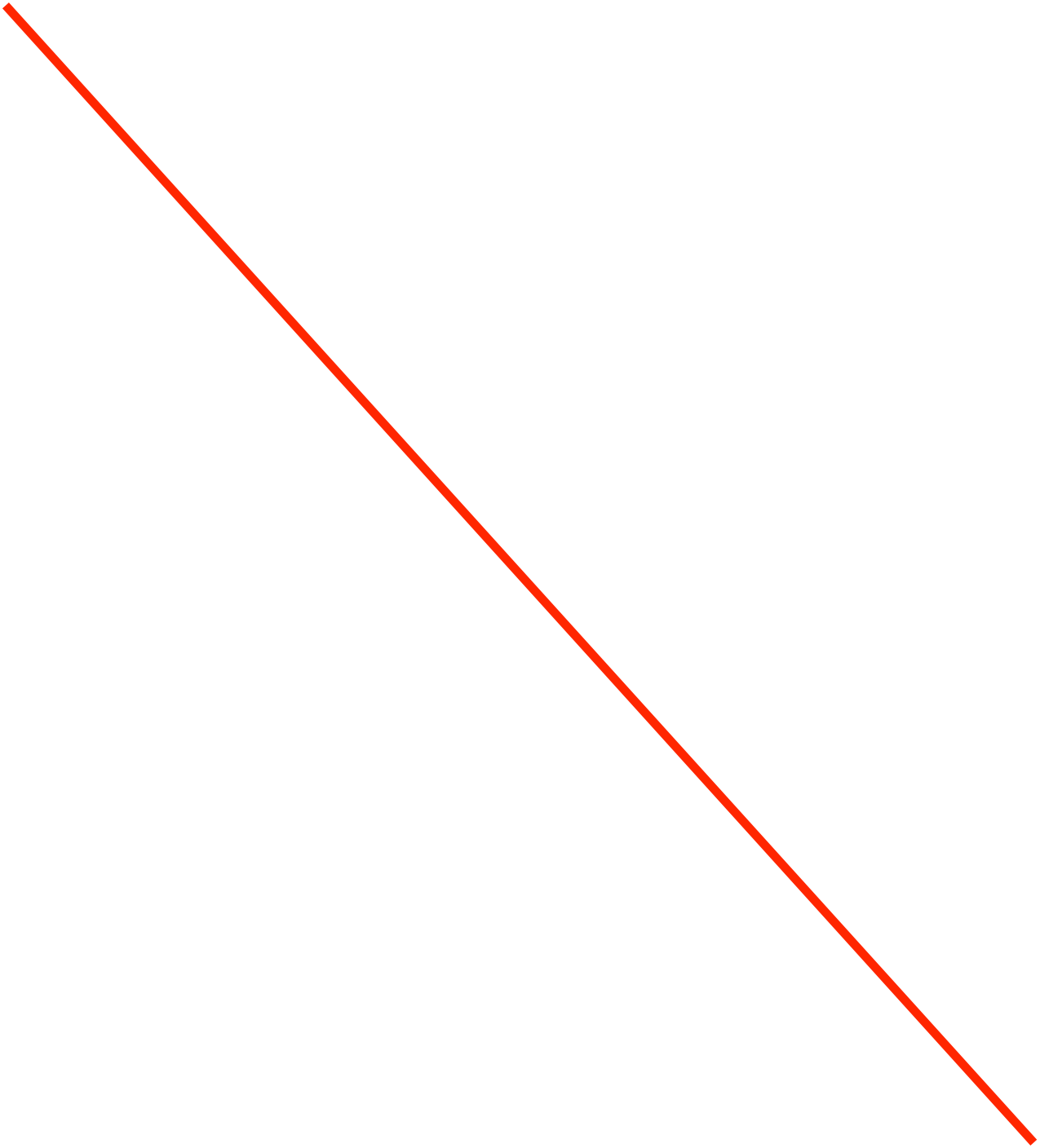


5

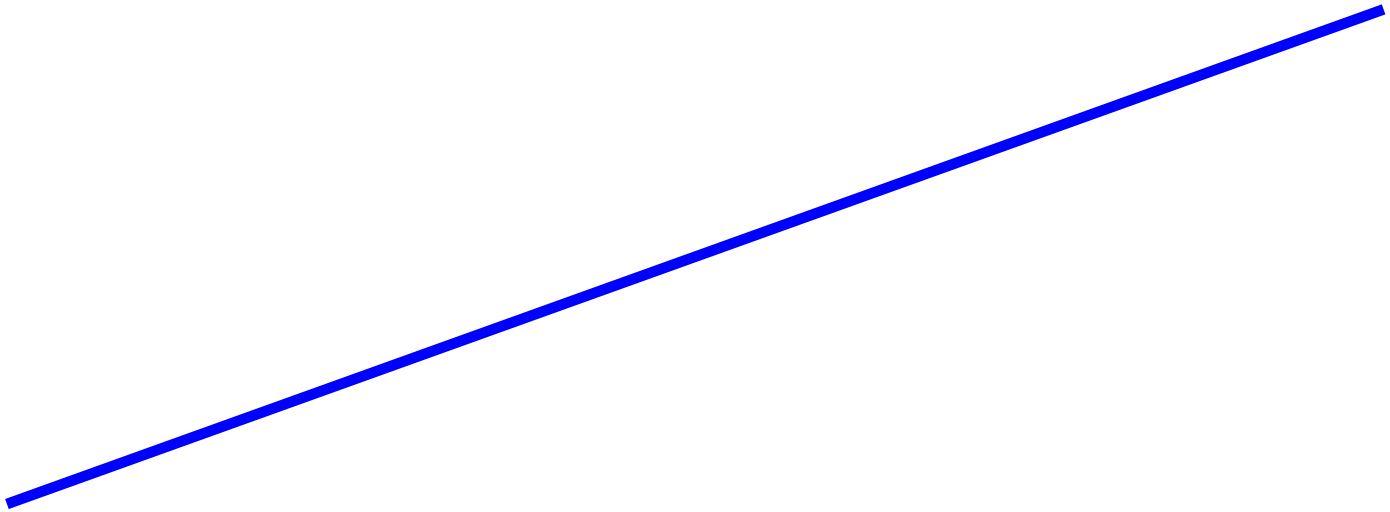
1







S



$$P_e = 11$$

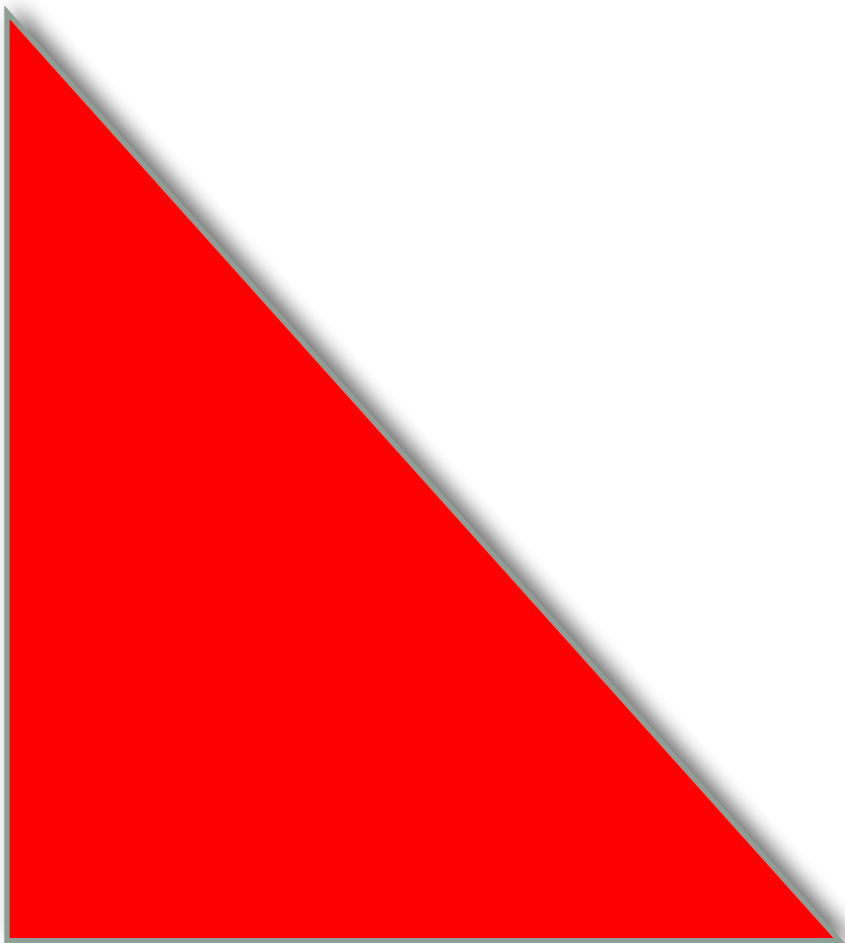
25

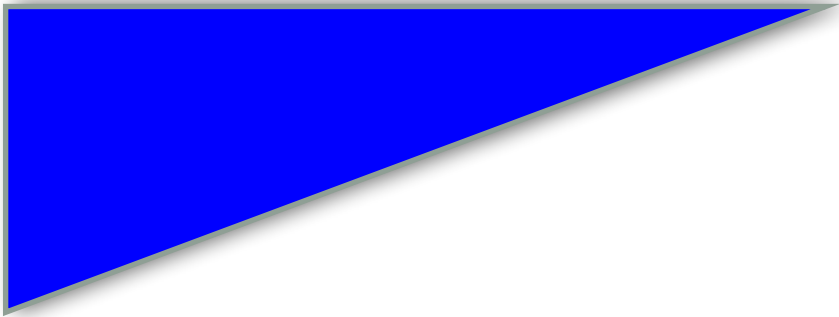
4





20







Consumer Surplus

Area *below demand* and above
