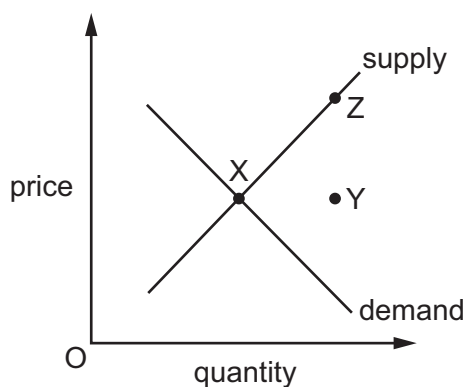


- 18 The diagram shows the market for onions in equilibrium at point X. The government has a stock of onions and wants to establish a new equilibrium at point Y.



Which actions should the government take?

- A** It should buy an amount equal to XY and subsidise producers by a sum equal to YZ .
- B** It should buy an amount equal to XY and tax producers by a sum equal to YZ .
- C** It should sell an amount equal to XY and subsidise producers by a sum equal to YZ .
- D** It should sell an amount equal to XY and tax producers by a sum equal to YZ .