

- 22 The table shows the relative price of exports compared with imports expressed as an index number for an economy (2013 = 100).

date	index
2013	100
2014	97
2015	95

Which statement about the period 2013–2015 is correct?

- A Export prices have increased each year.
  - B The general level of prices has fallen.
  - C The terms of trade have deteriorated.
  - D The volume of imports increasingly exceeds the volume of exports.
- 23 Country X and country Y each allocate half of their resources towards the manufacturing of shoes, and the other half towards the manufacturing of t-shirts. Resources can be used equally effectively in the production of both products in both countries.

The table shows the output of shoes and t-shirts produced by both countries using half their resources in each case, before specialisation.

country	shoes	t-shirts
X	4 000	12 000
Y	2 000	8 000
total	6 000	20 000

What can be concluded from the data?

- A The opportunity cost of country Y producing two shoes is four t-shirts.
  - B The opportunity cost of country X producing one t-shirt is four shoes.
  - C The total output of shoes and t-shirts after specialisation would be 24 000.
  - D The total output of shoes and t-shirts after specialisation would be 28 000.
- 24 Which government action is **least** likely to prevent a fall in economic growth?
- A additional controls on commercial banks' lending
  - B relaxation of rules for immigration of adult population
  - C removal of trade barriers on import of raw materials
  - D training and education of workforce