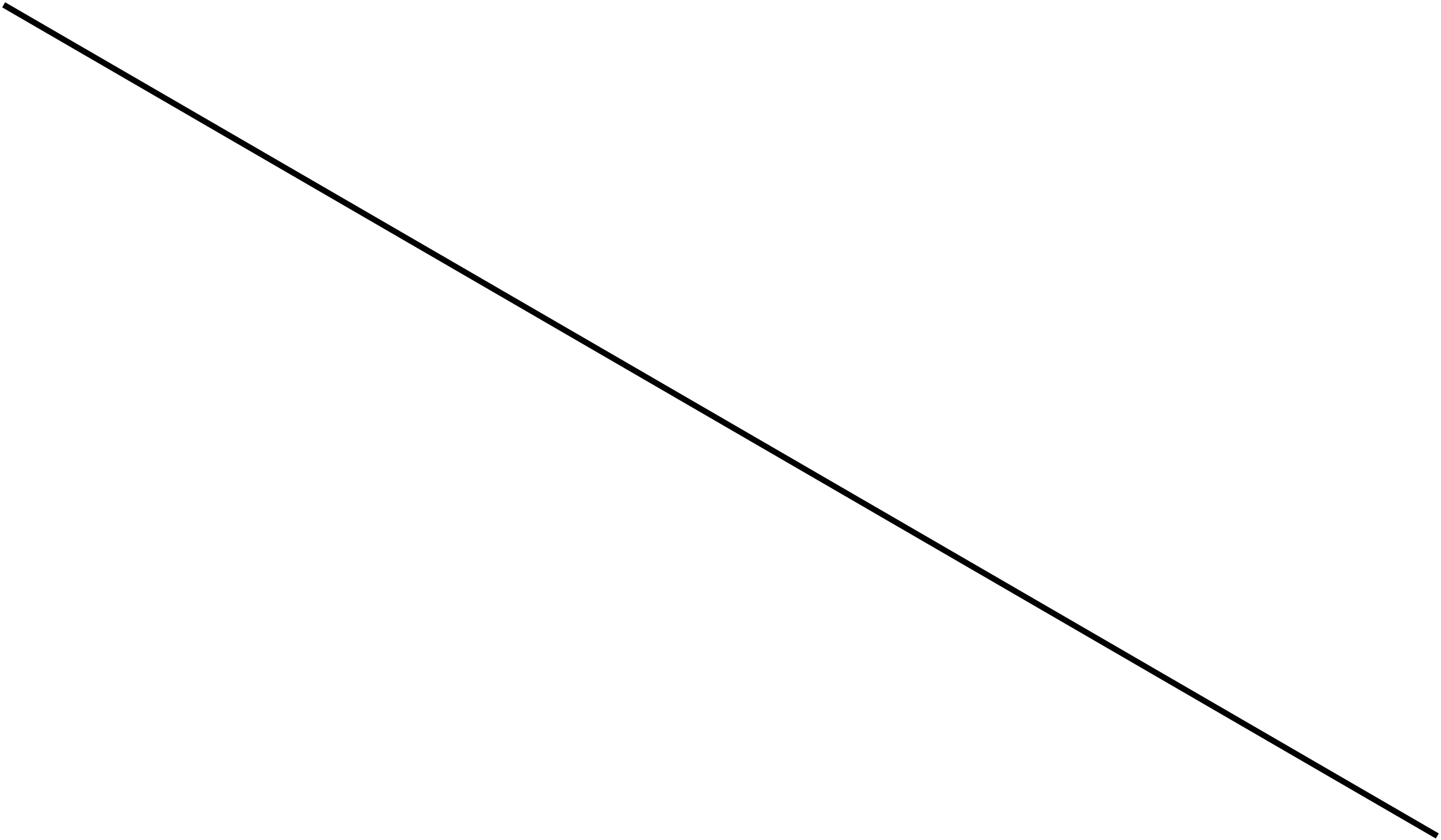


To be effective, a price **Ceiling** must prohibit **the equilibrium price**

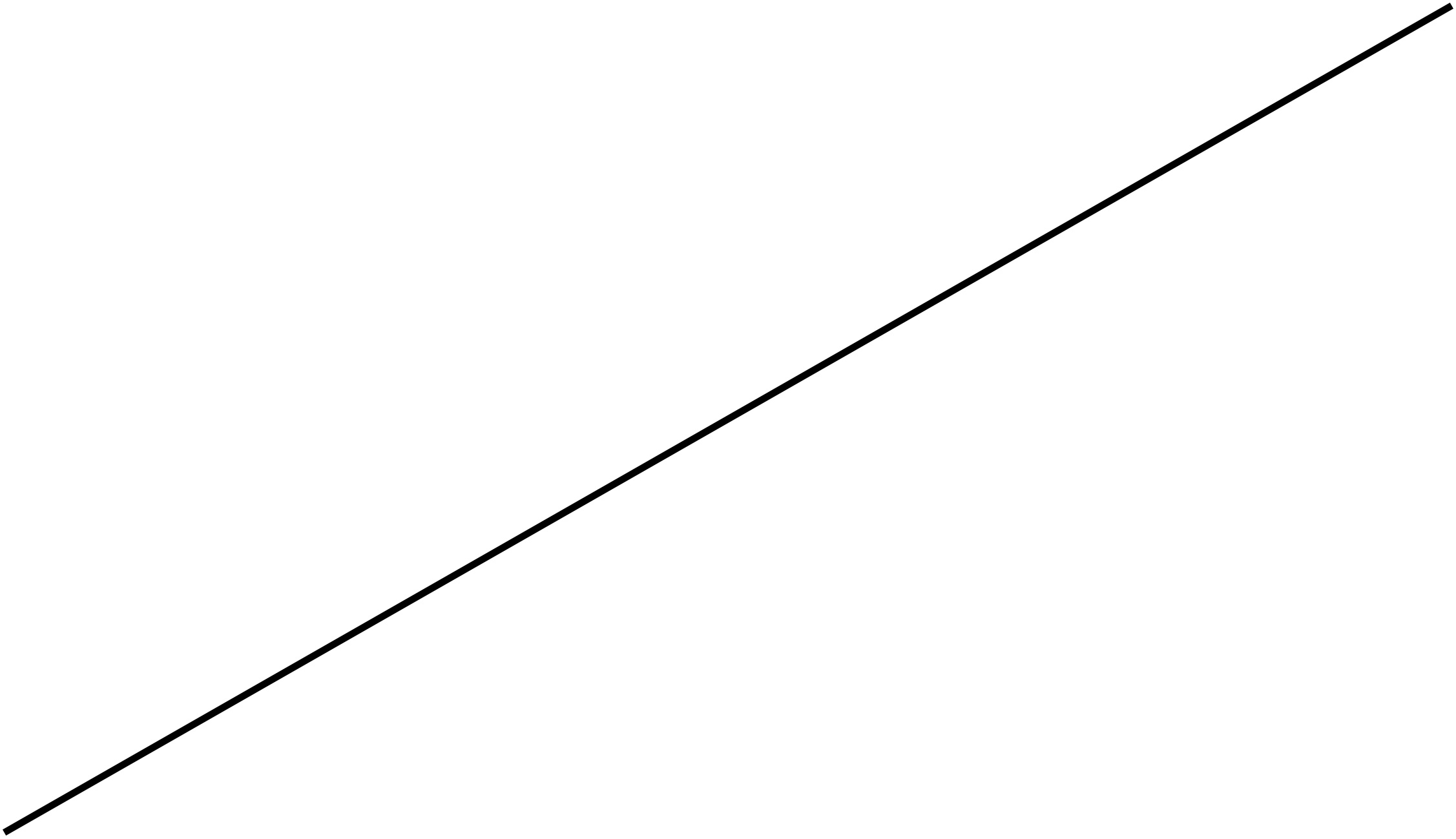




D

S

4,000







$$Q_e = 600$$

$P_e = 3,900$

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

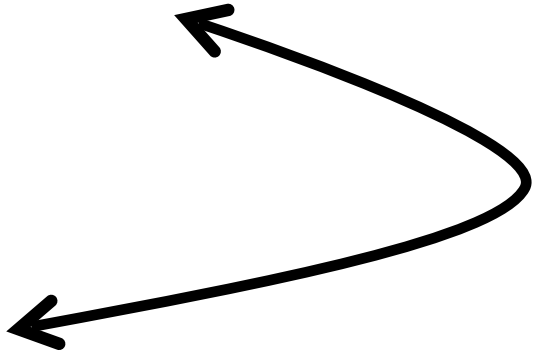
Rent Control:
Landlords
can't charge
more than
\$4,000



Price Ceiling

All these prices are
now prohibited

Does not prevent
price from reaching
equilibrium





A large, hand-drawn style speech bubble with a black outline and a white fill. It has a tail pointing towards the top right corner. Inside the bubble, the text "The equilibrium price is still allowed" is written in a sans-serif font. The words "The equilibrium price" are in black, and "is still allowed" is in red.

