





# Total Revenue Before







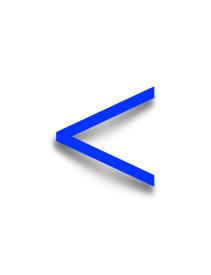




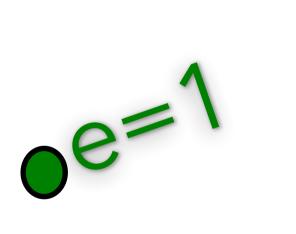








### TR decrease

















Loss





Total

Revenue

After



## Because

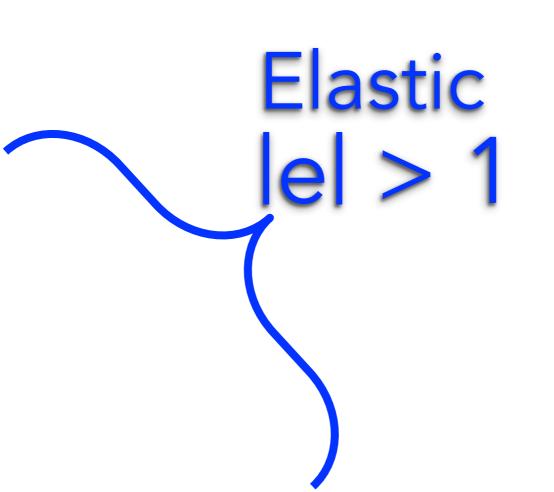




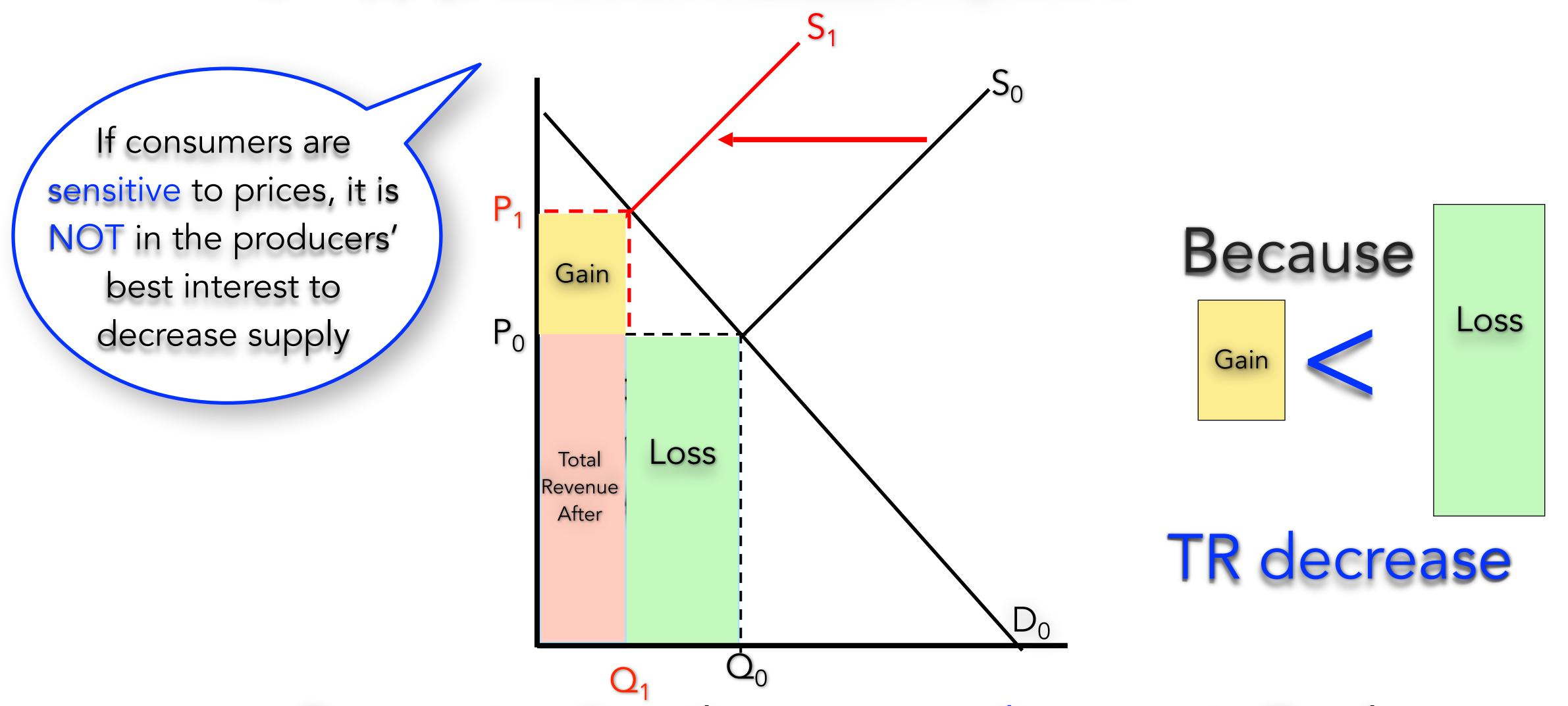
#### Decreasing Supply, cause an increase in price and a decrease in Q<sup>d</sup>

If consumers are
sensitive to prices, it is
NOT in the producers'
best interest to
decrease supply

## Decreasing Supply, cause an decrease in Total Revenue for producers if demand is elastic (e>1)



#### Decreasing Supply, cause an increase in price and a decrease in Q<sup>d</sup>



Decreasing Supply, cause an decrease in Total Revenue for producers if demand is elastic (e>1)

