

Name: \_\_\_\_\_ Date: \_\_\_\_\_

## Chapter 5: Base knowledge worksheet

Full sentence answers are **not** required: 25 marks, 25 minutes

1 Assign each of the factors listed below to a PEST category. (6)

- A new machine has been invented which may improve productivity.
- Interest rates go up.
- New environmental laws push production costs up.
- Trade tariffs are introduced on imports.
- People start buying food produced locally.
- Factories use increasing numbers of robots.

2 List **three** sets of laws that affect businesses. (3)

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3 What is the difference between fiscal policy and monetary policy? (2)

4 Give examples of **four** recent social and cultural changes in society. (4)

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5 Permanent work contracts are often replaced by more flexible solutions. Give **three** examples. (3)

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- 6 Describe **one** impact on businesses of each of the economic changes listed below. (3)
- inflation
  - currency depreciates
  - rise in unemployment
- 7 Define 'recession'. (2)
- 8 What is the difference between cost-push inflation and demand-pull inflation? (2)