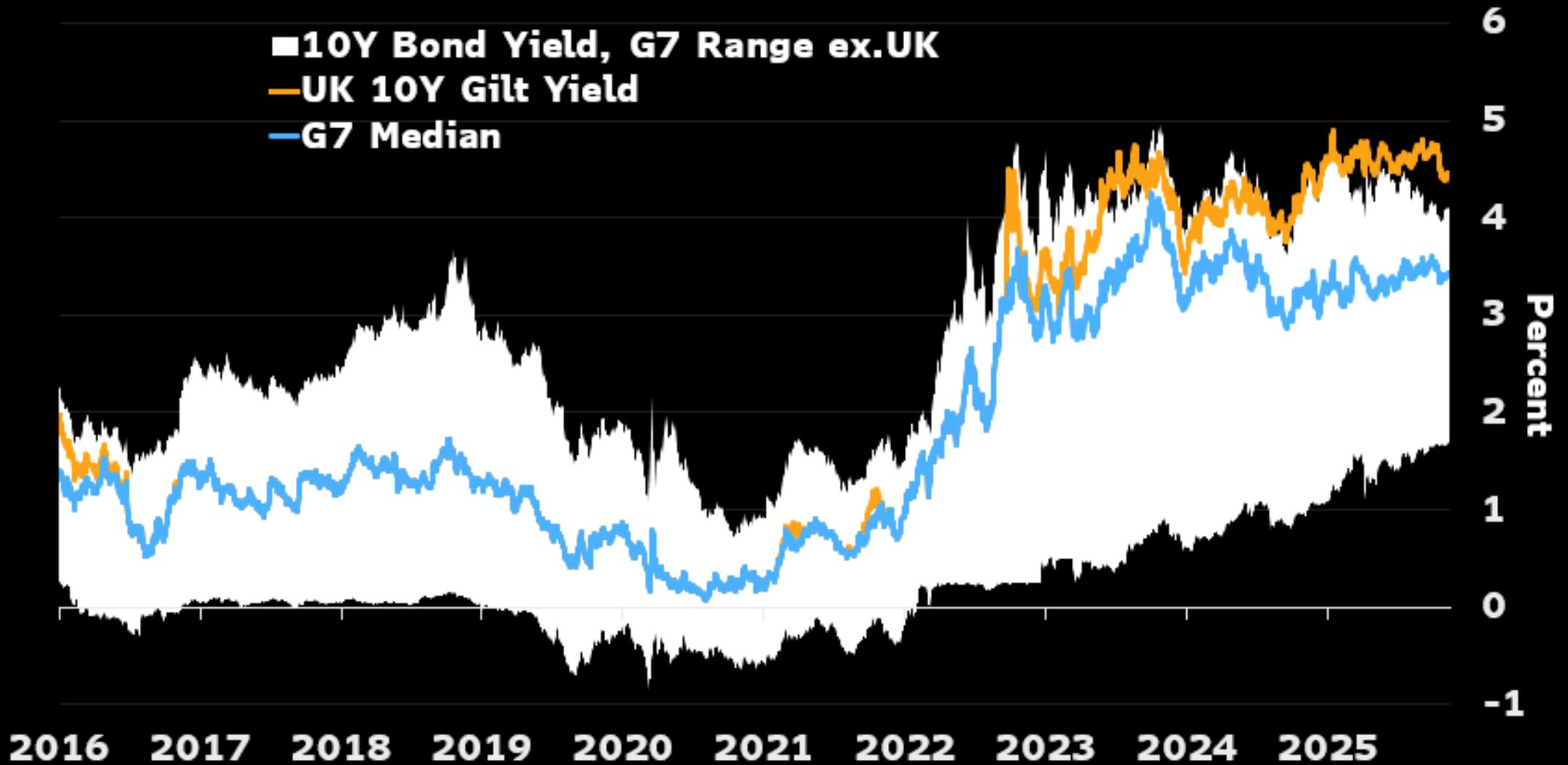
...that undermines confidence...



