











$P_0$



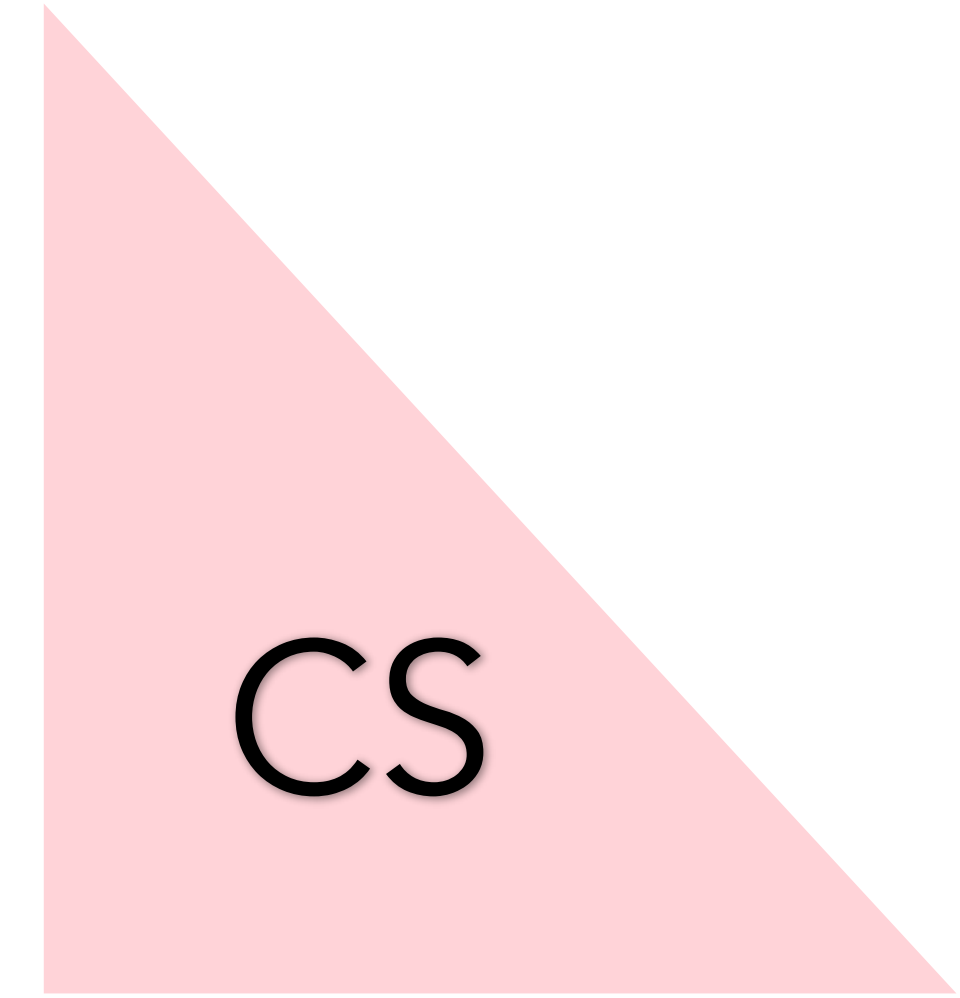
If the price is  $P_0$

per unit



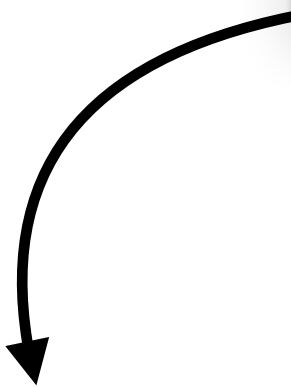
Willingness  
to pay

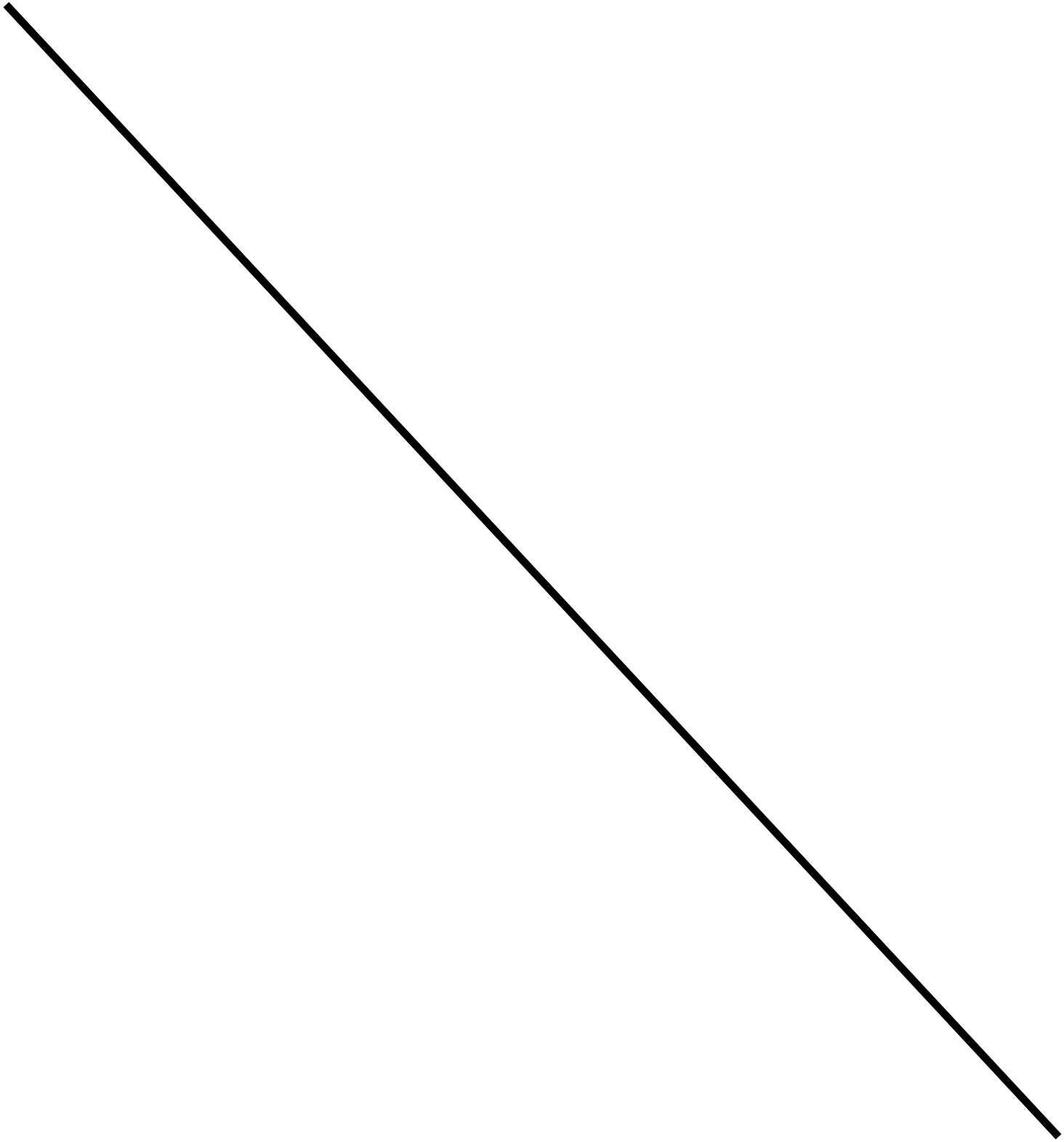
Consumer  
Actually  
pays  $P_0 \times Q_0$



CS

The difference between “value”  
