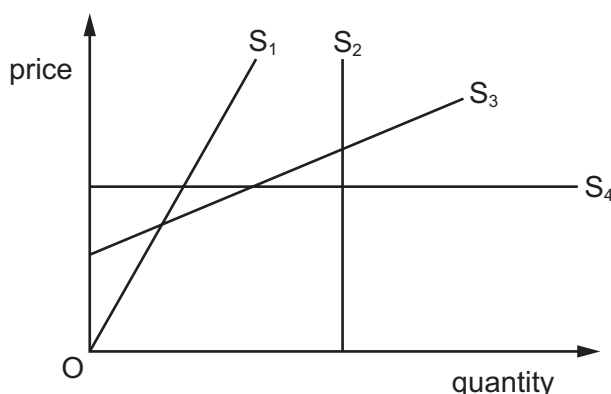


- 12 For which supply curve is the value of price elasticity of supply **not** the same at all points on the curve?



- A** S_1 **B** S_2 **C** S_3 **D** S_4

- 13 Producer surplus is the difference between

- A** the consumer surplus from the good and the producers' total cost of supplying the good.
- B** the highest price that the consumer would be willing to pay for the good and the price the producer actually sold it for.
- C** the lowest price that the producer would accept for the good and the price the producer actually sold it for.
- D** the quantity that the producers manufacture in a week and the amount sold to consumers in that week.

- 14 A government wishes to raise the incomes of farmers without raising the price of food to consumers.

Which policy should it use?

- A** a maximum price below the market price for food
- B** a minimum price below the market price for food
- C** a payment of a subsidy to farmers to produce food
- D** a release of government food stocks onto the market