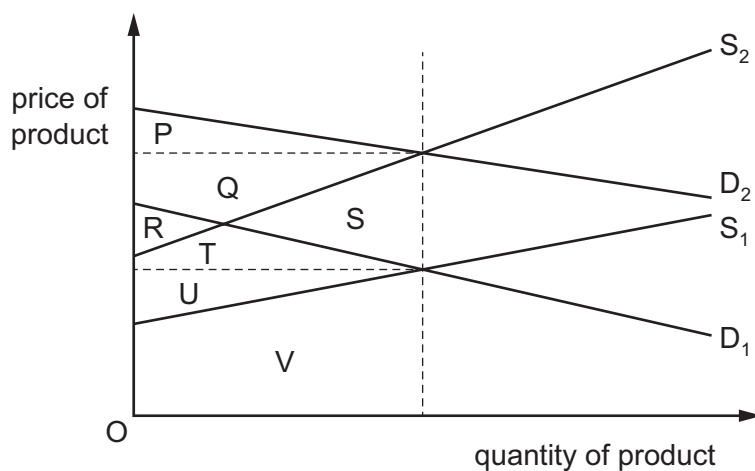


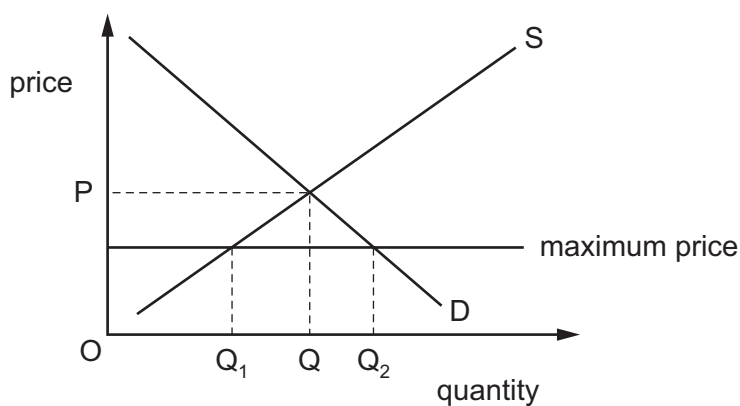
- 13**  $D_1$  and  $S_1$  represent the initial demand and supply curves for a product.  
 $D_2$  and  $S_2$  are the equivalent curves after changes in market conditions.



What are resulting changes in consumer and producer surplus?

	change in consumer surplus	change in producer surplus
<b>A</b>	from R to P	from U to Q
<b>B</b>	from R + T to P	from U to Q + R
<b>C</b>	from R + T to P	from V to Q
<b>D</b>	from R to P + S	from V to Q + R

- 14** The diagram shows a market subject to a maximum price.



What will happen if the maximum price is removed?

- A** There will be allocation by a queuing system.
- B** There will be allocation by government rationing.
- C** There will be allocation by seller's preference.
- D** There will be allocation by the price system.