

MIXED ECONOMIC SYSTEM

<p>What can be found in a mixed economy but not in a market economy?</p> <p>A a national economic development plan</p> <p>B an unequal distribution of income and wealth</p> <p>C the operation of the price mechanism</p> <p>D the private ownership of factors of production</p>	A
<p>Malaysia is a mixed economy.</p> <p>Which statement about a mixed economy is necessarily correct?</p> <p>A private industry will provide most of the manufactured goods</p> <p>B the government will provide public goods and may provide merit goods</p> <p>C the primary sector will employ most workers</p> <p>D the transport network will be heavily subsidised</p>	B
<p>In a mixed economy, output is produced by</p> <p>A private enterprise and individuals.</p> <p>B the market alone.</p> <p>C the state alone.</p> <p>D the state and private enterprise.</p>	D
<p>A government introduces a law to reduce the restrictive practices of trade unions.</p> <p>What would be the most likely purpose of this law?</p> <p>A to change from a mixed to a planned economy</p> <p>B to ensure a fairer distribution of earnings</p> <p>C to increase competition in labour markets</p> <p>D to reduce government expenditure on job training</p>	C

A government allowed a building company to construct new houses which destroyed an area designated as an area of natural beauty.

Which concepts can be applied to this statement?

- A budget surplus; public sector
- B external cost; opportunity cost
- C government subsidy; mixed economy
- D private enterprise; budget deficit

B

What is the government most likely to produce in a mixed economy?

- A all of the services and none of the goods
- B amounts of goods and services equal to those of the private sector
- C no goods and services
- D some of the goods and services

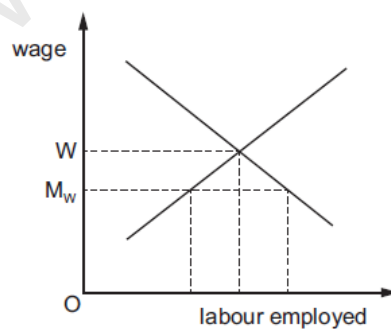
D

Which of the effects of economic development is an external cost?

- A higher employment
- B higher fixed costs
- C increased production
- D increased traffic congestion

D

The diagram shows two curves. One is the demand for labour, the other is the supply of labour. A government fixes a minimum wage (M_w) that must be paid by employers.



What will be the effect of this minimum wage?

- A fewer workers will be employed
- B no change in the market equilibrium
- C no worker will be paid wage W
- D supply of labour will exceed demand

B

A worker earns \$40 000 a year and pays 20% income tax.

He spends \$5000 on electrical goods and \$10 000 on a car, and pays 20% sales tax on each.

How much indirect tax does he pay?

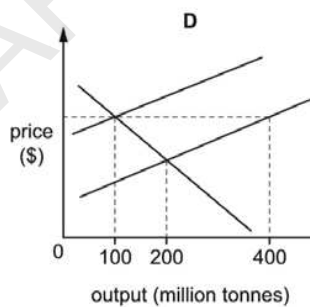
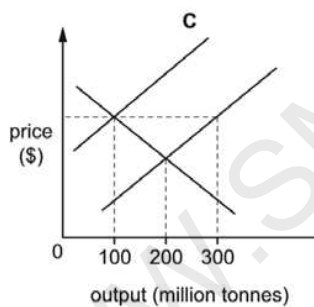
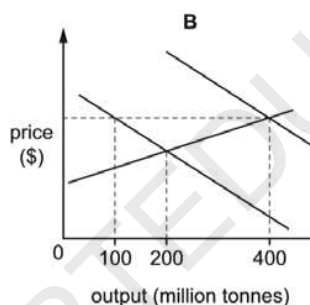
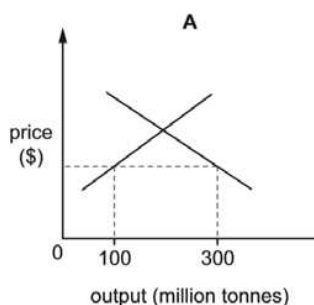
- A \$3000 B \$5000 C \$8000 D \$11 000

A

By 2014, government subsidies for the Chinese steel industry led to 200 million tonnes of excess output.

The diagrams show the market for Chinese steel.

Which would represent the position after the subsidy but before the market adjusted?



C