13 What is the most likely cause of the continuous increase in prices of famous paintings by now dead artists?

A   the increasing technological ability to copy famous paintings perfectly

B   the popular view that famous paintings are an appreciating asset

C   the totally inelastic supply of famous paintings by dead artists

D   the wish of governments to treat art galleries as merit goods

14 What is most likely to be regressive?

A   corporate profit taxes

B   state pension benefits

C   specific tax on cigarettes

D   unemployment benefits

15 What is necessary for an action to be classed as a transfer payment?

A   It must include a cash payment.

B   It must involve a banking transaction.

C   It must originate from government activity.

D   It must relate to a non-productive activity.

16 The government imposes a specific indirect tax of $1 on each unit of a good sold.

How does the imposition of the tax shift the demand or supply curve of the good?

A   The demand curve of the good will shift vertically downwards by $1.

B   The demand curve of the good will shift vertically upwards by $1.

C   The supply curve of the good will shift vertically downwards by $1.

D   The supply curve of the good will shift vertically upwards by $1.

17 Which term relates to a fall in the domestic real value of a currency?

A   deflation

B   depreciation

C   appreciation

D   inflation