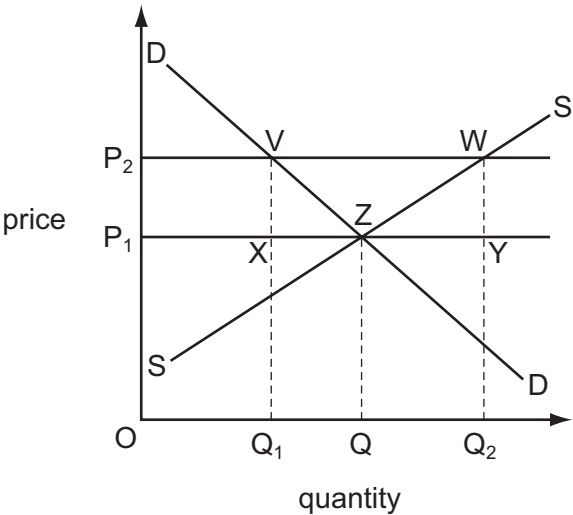


- 16 The table shows, for two different quantities of good X, the total amount consumers are willing to pay and the total external benefits that are generated.

quantity of good X (units)	consumers' willingness to pay (\$)	total external benefits (\$)
3	240	54
4	280	68

What is the additional social benefit when 4 units rather than 3 units are produced?

- A \$14 B \$40 C \$54 D \$348
- 17 The diagram shows the market for apples. A government maintains a minimum price P_2 by buying apples.



Which area shows the amount of money the government has to spend to maintain the price P_2 ?

- A P_2WYP_1 B P_2VQ_1O C P_2WQ_2O D VWQ_2Q_1
- 18 What is a defining characteristic of a private good?
- A It is purchased by individual customers.
- B It is supplied exclusively through the market.
- C It is produced only by private sector firms.
- D When consumed by one individual, it is not available to others.