

- 1 A good is most suitable to be provided by the market if it is
- A excludable and non-rival.
  - B excludable and rival.
  - C non-excludable and non-rival.
  - D non-excludable and rival.
- 2 What is the definition of *long run*?
- A the time period when all factors of production are specialised
  - B the time period when all factors of production are variable
  - C the time period when all key inputs into production are variable
  - D the time period when at least one factor of production is fixed

- 3 The table states the consequences of two macroeconomic policies.

What correctly identifies whether the statements are normative or positive?

	a depreciation of an exchange rate will cause the balance of payments to improve	a rise in the minimum wage rate will cause unemployment to rise
A	normative	normative
B	normative	positive
C	positive	normative
D	positive	positive