...and adds to uncertainty



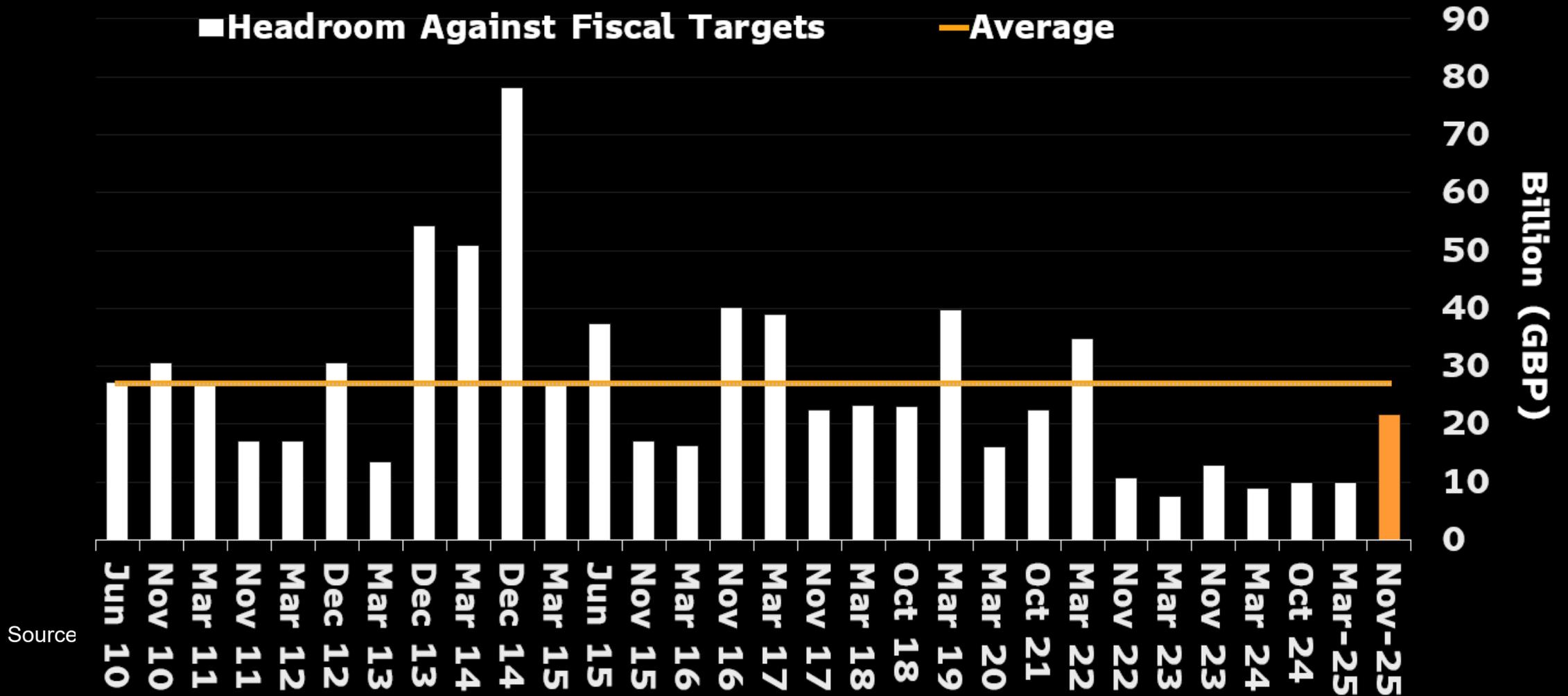
The UK pays more than peers to issue debt



