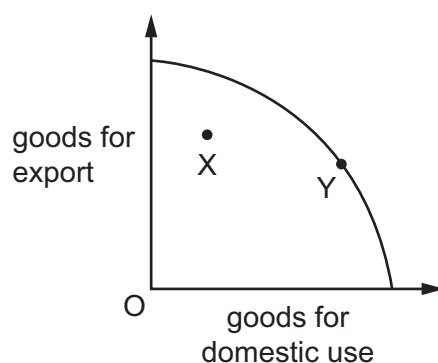


- 1 Why is choice central to the economic problem?
- A Different governments have different objectives.
 - B Firms have access to unlimited resources.
 - C Most resources have alternative uses.
 - D People's wants are limited.
- 2 Which change in economic system is likely to result in the greatest rise in unemployment combined with the greatest fall in economic regulation?
- A market to mixed
 - B mixed to planned
 - C planned to market
 - D planned to mixed
- 3 The diagram shows a production possibility curve for an economy.



What might cause the movement from X to Y?

- A a more efficient use of resources
 - B an increased emphasis on international trade
 - C growth in the productive capacity of the economy
 - D new innovations and technology
- 4 During a period of deflation an economy's aggregate monetary demand falls.
- Which function of money explains this fall?
- A a measure of value
 - B a medium of exchange
 - C a standard for deferred payment
 - D a store of value