18 The market price of an agricultural commodity was so low that the government fixed a minimum price for it above the market equilibrium price. However, the government did not buy any of the commodity itself.

What would happen as a result?

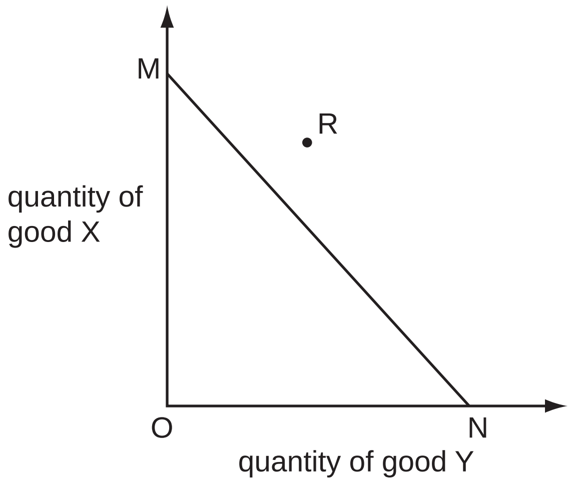
A There would be an equilibrium in the market but the change in farmers' incomes would be uncertain.

B There would be a shortage on the market and farmers' incomes would rise.

C There would be a surplus on the market and farmers' incomes would fall.

D There would be a surplus on the market but the change in farmers' incomes would be uncertain.

19 In the diagram, MN is the production possibility curve of a country that has a comparative advantage in the production of good Y.



What might enable the country to consume the quantities of X and Y indicated by point R?

A increased specialisation in the production of good X

B international trade

C a reduction in unemployment

D increased specialisation in the production of good Y