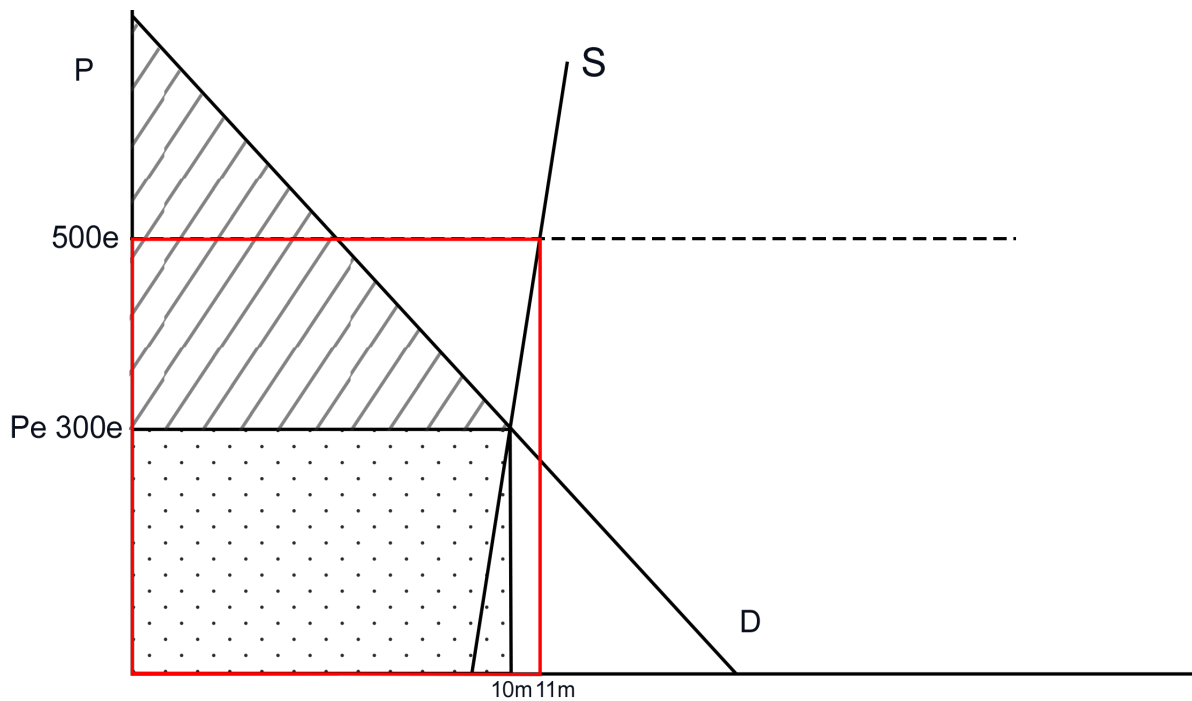





Answers to GMP sheet 1

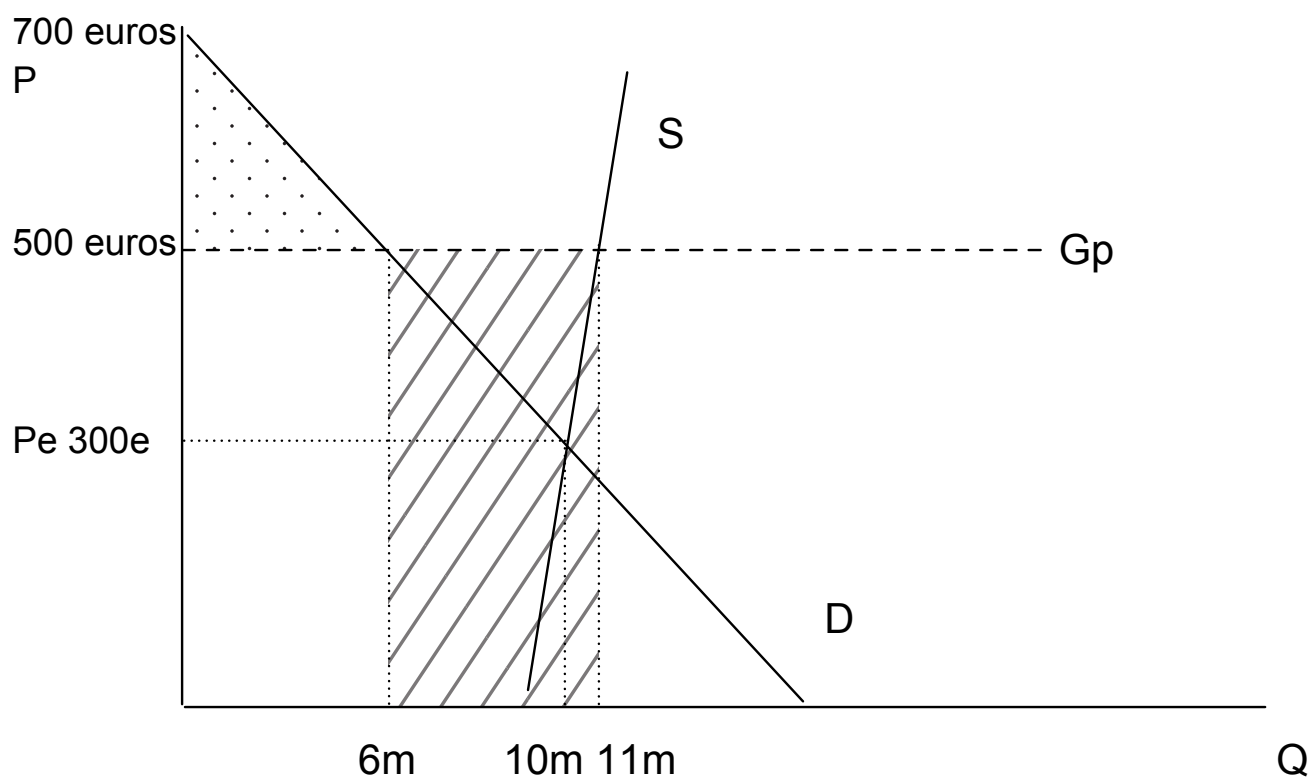




 = Original revenue = $300e \times 10m = 3bn e$

 = Original consumer surplus

 = Producer revenue : $11m \times 500e = 5.5bn e$

Answers to GMP sheet 2



-  = Cost to government $5m(11-6) \times 500e = 2500mn \text{ euros}$
 = Consumer surplus $\frac{(700-500) \times 6m}{2} = 600mn \text{ euros}$