

17 What are two macroeconomic aims of government?

- A** to allocate resources and reduce trade union membership
- B** to create economic growth and prevent high inflation
- C** to raise interest rates and reduce pollution
- D** to reduce exports and increase imports

20 Which government action would **not** be included as part of a supply-side policy?

- A** increasing the privatisation of industries
- B** lowering national minimum wage rates
- C** raising tariffs on international trade
- D** reducing state benefits

28 Which government policy would encourage greater international trade?

- A** an increase in the level of domestic regulation
- B** an increase in the level of tariffs on imports
- C** the abolition of domestic subsidies for declining industries
- D** the abolition of free trade agreements

17 What is the most likely reason for a government to aim for price stability?

- A** to improve international competitiveness
- B** to increase workers' wage demands
- C** to reduce consumer spending
- D** to reduce spending on employment-related benefits