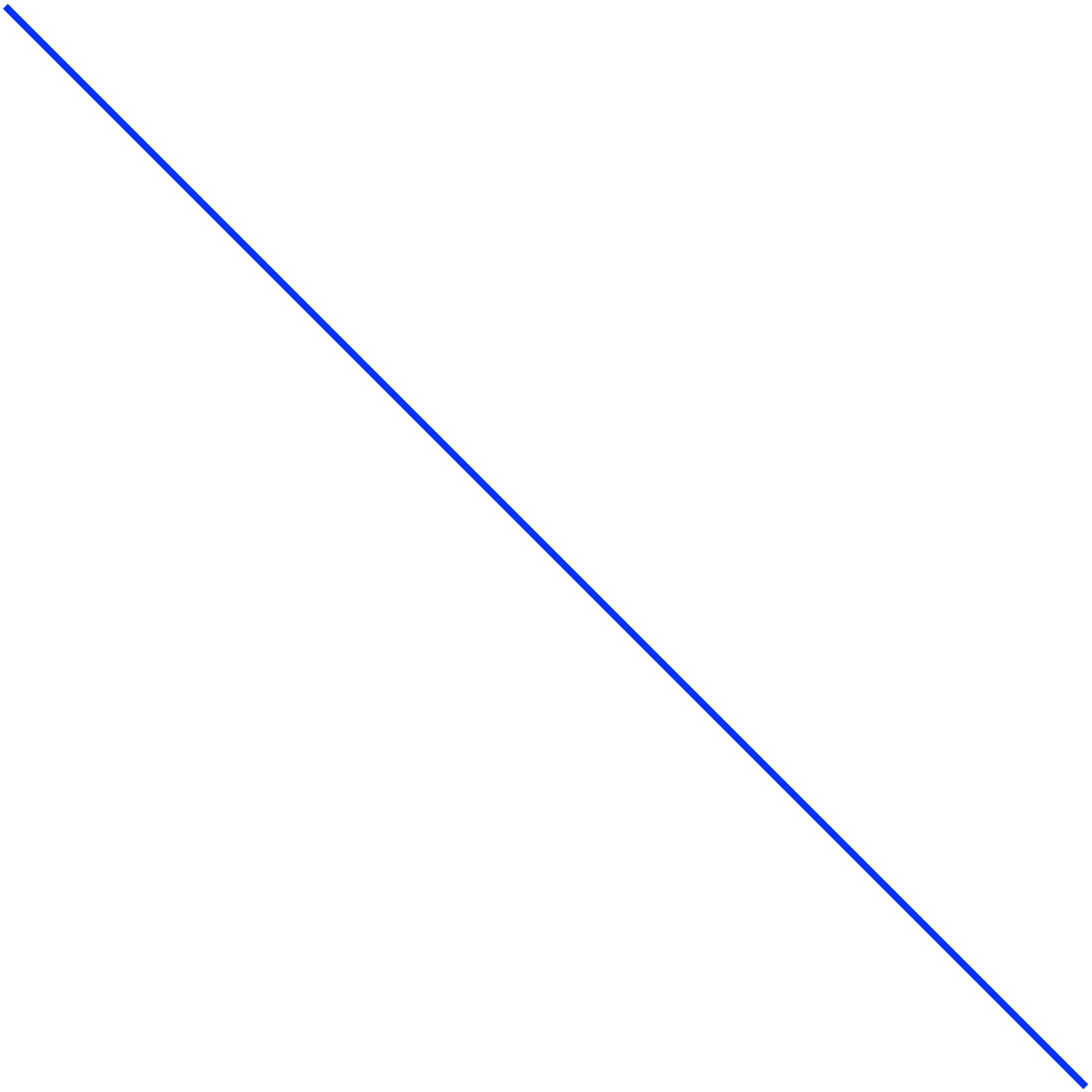
