

19 Which policy measures would be classified as fiscal policy?

- A** changes in interest rates and money supply
- B** changes in labour market policies to encourage more training
- C** changes in tax rates and government spending
- D** changes in the exchange rate

20 When a government aims to encourage economic growth, it may adopt supply-side policies.

Which policy is a supply-side policy?

- A** increasing the money supply
- B** lowering interest rates
- C** reducing indirect taxation
- D** retraining unemployed workers

29 What might a central bank do to stop a fall in the value of its country's currency?

- A** raise interest rates
- B** reduce taxes on imports
- C** remove controls on currency outflows
- D** sell their currency on the foreign exchange market