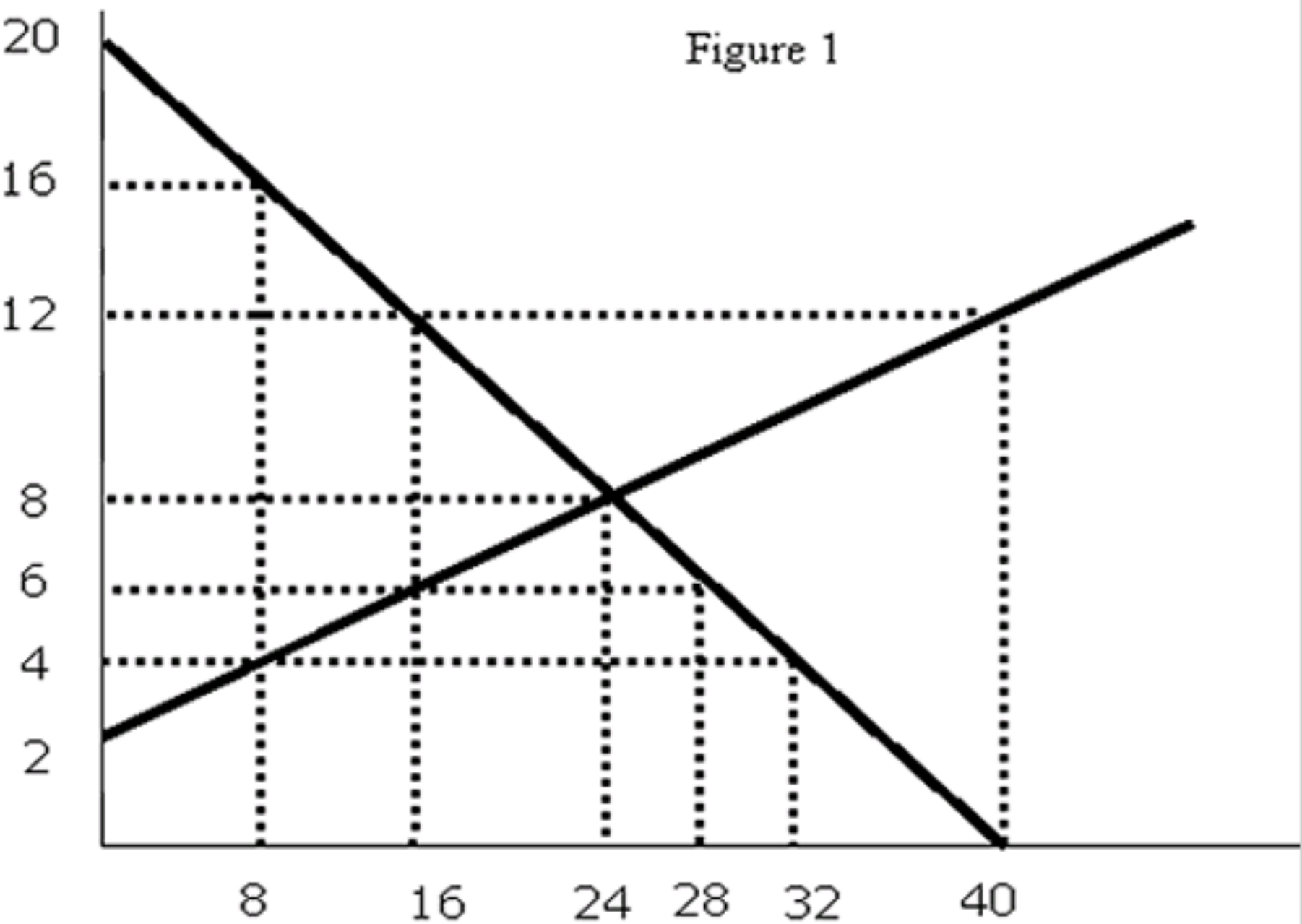




30

Figure 1



**Government imposes a Price
Floor at \$12**

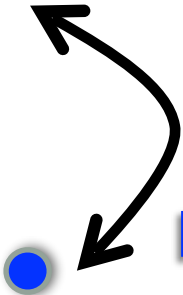
Prohibit

prices

below \$12



**All these prices
are prohibited**

