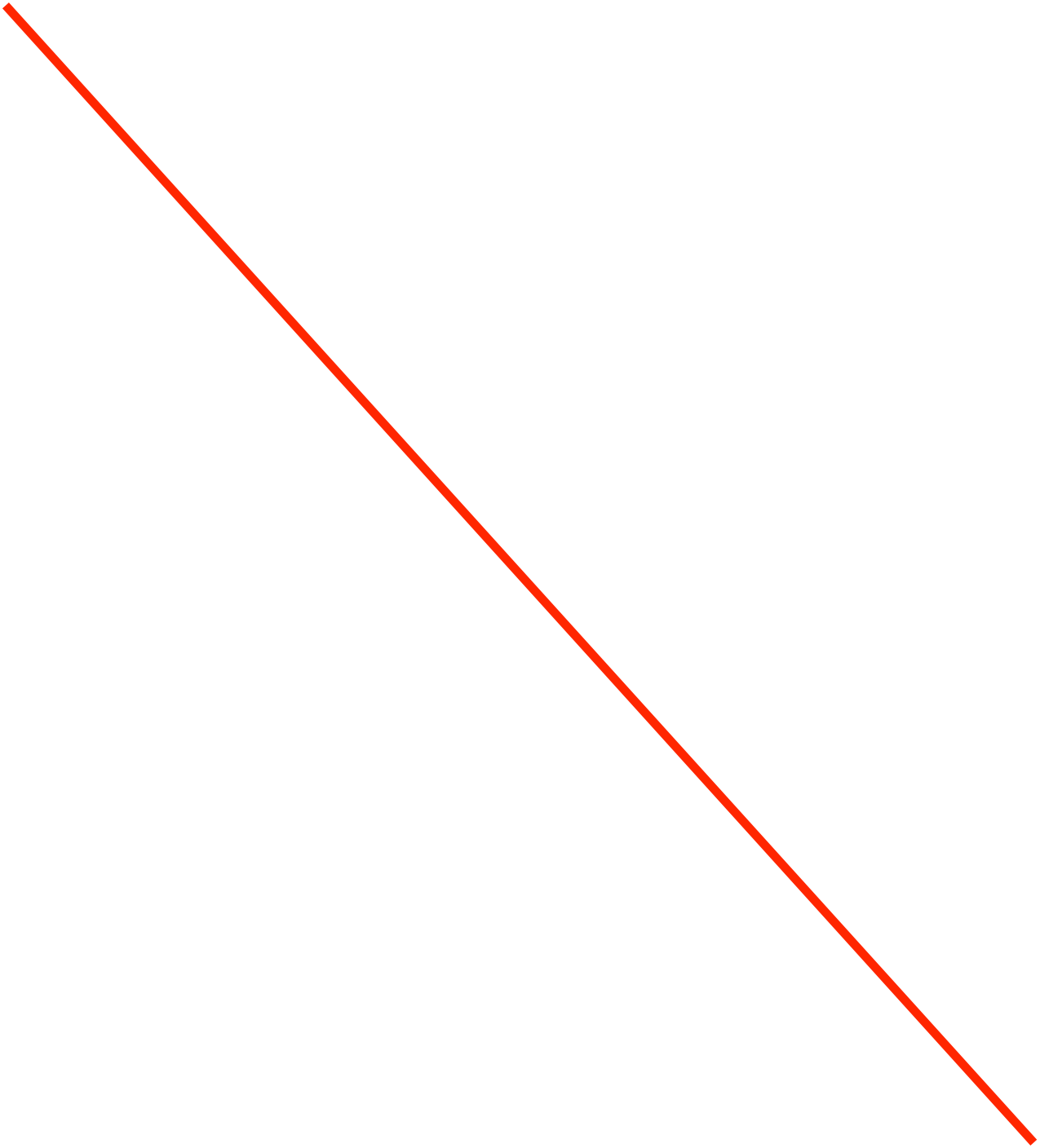




5

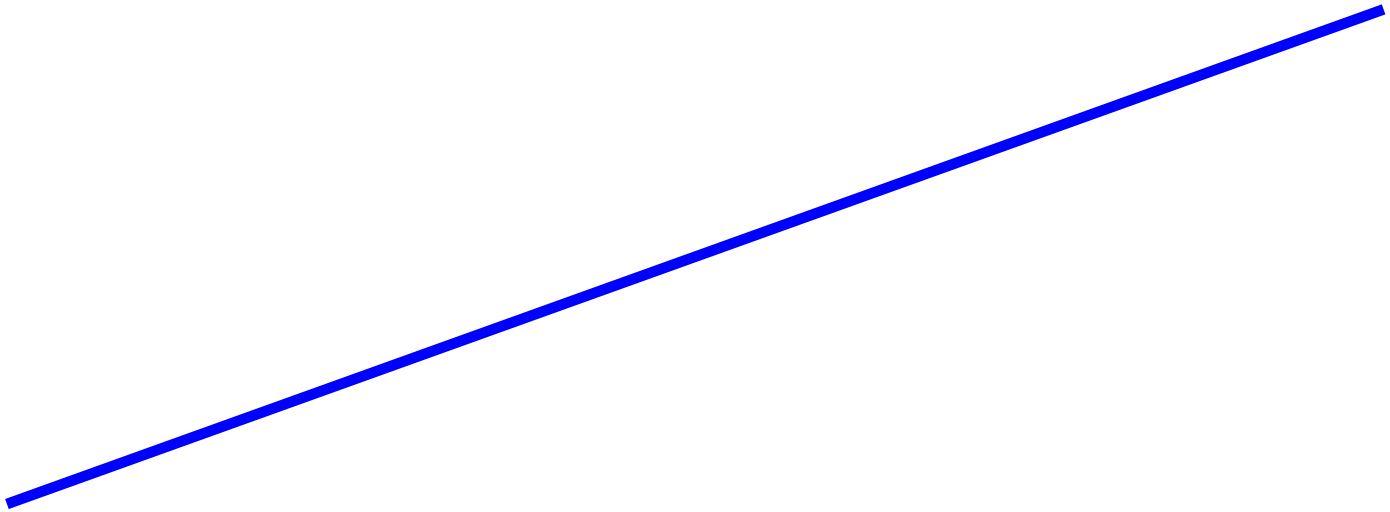
1







S



$P_e = 11$



