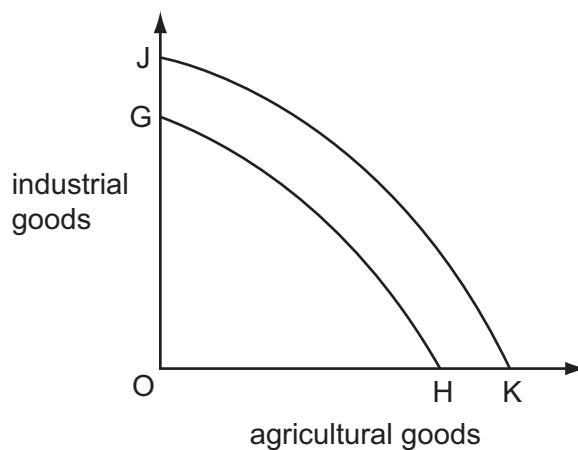


- 1 What is a characteristic of a planned economy?
- A All property is owned privately.
 - B All resources are allocated centrally.
 - C Supply and demand always determine prices.
 - D There is competition in most markets.
- 2 In the diagram, JK is an economy's production possibility curve.



What could cause the curve to shift to GH?

- A a decrease in innovation
 - B an increase in the retirement age
 - C an increase in the price of energy
 - D an increase in the unemployment rate
- 3 The growing domestic, agricultural and industrial demand for water is leading to a world shortage of water.
- Which change would reduce this problem of water scarcity?
- A an increase in demand for food
 - B an increase in population growth
 - C climate change which leads to lower rainfall
 - D more efficient water management