

Economics Terms Exercise (2nd Week July 2017)

1. Austerity:

2. Loose monetary policy:

3. A planned budget deficit:

4. Traditional monetary policy:

5. A cap-and-trade policy is used to alleviate the market failure source of:

6. Monetary tapering:

7. Intra-industry trade:

8. Inter-industry trade:

9. Vertical specialisation:

10. Purpose of export quotas:

11. An economy operating at the vertical portion of the AS curve can also be rephrased as “an economy operating at:

a. _____

b. _____

12. Name one way the central bank can raise the money supply:

13. Hot money inflows and outflows are affected by:

a. _____

b. _____

14. A country specialising in the production of high value-added goods tend to have a higher terms of trade because:
