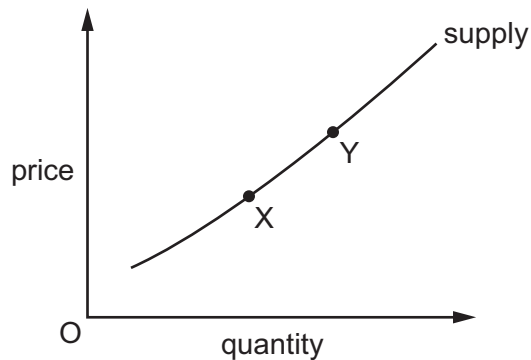


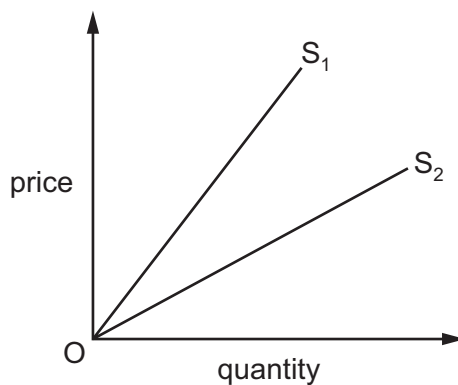
- 9 The diagram shows the supply curve of coffee in an economy.



The market equilibrium is initially at point X, but a change moves it to point Y.

What might explain this?

- A an increase in wages paid by producers of coffee
  - B a switch in consumer tastes from coffee to tea
  - C an increase in the price of tea
  - D a tax imposed on coffee producers
- 10 In the diagram  $OS_1$  and  $OS_2$  are two straight-line supply curves.



As price increases, the elasticity of supply

- A decreases along both  $OS_1$  and  $OS_2$ .
- B increases less rapidly along  $OS_1$  than along  $OS_2$ .
- C increases more rapidly along  $OS_1$  than along  $OS_2$ .
- D is constant along  $OS_1$  and along  $OS_2$ .