The
equilibrium price
is still allowed

To be effective, a price
Ceiling must be placed
below the equilibrium price

A Price Ceiling placed above the equilibrium price is not effective

To be effective, a price **Ceiling** must prohibit **the equilibrium price**

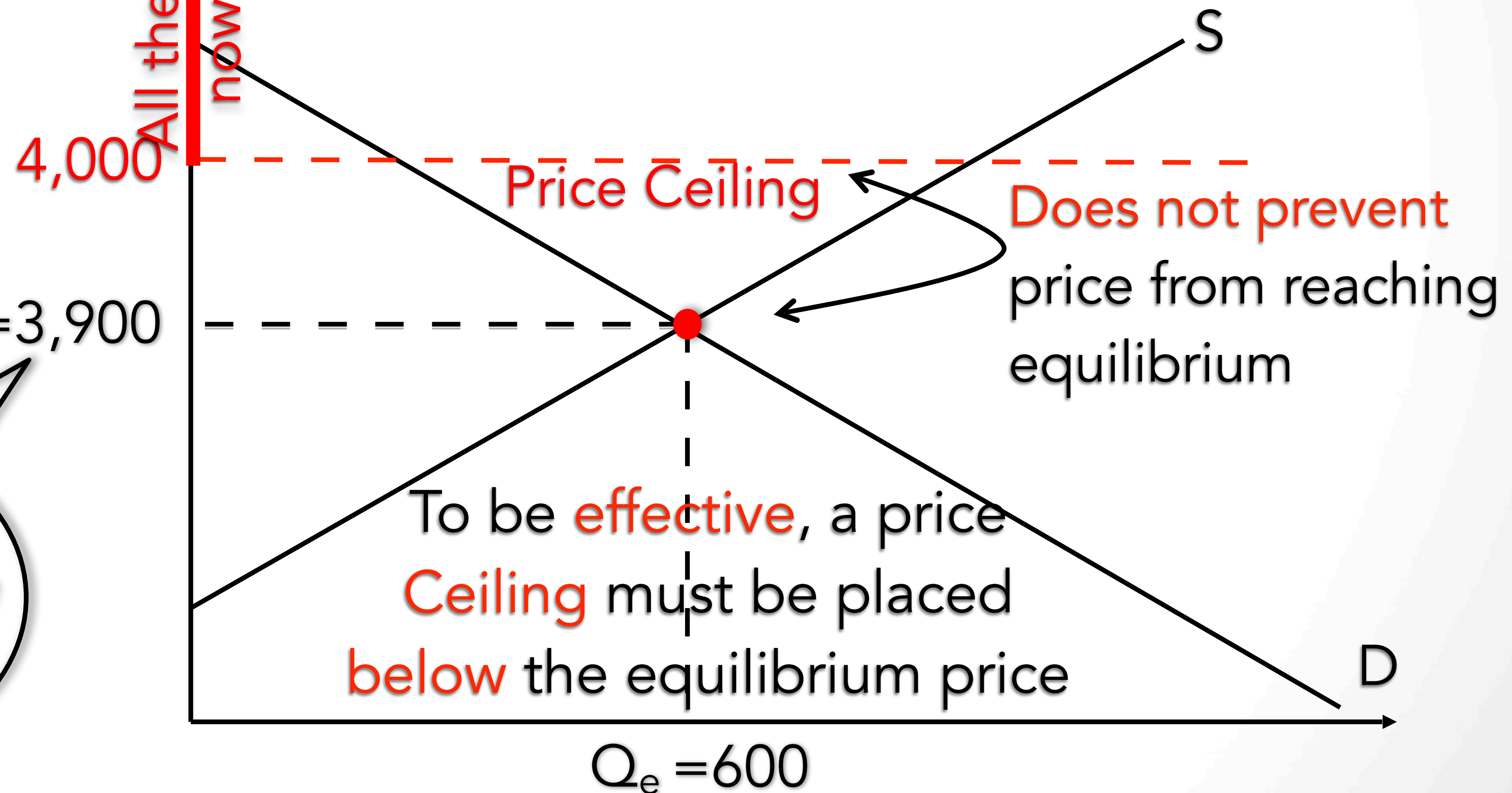
Rent Control:
Landlords
can't charge
more than
\$4,000

All these prices are
now prohibited

A Price Ceiling placed **above** the
equilibrium price **is not effective**

$P_e = 3,900$

The
equilibrium price
is still allowed



A price Floor prohibits prices **below**