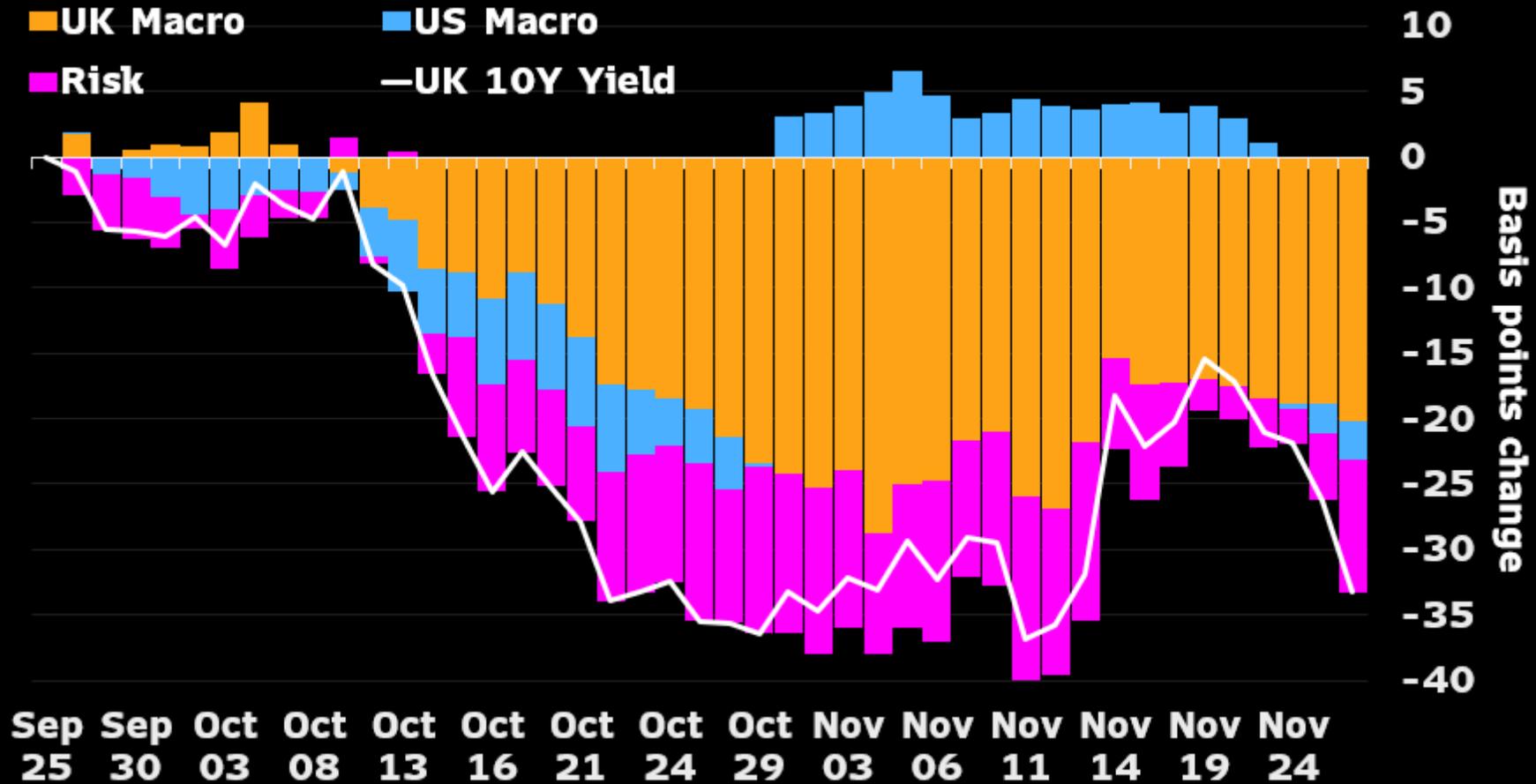
Are the basics right now?



Are the basics right?

