

23 When can a policy be classified as macroeconomic?

- A** when it focuses on the level of individual welfare
- B** when it involves economy-wide institutions and behaviour
- C** when it is based on the control of monopoly markets
- D** when it relies on the use of buffer stock schemes

24 The demand for a country's exports is price elastic.

If it is experiencing a deficit on the current account of its balance of payments, which combination of policies is most likely to correct the deficit?

	rate of interest	exchange rate	standard rate of income tax
A	decrease	appreciate	keep unchanged
B	decrease	depreciate	decrease
C	increase	keep unchanged	decrease
D	keep unchanged	depreciate	increase

25 What is an unintended consequence of the US government restricting imports of cheap Chinese steel?

- A** US importers of steel pay lower prices for steel.
- B** US manufacturers become less competitive.
- C** US steel makers increase steel production.
- D** US steel workers receive higher incomes.

26 What is an export of services in Jamaica's current account?

- A** an inflow of funds to Jamaica to buy shares
- B** earnings from US tourists visiting Jamaica
- C** earnings of Haitian workers in Jamaica sent to Haiti
- D** the export of Jamaican coffee