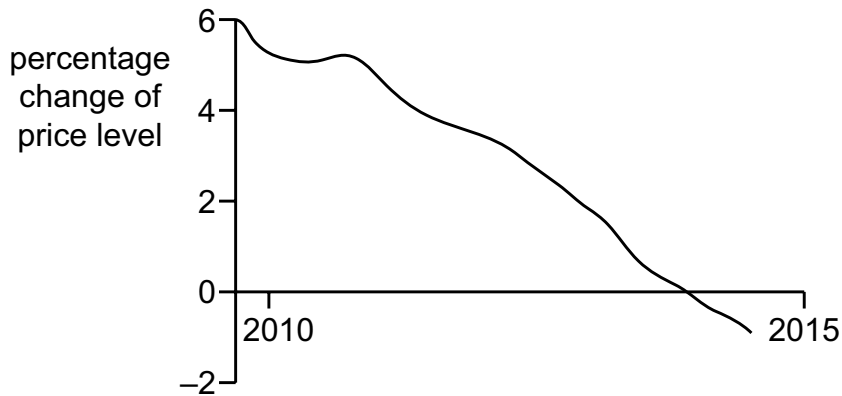


23 In recent years an economy has experienced changes in its price level as shown.



Which government policy is most effective in reversing the trend shown in the price level?

- A** encourage firms to expand production through tax incentives
- B** introduce an incomes policy to directly control wage increases
- C** promote household savings by advertising saving schemes
- D** reduce interest rates and increase money supply