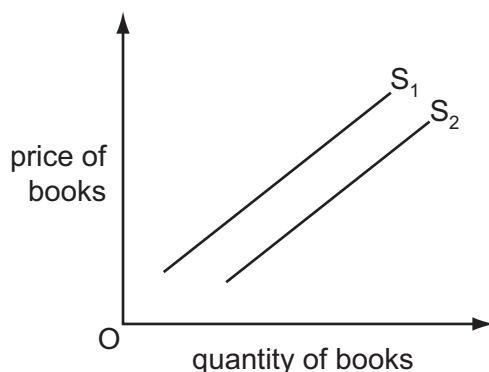


- 9 A firm publishes and sells books. The diagram shows a shift in the firm's supply curve from S_1 to S_2 .



What would have caused this shift in the firm's supply curve?

- A a fall in the subsidies paid to book publishers
 - B a fall in the price of paper
 - C a rise in the real income of customers
 - D a rise in the wages of the firm's workers
- 10 A product has a low price elasticity of supply.
- What might explain this?
- A The product has a low opportunity cost.
 - B The product has a perishable nature.
 - C The product is classed as an inferior good.
 - D The product is considered to be a necessity.
- 11 In the diagram, S_1 and D_1 are the initial supply and demand curves for tea and X is the original equilibrium. There is then a failure in the coffee harvest of a major coffee producer.

Which point would represent the equilibrium position in the tea market as a result of this failure?

