Loss to Producer













Gain to consumer



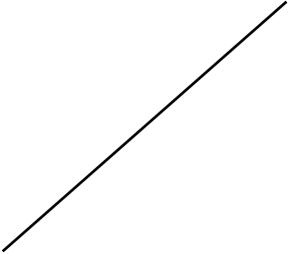




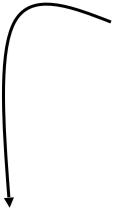
















Same as giving

Buyers a Subsidy

Same as taxing the Sellers

Quantity Bought/ Sold Decrease



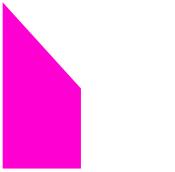


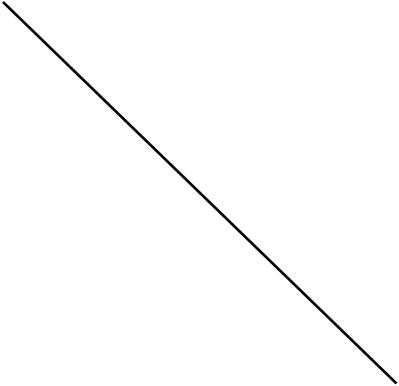
Subsidy







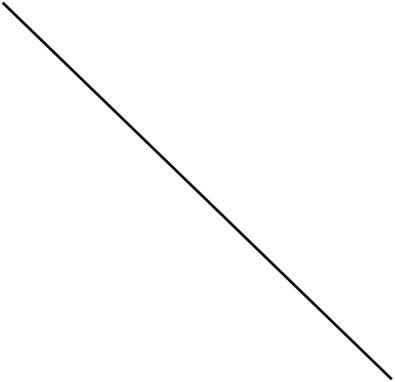


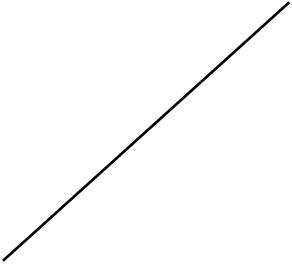
















Welfare Loss



Ceiling has the same effect of taking money from producers (a tax) and giving it to consumers (a subsidy)







Ceiling has the same effect of taking money from producers (a tax) and giving it to consumers (a subsidy)