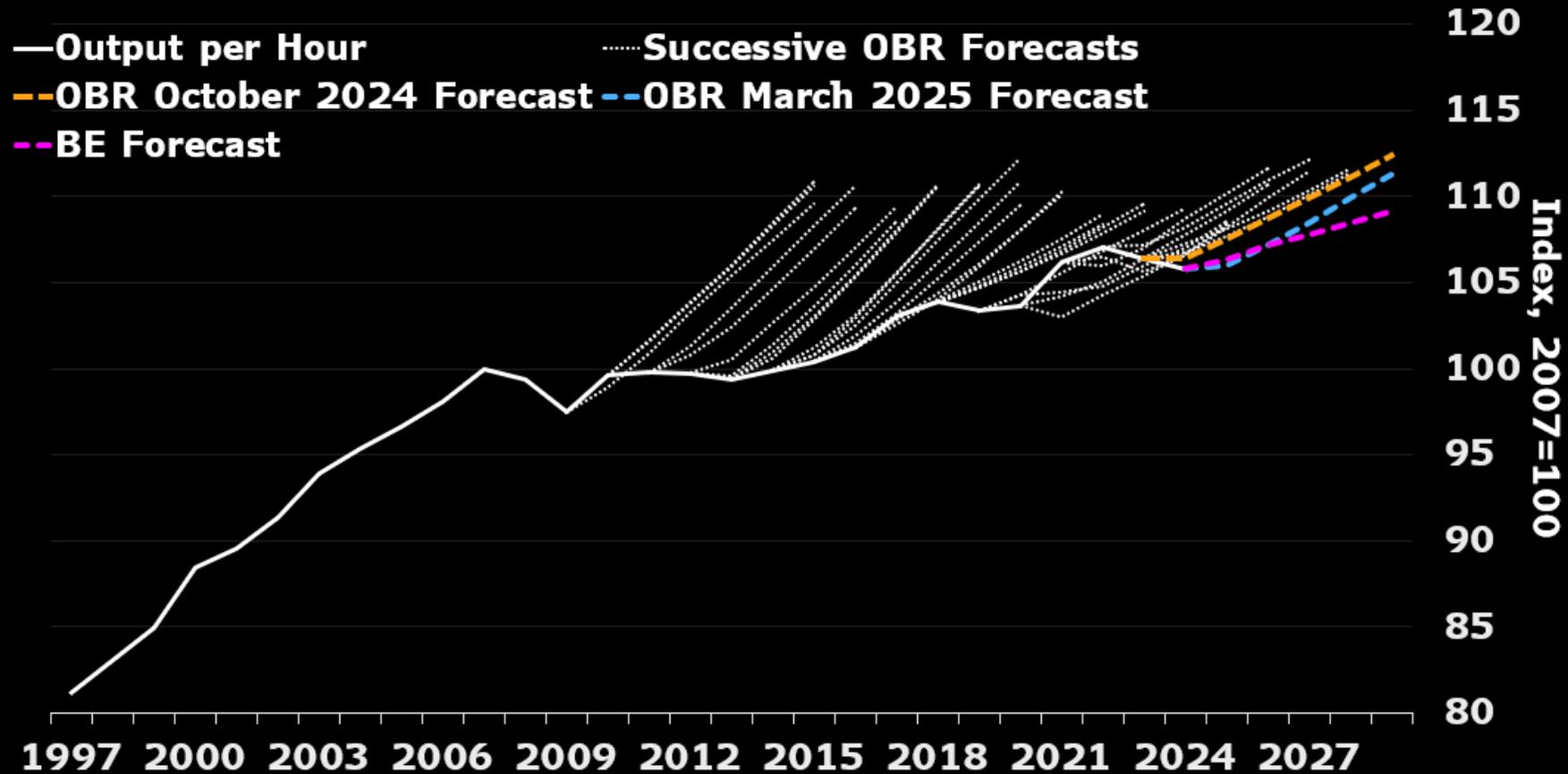


Are the basics right?



