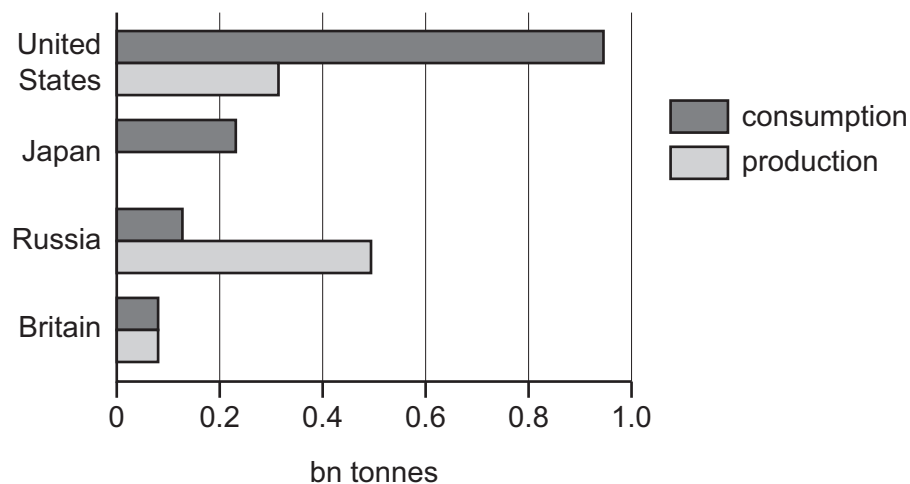


- 4 There is a worldwide shortage of oil. The diagram shows the consumption and production of oil (billion tonnes) in 2007 for selected countries.



What can be concluded from the diagram?

- A In Britain, oil has zero opportunity cost.
  - B In Japan, there is self sufficiency in oil.
  - C In Russia, the problem of oil shortage has been solved.
  - D In the United States, rationing will be the only solution to oil shortage.
- 5 What will happen to an industry's supply curve if new firms enter the industry?
- A It will shift to the left at any given price.
  - B It will shift to the right at any given price.
  - C There will be a downward movement along the supply curve.
  - D There will be an upward movement along the supply curve.