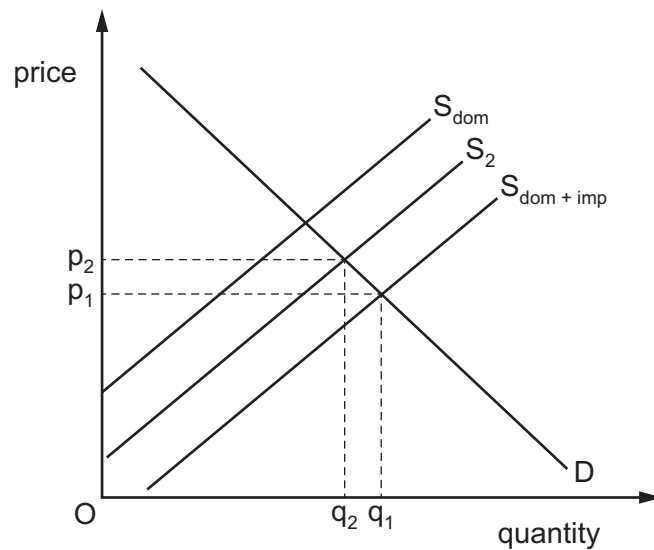


- 29 The diagram shows the market for both domestic and imported computers for an economy. The world price is p_1 .



Which government policy would lead to a price of p_2 ?

- A an embargo on imports
 - B an exchange rate appreciation
 - C a subsidy to domestic producers
 - D a tariff on imports
- 30 What is **not** a likely cause of a deficit in the current account of the balance of payments?
- A Consumer spending is low.
 - B Primary incomes in the form of investment income are low.
 - C The rate of exchange is high.
 - D Wage costs of production are high.