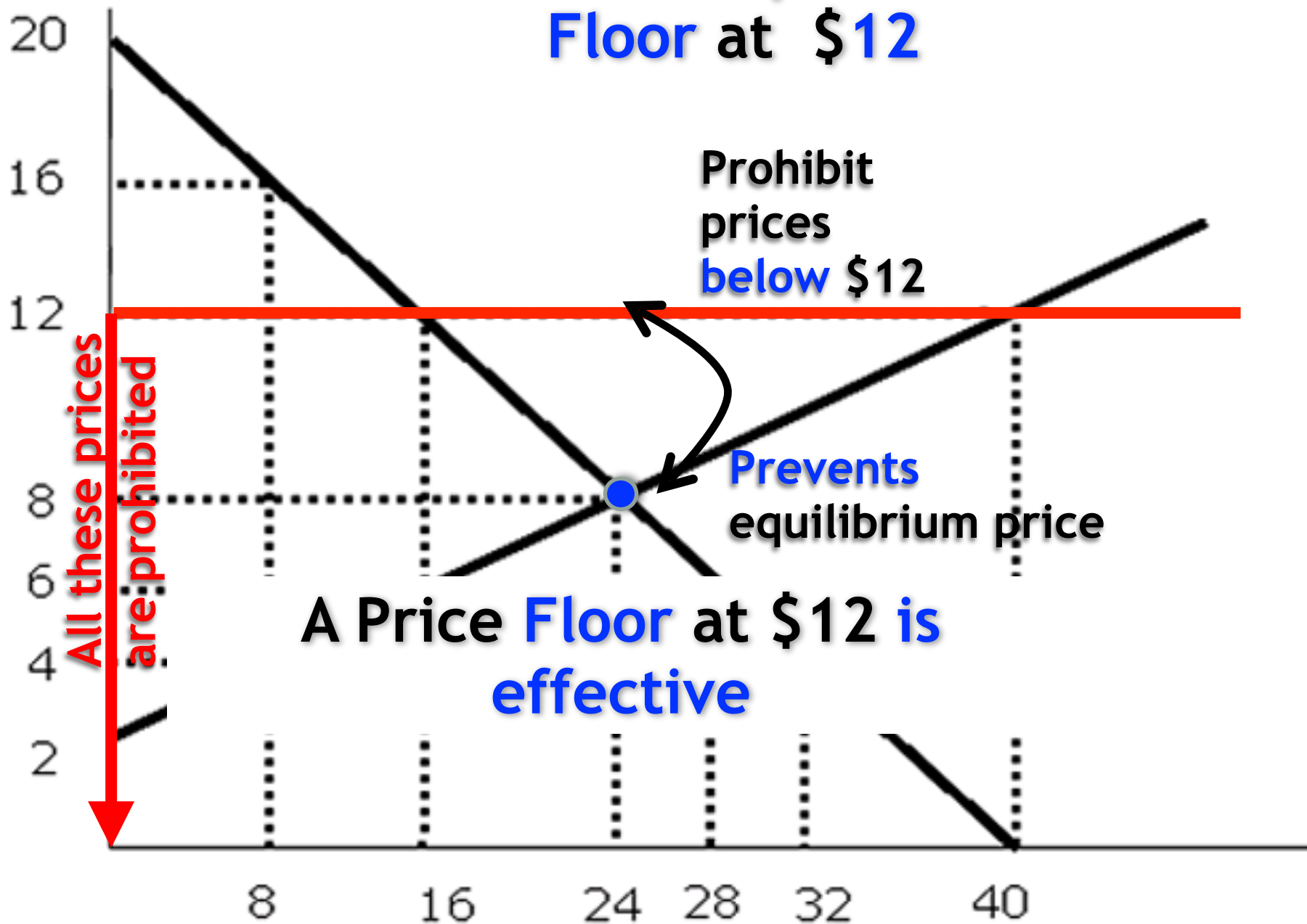


Prevents

equilibrium price

**A Price Floor at \$12 is
effective**

Government imposes a Price Floor at \$12



Government imposes a Price Ceiling at \$6