to the consumer and what s/he  
actually pays is Consumer  
Surplus

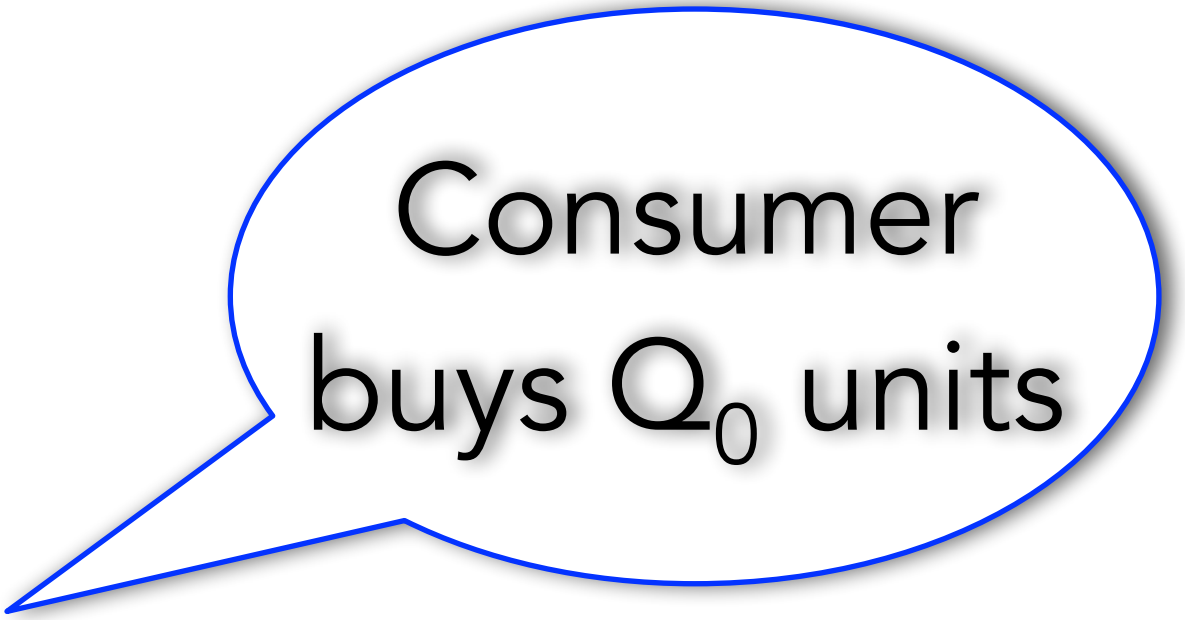








Q0



Consumer  
buys  $Q_0$  units

The difference between “**value**”  
to the consumer and what s/he  
**actually pays** is Consumer  
Surplus

