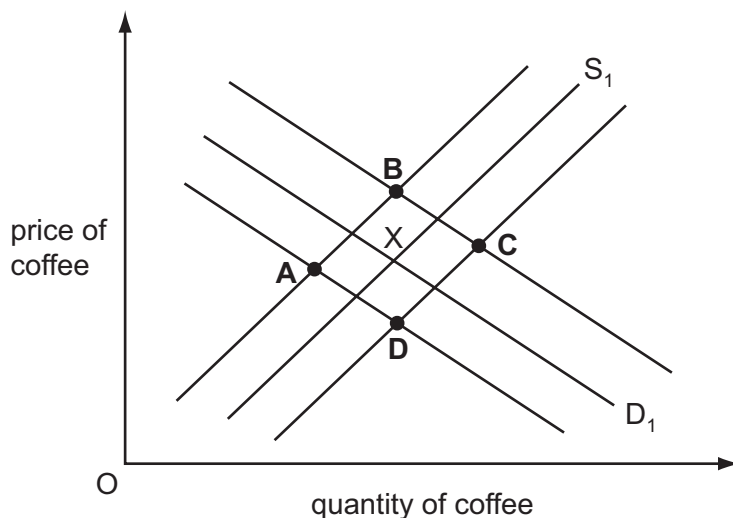
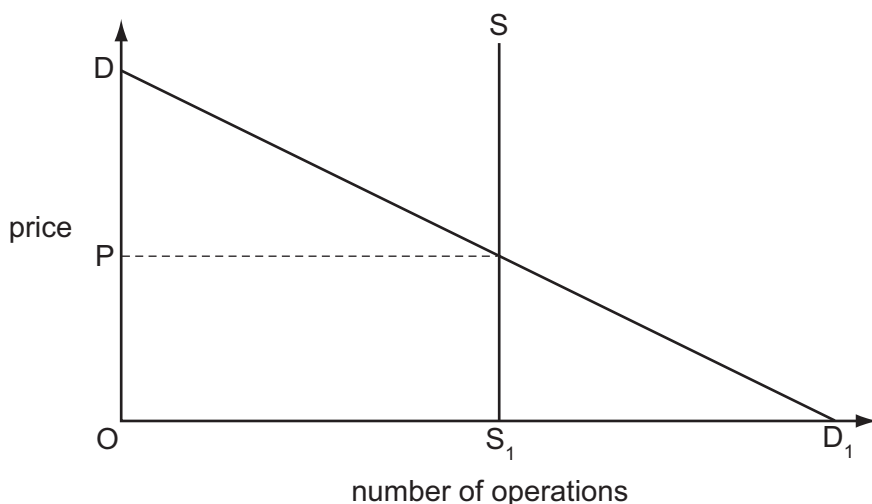


- 10 The diagram shows the market for coffee. The initial equilibrium position is X. The price of tea, a substitute, falls and an indirect tax is imposed on coffee.

What will be the new equilibrium position?



- 11 The diagram shows the demand curve, DD_1 , and the supply curve, SS_1 , for eye operations.



The operations are provided free to the consumer.

Which statement is correct?

- A Consumer surplus from the operations is ODD_1 .
- B The equilibrium price is P.
- C The equilibrium price is indeterminate, because the supply curve is vertical.
- D The equilibrium price is zero.