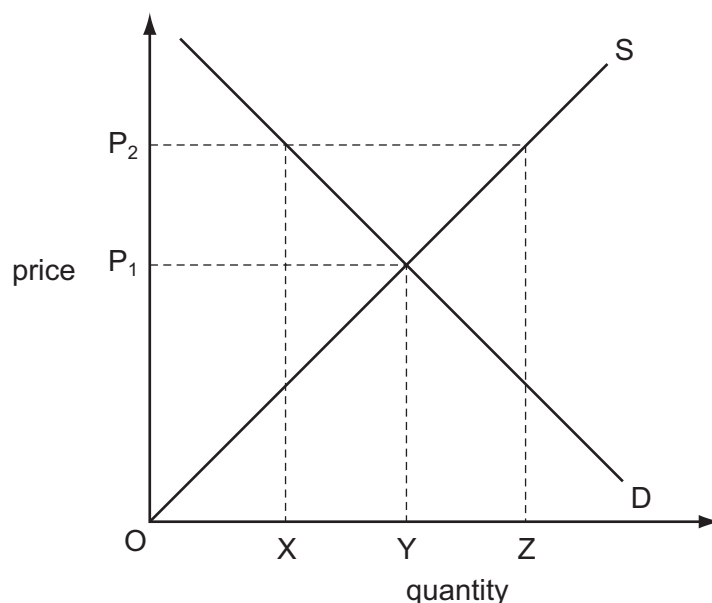


- 14 Despite much opposition, the local government in a popular tourist resort built a leisure centre and swimming pool which is open to everyone. Many tourists visit the centre. Local residents are charged a reduced entry fee.

How would economists classify this service?

- A It is a demerit good because some people objected to the development.
 - B It is a merit good because the entry fee is reduced for local residents.
 - C It is a private good because there is an entry fee for all users.
 - D It is a public good because it is open to everyone and provided by the local government.
- 15 What can be provided only as a public good?
- A road use
 - B security services
 - C street lighting
 - D TV broadcasting

- 16 The diagram shows the market for wheat.



What quantity of wheat must the government buy if it wishes to raise the market price from P_1 to P_2 ?

- A OZ
- B XY
- C XZ
- D YZ