

22 What is **not** a government macroeconomic policy objective?

- A** economic growth
- B** income equality
- C** low unemployment
- D** price stability

25 What is the **least** likely consequence of rapid economic growth?

- A** high levels of pollution
- B** large deficit on the current account of the balance of payments
- C** large deficit in the government's budget balance
- D** more congestion on the roads

3 What would be an opportunity cost of growth in an economy?

- A** the faster growth of services than of manufacturing
- B** the need for an increased level of imported raw materials
- C** the need for greater government intervention
- D** the reduction of consumption if growth requires investment

17 What is required to prevent a rising price level due to an increase in aggregate demand?

- A** Additional productive capacity must be created.
- B** Government investment must remain at a constant level to stabilise supply.
- C** Greater reliance must be placed on imported goods to overcome any domestic shortfalls.
- D** Wage rates must change more frequently to maintain levels of employment and output.