The European Union oversees the exportation and importation of the products sold inside the EU. Eg: In the UK we are only allowed to export so much per year, it regulates competition to keep all prices low for those in the EU. Eg: Audi can’t sell cars in the EU above a certain price to keep prices low, whereas if sold in Australia, a country outside the EU, prices are much higher as the rules do not apply. The EU standardises the products for all traders. Eg: Most countries in the EU have the standard two leg plug.

The UK government creates and regulates laws which control most of the businesses in the UK. Eg: The UK government will not allow you to employ people for below minimum wage. The UK government attract foreign business to increase employment opportunities. Eg: There are Apple stores across the UK to employ people to sell their goods in our country.

The local government enforces and upholds the UK law to maintain the equality within the business sector. Eg: The Government will control traffic around the area of the business to allow customers to access the building. The local government gives opportunities to the businesses by opening advice centres where you can go to get advice on how to expand your business.

The government control who is on benefits so less people who abuse the benefit system waste the money when it could be going to the places which need it most such as the local school and hospitals. The more people spend money the lower the taxes will have to be as they get more on the VAT instead of the normal taxes. The government also invests in businesses in the form of advice and enterprise centres, they give you advice on how to set up or improve your business. The more businesses there are the more produce is made so we can export more to get more money rather than import which we will have to pay for. We need to spend money so the government can collect the VAT to build and improve schools, our health care, the government issued buildings and giving people benefits. This is called the economy cycle so we can keep the money coming in to our government, in return coming back to us.