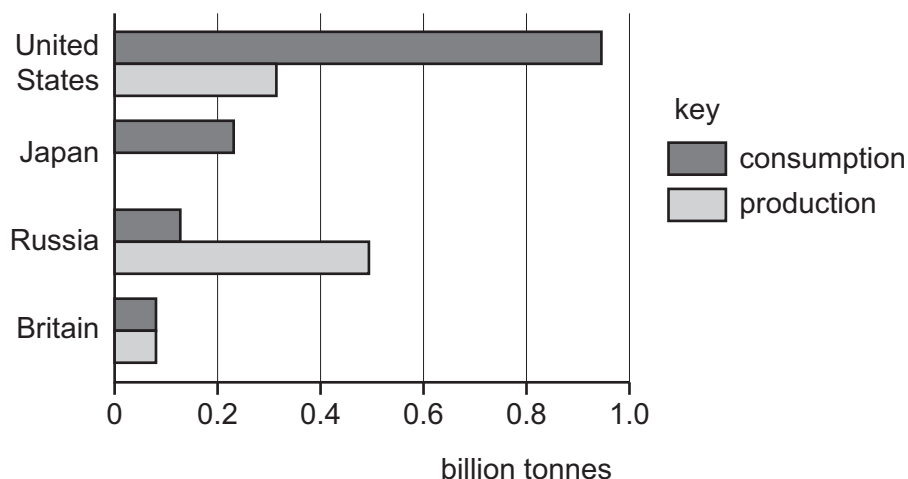


6 Which pair of products are substitutes both in consumption and production?

- A barley and cotton
- B gold and silver
- C soap and toothpaste
- D spinach and cabbage

7 There is a worldwide shortage of oil. The diagram shows the consumption and production of oil (billion tonnes) for selected countries.



What can be concluded from the diagram?

- A In Britain, oil has zero opportunity cost.
- B In Japan, there is self-sufficiency in oil.
- C In Russia, there is no shortage of oil.
- D In the United States, rationing is the only solution to oil shortage.

8 The cross elasticity of demand between bus travel and rail travel is +2. A rise in the price of bus fares caused the demand for rail travel to rise by 10%.

Which change in bus fares would have caused this?

	from (cents)	to (cents)
A	20	21
B	30	33
C	40	45
D	50	60