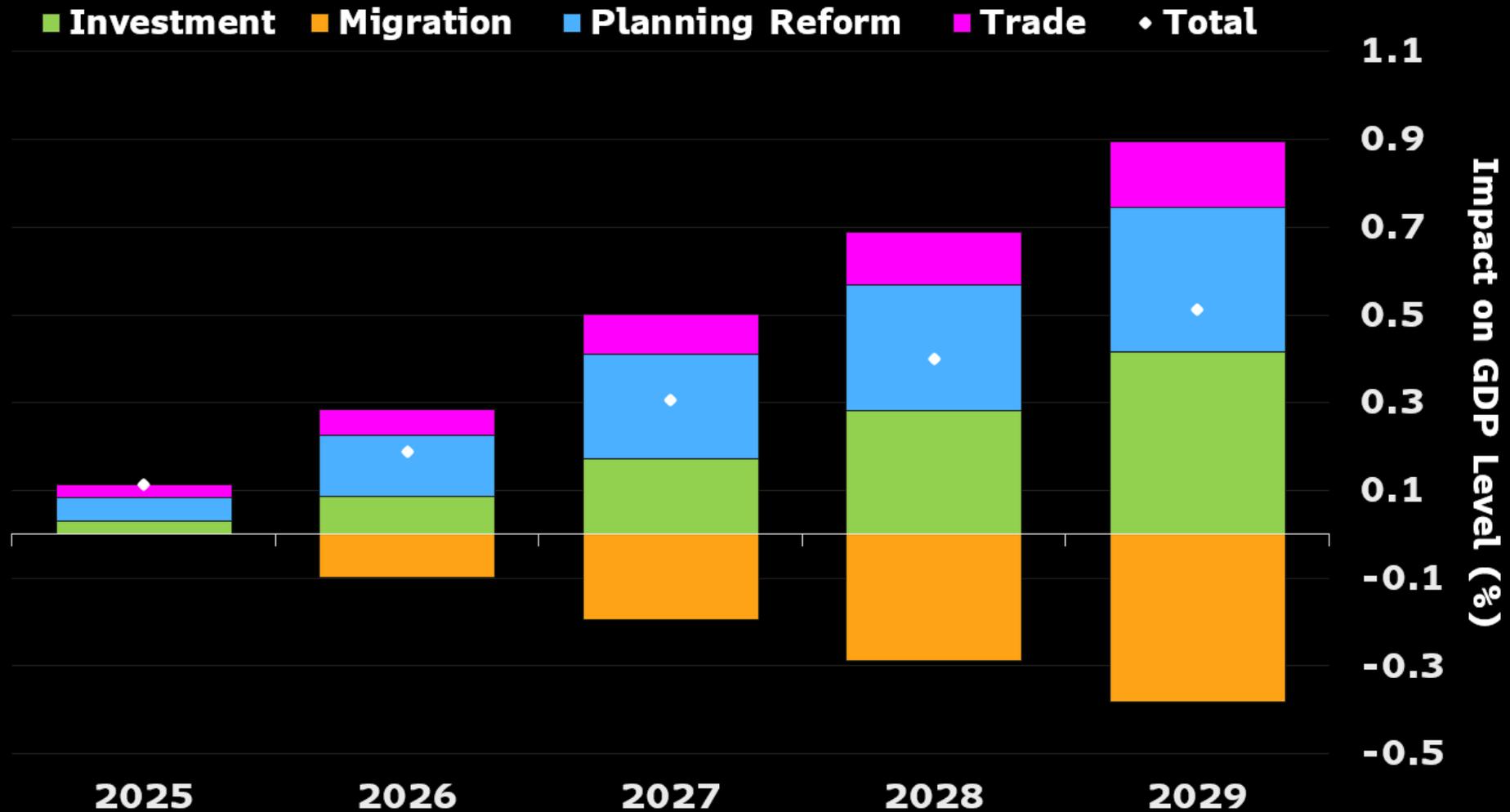
Source: Bloomberg Economics, OBR

The bigger problem: disappointment has become normal



Source: Bloomberg Economics, OBR

Our take on government measures - nothing radical



What will it take to turn things around:

- getting the basics right**
- tough conversations (over what's affordable)**
- a commitment to investment**
- an intense focus on the UK's long-term strengths**
- some luck (that could be AI).**

Fractured politics makes all this much harder to achieve.

It can be done.

And I'm optimistic about Britain's future.

Disclaimer

The data included in these materials are for illustrative purposes only. The BLOOMBERG TERMINAL service and Bloomberg data products (the “Services”) are owned and distributed by Bloomberg Finance L.P. (“BFLP”) except (i) in Argentina, Australia and certain jurisdictions in the Pacific Islands, Bermuda, China, India, Japan, Korea and New Zealand, where Bloomberg L.P. and its subsidiaries (“BLP”) distribute these products, and (ii) in Singapore and the jurisdictions serviced by Bloomberg’s Singapore office, where a subsidiary of BFLP distributes these products. BLP provides BFLP and its subsidiaries with global marketing and operational support and service. Certain features, functions, products and services are available only to sophisticated investors and only where permitted. BFLP, BLP and their affiliates do not guarantee the accuracy of prices or other information in the Services. Nothing in the Services shall constitute or be construed as an offering of financial instruments by BFLP, BLP or their affiliates, or as investment advice or recommendations by BFLP, BLP or their affiliates of an investment strategy or whether or not to “buy”, “sell” or “hold” an investment. Information available via the Services should not be considered as information sufficient upon which to base an investment decision. The following are trademarks and service marks of BFLP, a Delaware limited partnership, or its subsidiaries: BLOOMBERG, BLOOMBERG ANYWHERE, BLOOMBERG MARKETS, BLOOMBERG NEWS, BLOOMBERG PROFESSIONAL, BLOOMBERG TERMINAL and BLOOMBERG.COM. Absence of any trademark or service mark from this list does not waive Bloomberg’s intellectual property rights in that name, mark or logo. All rights reserved. © 2025 Bloomberg.

Bloomberg Intelligence is a service provided by Bloomberg Finance L.P. and its affiliates. Bloomberg Intelligence likewise shall not constitute, nor be construed as, investment advice or investment recommendations, or as information sufficient upon which to base an investment decision. The Bloomberg Intelligence function, and the information provided by Bloomberg Intelligence, is impersonal and is not based on the consideration of any customer’s individual circumstances. You should determine on your own whether you agree with Bloomberg Intelligence.

Bloomberg Intelligence Credit and Company research is offered only in certain jurisdictions. Bloomberg Intelligence should not be construed as tax or accounting advice or as a service designed to facilitate any Bloomberg Intelligence subscriber’s compliance with its tax, accounting, or other legal obligations. Employees involved in Bloomberg Intelligence may hold positions in the securities analyzed or discussed on Bloomberg Intelligence.