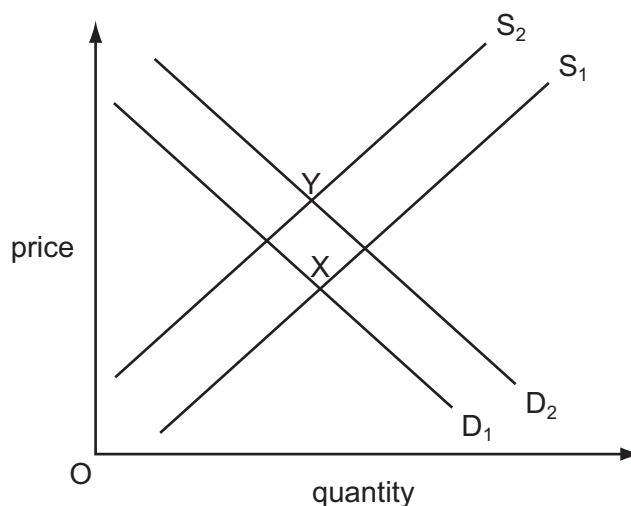11 The diagram shows the market for new houses.

What would cause the change in the market equilibrium position from X to Y?

A a fall in income tax and a rise in building costs

B a fall in interest rates and an increased efficiency in house-building

C a fall in population and a rise in taxes on building materials

D a rise in building subsidies and a fall in incomes

12 The market demand equation for a good is given by $Q_d = 310 - 20\,p$
and the supply equation by $Q_s = 10 + 10\,p$,
where p denotes the price of the good.

What is the equilibrium price?

A 5   **B** 10   **C** 15   **D** 20

13 What is necessary for consumer surplus to be zero?

A Demand is perfectly inelastic.

B Demand is perfectly elastic.

C Supply is perfectly inelastic.

D Supply is perfectly elastic.

14 The growing of flowers in a private garden results in a positive externality.

What can be concluded from this?

A External benefits exceed private costs.

B External costs exceed private costs.

C Private costs exceed social benefits.

D Social benefits exceed private benefits.