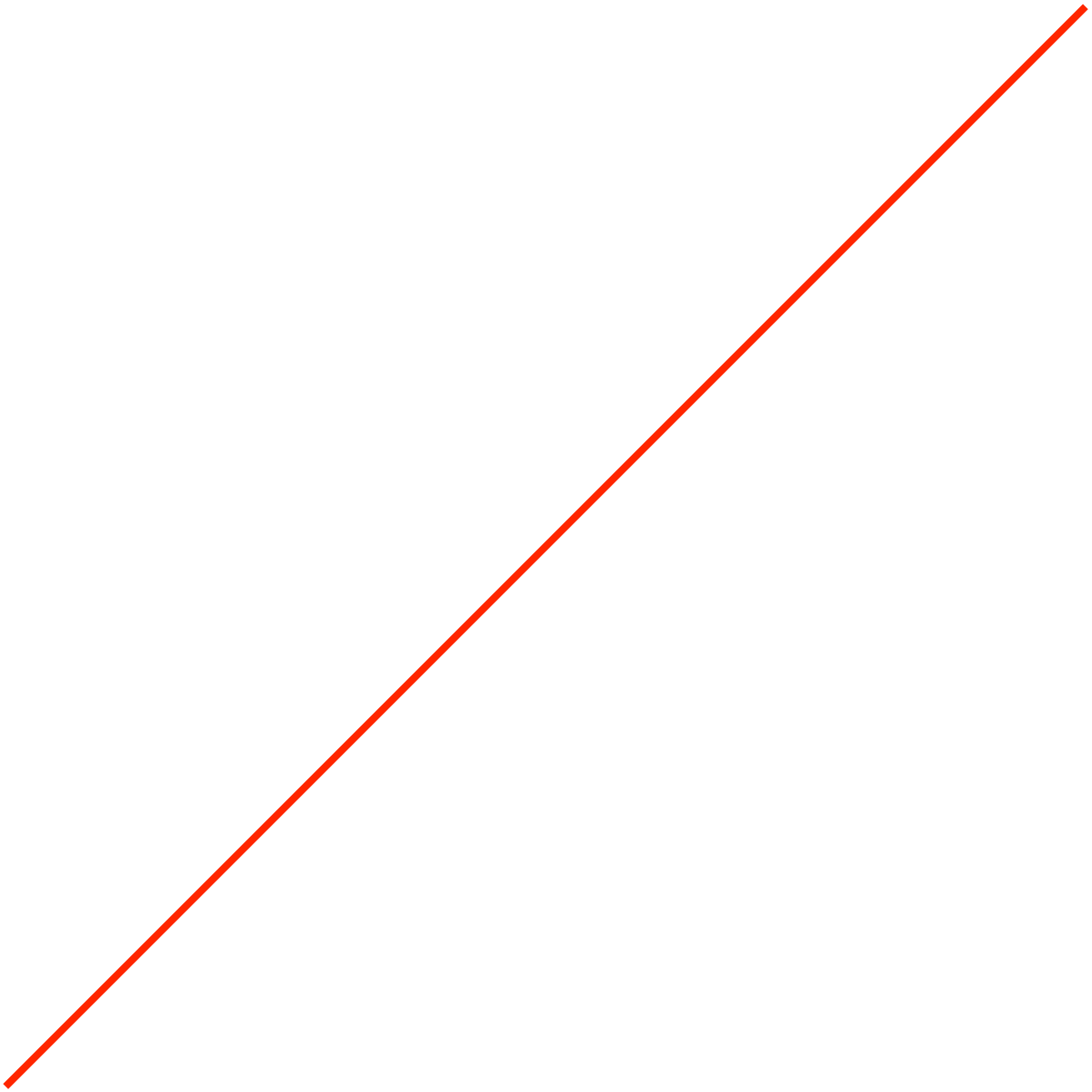




