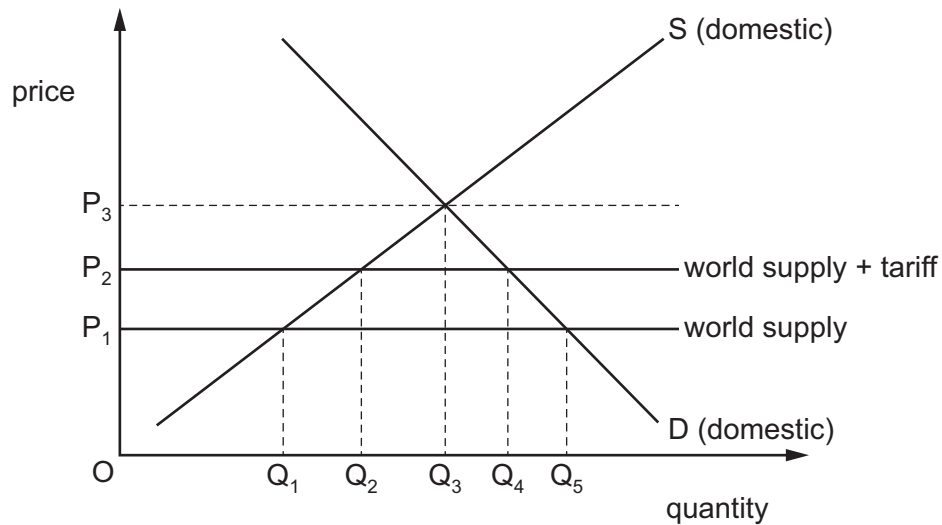


**27** The diagram shows the domestic and world demand and supply for a good.



The government imposes a tariff on imports of the good.

What will happen to the quantity imported?

- A** It will fall from  $Q_1Q_3$  to  $Q_2Q_3$ .
- B** It will fall from  $Q_1Q_5$  to  $Q_2Q_4$ .
- C** It will fall from  $Q_2Q_5$  to  $Q_3Q_4$ .
- D** It will fall from  $OQ_5$  to  $OQ_4$ .

**28** What is an example of a supply-side policy?

- A** an import quota to restrict the supply of goods
- B** a rise in interest rates to encourage the supply of savings
- C** a specific tax on the supply of goods to raise revenue
- D** a subsidy to businesses to promote the supply of training courses