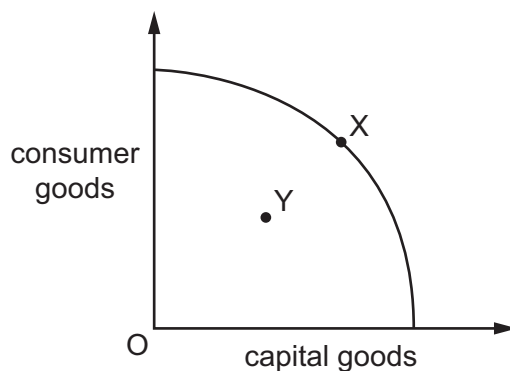


- 4 The diagram shows a production possibility curve for an economy.



Assuming that the production possibility curve remains unchanged, what is the most likely reason for the movement from point X to point Y?

- A a civil war causing a widespread loss of resources
 - B a permanent fall in productivity in both capital and consumer goods
 - C the exhaustion of a natural resource
 - D the rise in unemployment due to a recession
- 5 Buses currently run every two hours between X and Y.

The bus company which operates the service decides to introduce an hourly service.

How will this most likely affect the number of passengers carried per day and the number of passengers carried per journey?

	number of passengers per day	number of passengers per journey
A	increase	decrease
B	increase	uncertain
C	unchanged	decrease
D	unchanged	uncertain