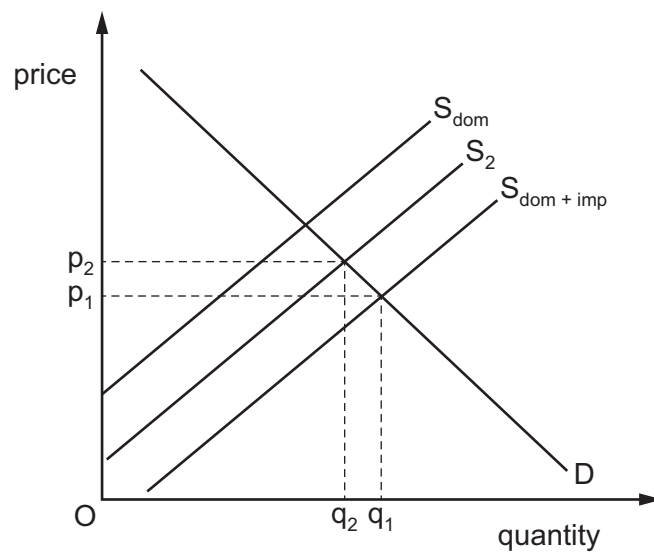


- 29 The diagram shows the market for both domestic and imported computers for an economy. The world price is  $p_1$ .



Which government policy would lead to a price of  $p_2$ ?

- A an embargo on imports
  - B an exchange rate appreciation
  - C a subsidy to domestic producers
  - D a tariff on imports
- 30 What is **not** a likely cause of a deficit in the current account of the balance of payments?
- A Consumer spending is low.
  - B Primary incomes in the form of investment income are low.
  - C The rate of exchange is high.
  - D Wage costs of production are high.