the price the consumer pays

Producer Surplus

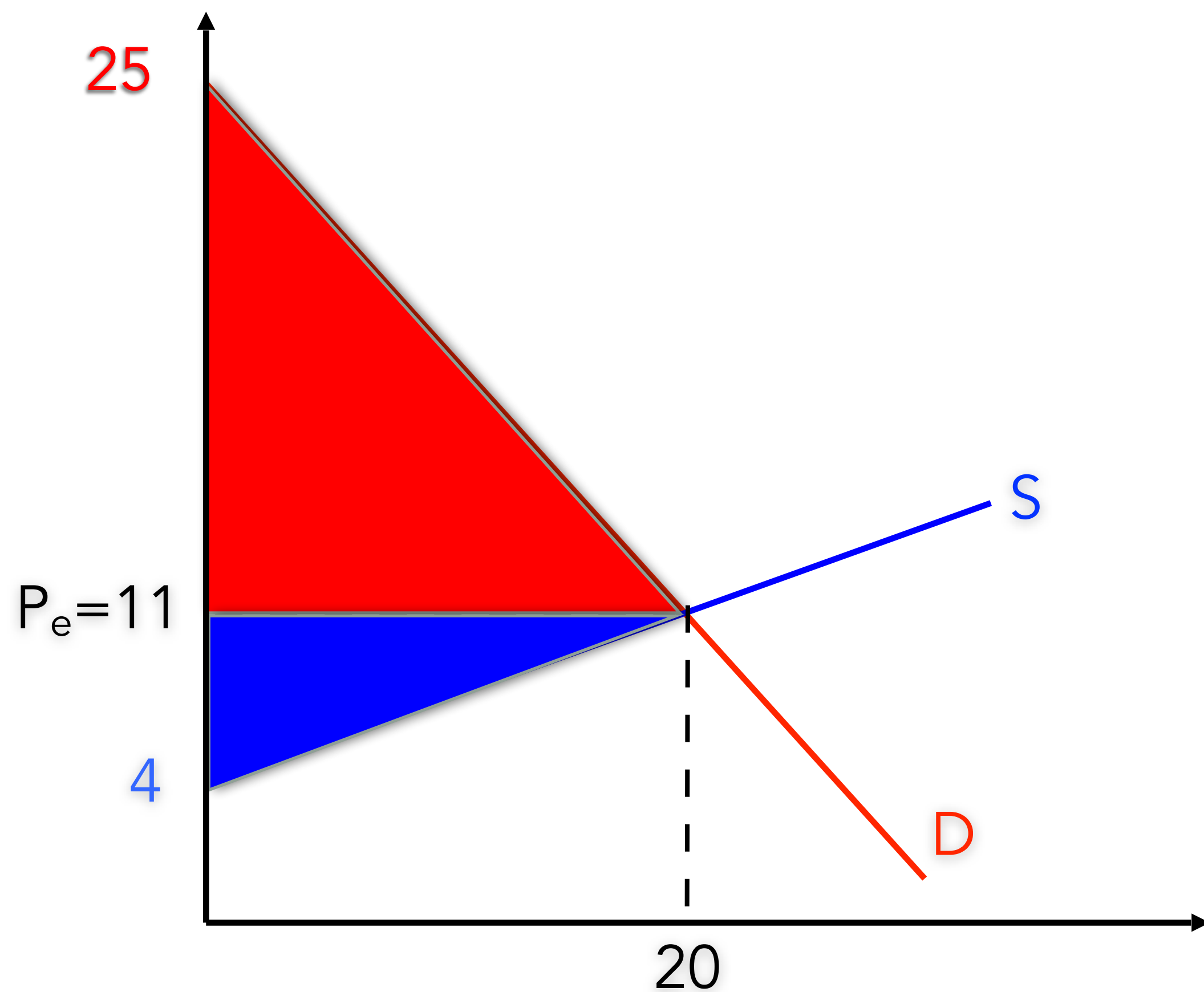
Area above supply and
below the price the producer
receives

$$= (25 - 1) \times 20 \times 1/2$$

$$= (11-4) \times 20 \times 1/2$$

= \$140

= \$70



Consumer Surplus

Area below demand and above the price the consumer pays

$$= (25 - 11) \times 20 \times 1/2$$

$$= \$140$$

Producer Surplus

Area above supply and below the price the producer receives

$$= (11 - 4) \times 20 \times 1/2$$

$$= \$70$$

