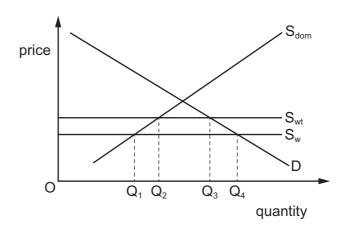
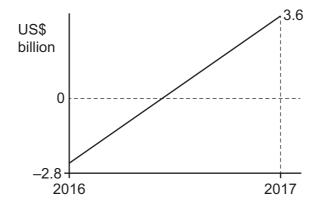
26 The diagram shows the effects of the imposition of a tariff on an internationally-traded good. S_{dom} is the supply and D the demand in country R. S_{w} is the world supply curve of the product and S_{wt} is the world supply curve after the imposition of a tariff by country R.



Which combination describes the effect on domestic supply of and demand for the good in country R after the imposition of the tariff?

	demand	domestic supply
Α	falls	falls
В	falls	rises
С	rises	falls
D	rises	rises

27 The graph shows the change in the current account of Belgium's balance of payments from 2016 to 2017.



What will be the **most** likely impact of the change shown by the graph on Belgium's domestic economy?

- A a fall in the rate of economic growth
- **B** a fall in the foreign currency reserves
- **C** a fall in the number of unemployed
- **D** a fall in the rate of inflation