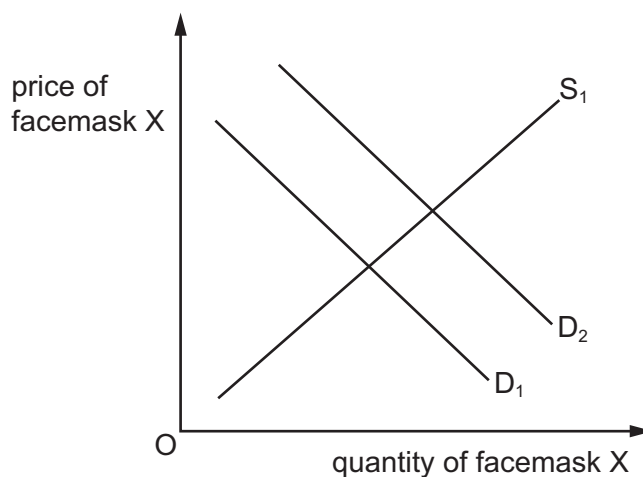


- 13** In the diagram, S_1 is the supply curve and D_1 is the initial demand for facemask X. A rival firm produces facemask Y, which is a close substitute.



What would cause the demand curve to shift to D_2 ?

- A** a decrease in the costs of the materials to make facemask X
 - B** a decrease in the costs of the materials to make facemask Y
 - C** an increase in the price of facemask X
 - D** an increase in the price of facemask Y
- 14** A government introduces charges for vehicles using the roads in its capital city.
- Which characteristic must the roads have for this to be successful in reducing congestion?
- A** The roads must be excludable.
 - B** The roads must be merit goods.
 - C** The roads must be non-rivalrous.
 - D** The roads must be public goods.