A shortage occurs when the price is lower than the equilibrium price (P_e)











Quantity

Demanded

Quantity
Supplied

Supply

Demand

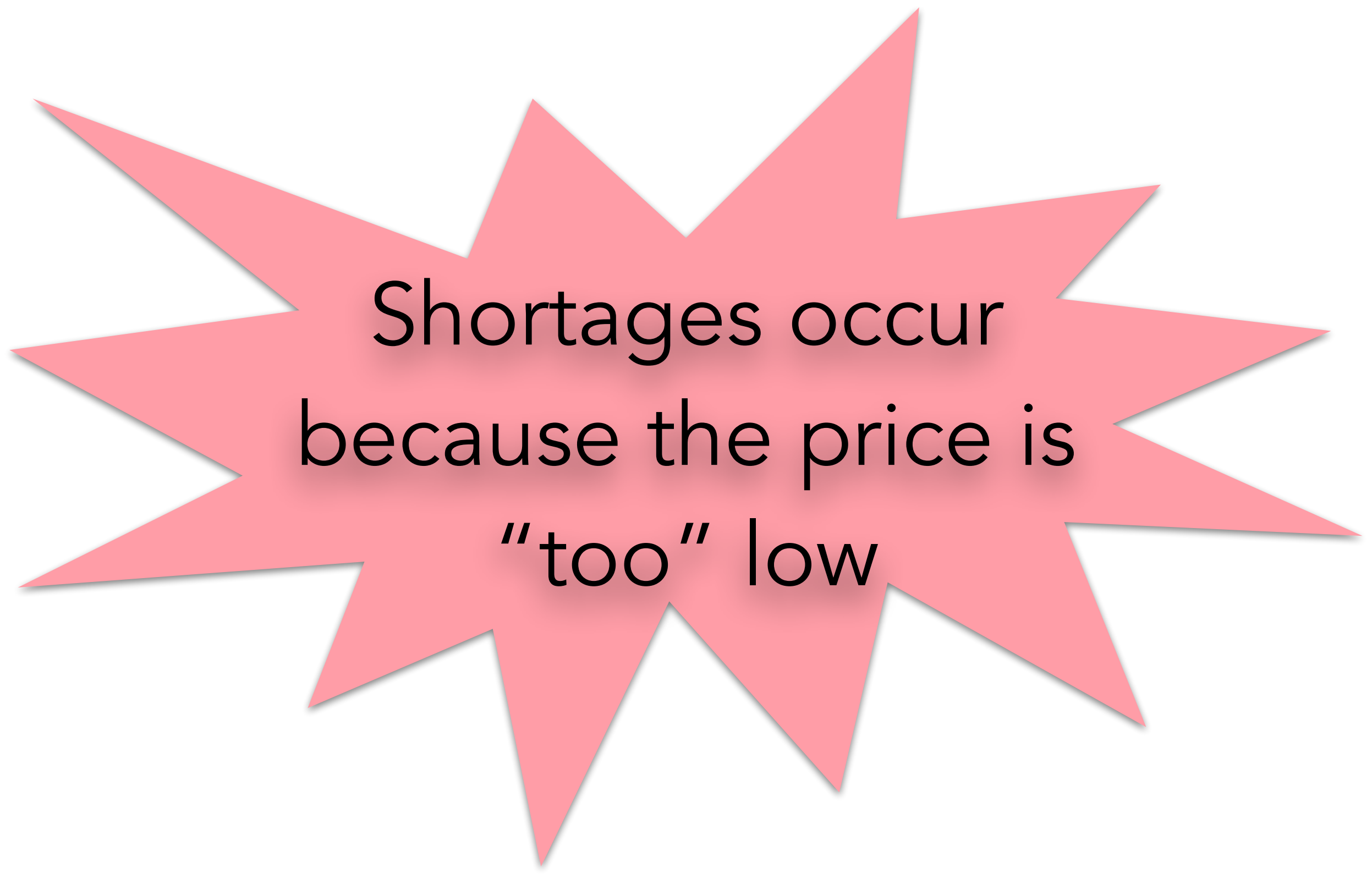


Shontage

P

O





Shortages occur
because the price is
"too" low

P_e



Qs

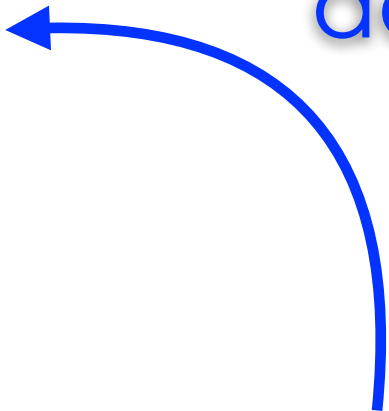
