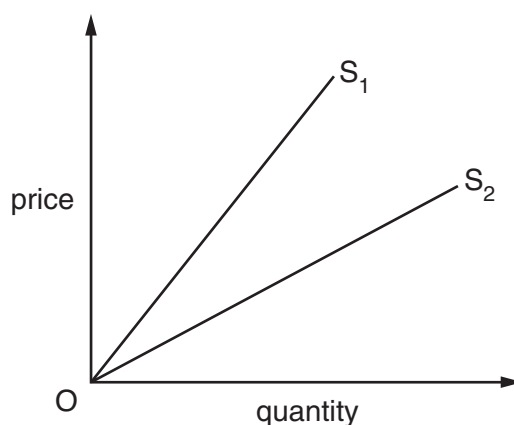


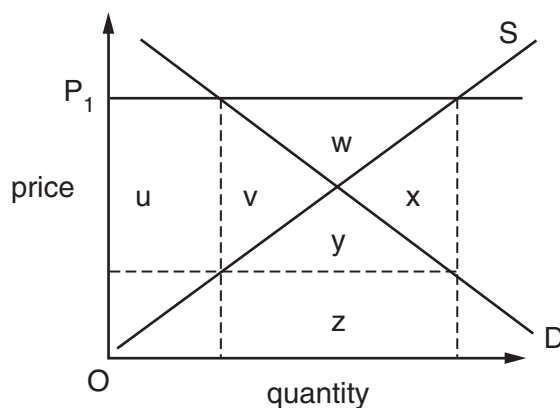
12 In the diagram OS_1 and OS_2 are two straight-line supply curves.



As price increases, the elasticity of supply

- A decreases along both OS_1 and OS_2 .
- B increases less rapidly along OS_1 than along OS_2 .
- C increases more rapidly along OS_1 than along OS_2 .
- D is constant along both OS_1 and OS_2 .

13 The diagram shows the demand and supply curves for an agricultural commodity.



The government sets a minimum guaranteed price equal to OP_1 and pays producers the difference between the guaranteed price and the market clearing price.

Which area measures the cost of this scheme to the government?

- A $u + v + w$
- B $u + v + w + x + y$
- C $v + w + x + y$
- D $v + w + x + y + z$