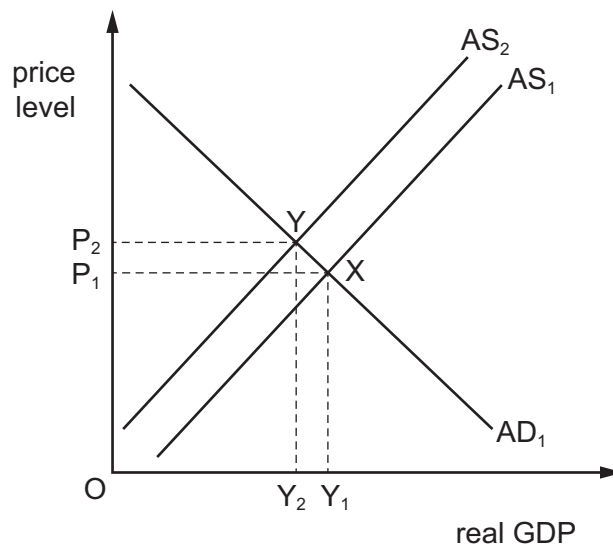


- 20 The diagram shows the original aggregate demand curve,  $AD_1$ , and original aggregate supply curve,  $AS_1$ . The original equilibrium is at X.



What would cause the new equilibrium to be at Y?

- A an increase in export prices
  - B an increase in government spending on education
  - C an increase in import prices
  - D an increase in the money supply
- 21 What is **not** an example of protectionism?
- A the European Union (EU) requiring goods imported into member states to meet safety standards
  - B the Pakistan government increasing the rate of goods and services tax, GST, on some exported goods from 2% to 5%
  - C the Nigeria government banning the import of packaged sugar
  - D the US imposing a 35% tariff on tyres imported from China