od

Shontage eliminated

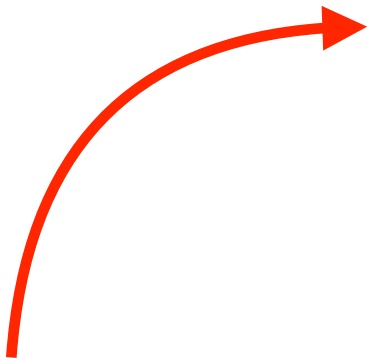
Buyers bid
price up



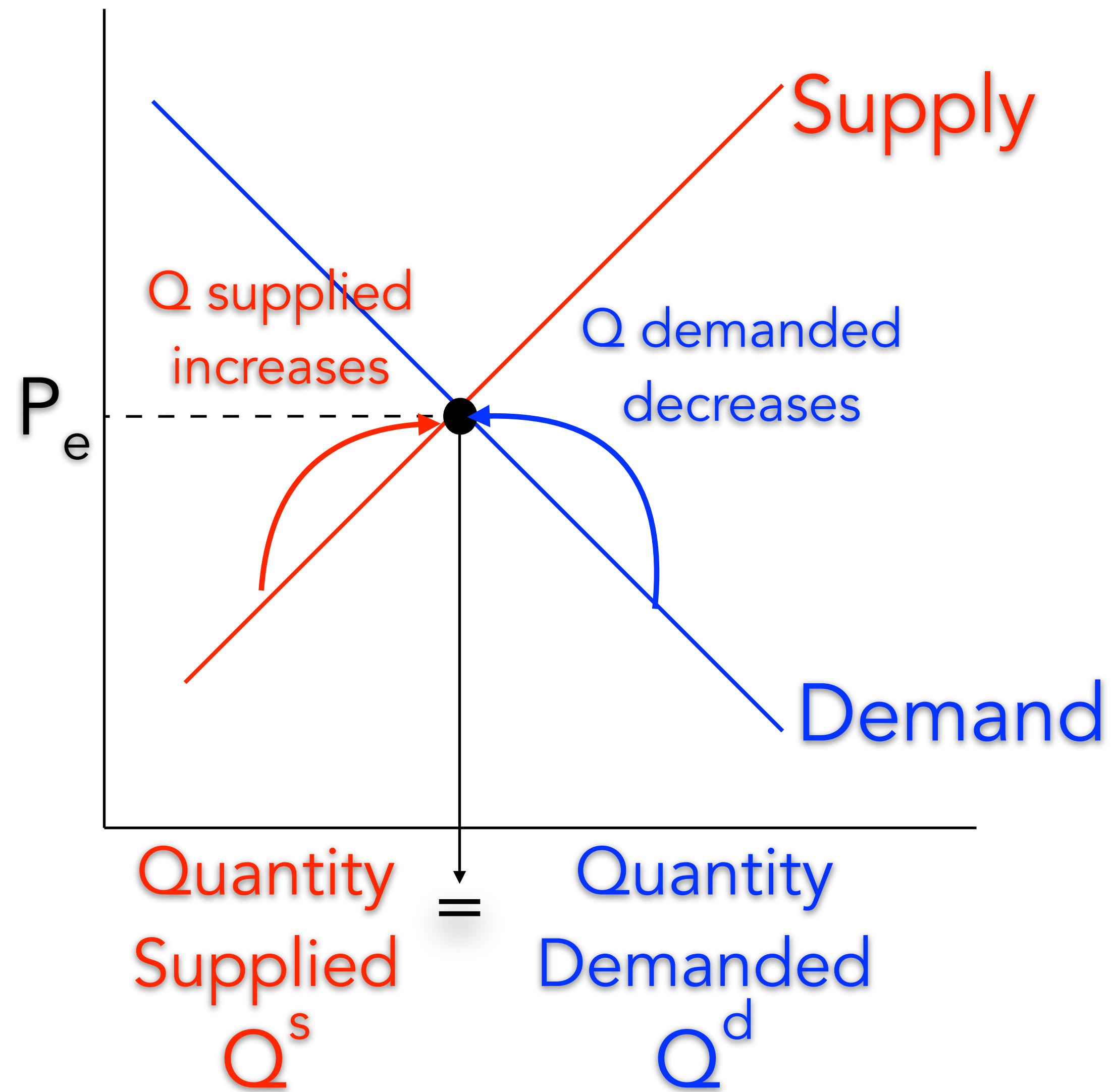
Q demanded
decreases



Q supplied
increases







Shortage eliminated

Buyers bid
price up

A shortage occurs when the price is lower than the equilibrium price (P_e)

