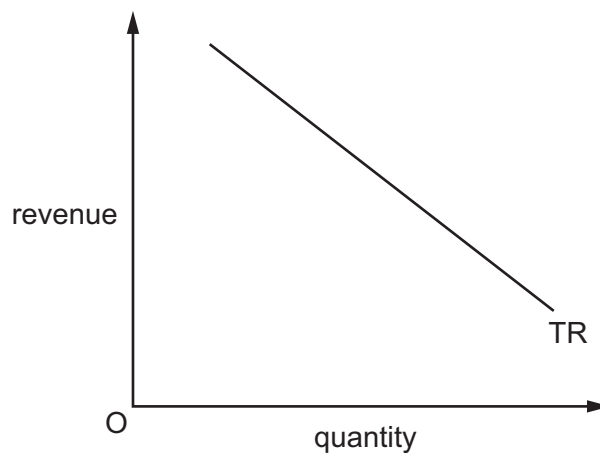


- 8 The diagram shows the relationship between a firm's total revenue and the quantity of goods sold.



What is the price elasticity of demand for the good?

- A zero
 - B between zero and one
 - C one
 - D between one and infinity
- 9 A movement along a supply curve for a product is likely to occur if there is a rise in
- A the demand for a complementary product.
 - B the distribution costs of the product.
 - C the subsidy a producer receives for producing the product.
 - D the wages of the employees who produce the product.
- 10 A firm makes televisions.

What does the elasticity of supply for the firm represent?

- A the need to increase production because of a successful advertising campaign
- B the possibility of switching production from other goods the firm makes to televisions
- C the speed at which additional fixed factors used to produce televisions can be obtained
- D the way the firm's production changes as a result of a change in price of televisions