

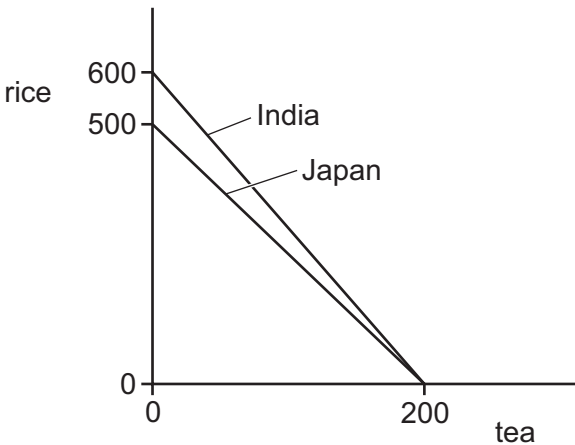
22 The table shows data on the Japanese balance of trade in goods.

year	exchange rate yen / dollar	exports \$bn	imports \$bn
2016	109	635	585
2017	111	689	645

What can be concluded from this data?

- A The demand for Japanese exports was price inelastic.
- B The Japanese current account was in surplus.
- C The majority of Japanese imports were essential goods.
- D The Marshall–Lerner condition for Japan is greater than 1.

23 The diagram shows production possibility curves for two countries, India and Japan.



Which combination of outputs would be achieved if each country specialised in the product in which it has a comparative advantage?

	rice	tea
A	600	200
B	600	500
C	1200	200
D	1200	1000