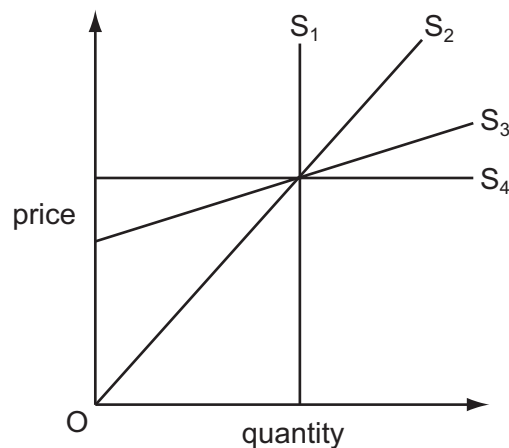


- 9 The diagram shows four different straight line supply curves.



What can be concluded from the diagram?

- A S_1 has unitary elasticity.
 - B S_2 has zero elasticity.
 - C S_3 has a constant elasticity.
 - D S_4 has infinite elasticity.
- 10 The table refers to exports of sugar from Jamaica in 1999 and 2000.

	exports of sugar (tonnes)	export earnings from sugar (US\$ millions)
1999	177 522	95.79
2000	180 481	83.8

What can be deduced from the data?

- A The demand for sugar is price-elastic.
 - B The income elasticity of demand for sugar is negative.
 - C The price of sugar in US\$ fell between 1999 and 2000.
 - D The supply of sugar is price-elastic.
- 11 Assume that rice is a substitute for potatoes.
- If there is a decrease in the supply of potatoes, what is likely to happen to the market for rice in the short run?
- A Demand will decrease and the price will decrease.
 - B Demand will increase and the price will increase.
 - C Supply will decrease and the price will increase.
 - D Supply will increase and the price will decrease.