

- 4 The Bureau of Alcohol, Tobacco, Firearms and Explosives is a branch of the United States Government which regulates markets.

What does its name imply is most likely to be its main responsibility?

- A to prevent harm from demerit goods
 - B to provide subsidies for essential goods
 - C to raise revenue from goods in elastic demand
 - D to safeguard employment in manufacturing industry
- 5 What is treated as a variable in constructing a market demand curve?
- A consumers' tastes
 - B the distribution of income
 - C the price of related goods
 - D the price of the good
- 6 The diagram shows how the quantity demanded of four goods changes as income changes.
- Which good has an income elasticity of demand which is always +1?

