

- 20** Which argument is an importer most likely to use to gain the support of consumers for free trade?
- A** More imports allow the government to raise revenue from tariffs.
 - B** More imports improve the country's terms of trade.
 - C** More imports increase competition in the domestic economy.
 - D** More imports raise total employment in the domestic economy.

- 21** A country is a major producer of cotton. Its government imposes a tax on exports of its cotton.

What effect will this have on the price of cotton in the domestic and world markets?

| | domestic price | world price |
|----------|----------------|-------------|
| A | decrease | decrease |
| B | decrease | increase |
| C | increase | decrease |
| D | increase | increase |

- 22** A US company receives a US\$20 million dividend from shares that it owns in a Brazilian company.

How would this dividend be shown in the balance of payments of the United States?

- A** a credit in the capital account
 - B** a credit in the current account
 - C** a debit in the capital account
 - D** a debit in the current account
- 23** In 2007 Turkey had a population of 73m. Its labour force was 36m, of which 12m were trained for the primary sector and 24m were trained for the secondary and tertiary sectors. The unemployment rate was 10%.

What was the number of people unemployed?

- A** 1.2m **B** 2.4m **C** 3.6m **D** 7.3m