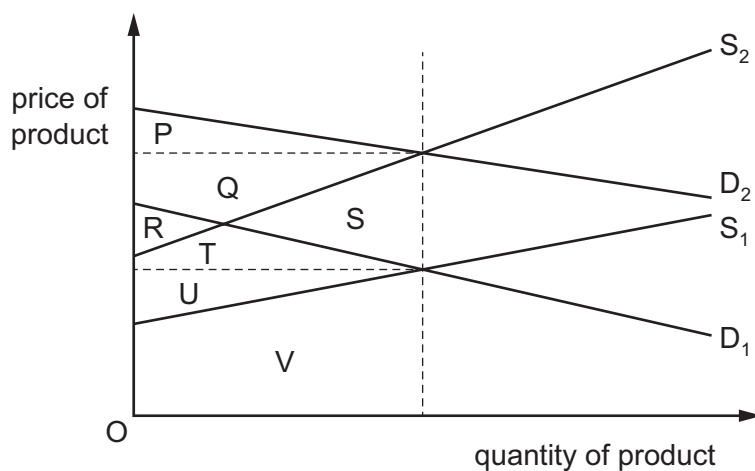


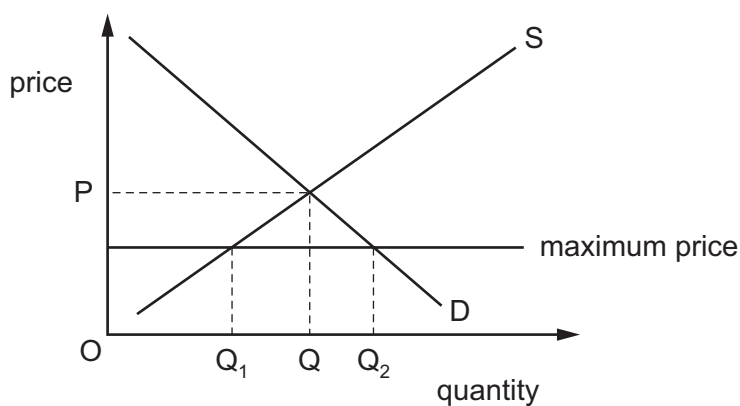
- 13** D_1 and S_1 represent the initial demand and supply curves for a product.
 D_2 and S_2 are the equivalent curves after changes in market conditions.



What are resulting changes in consumer and producer surplus?

	change in consumer surplus	change in producer surplus
A	from R to P	from U to Q
B	from R + T to P	from U to Q + R
C	from R + T to P	from V to Q
D	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.