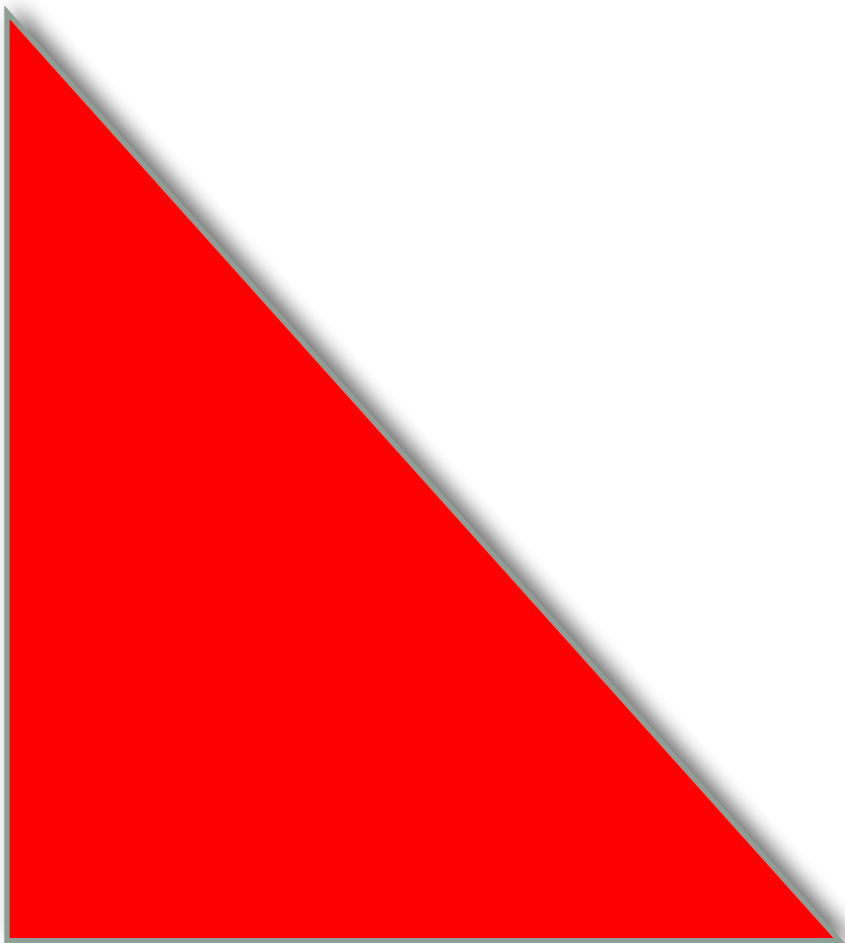
25

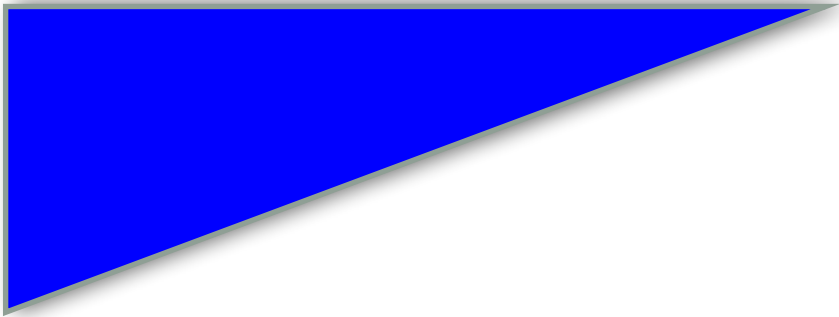
4





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*

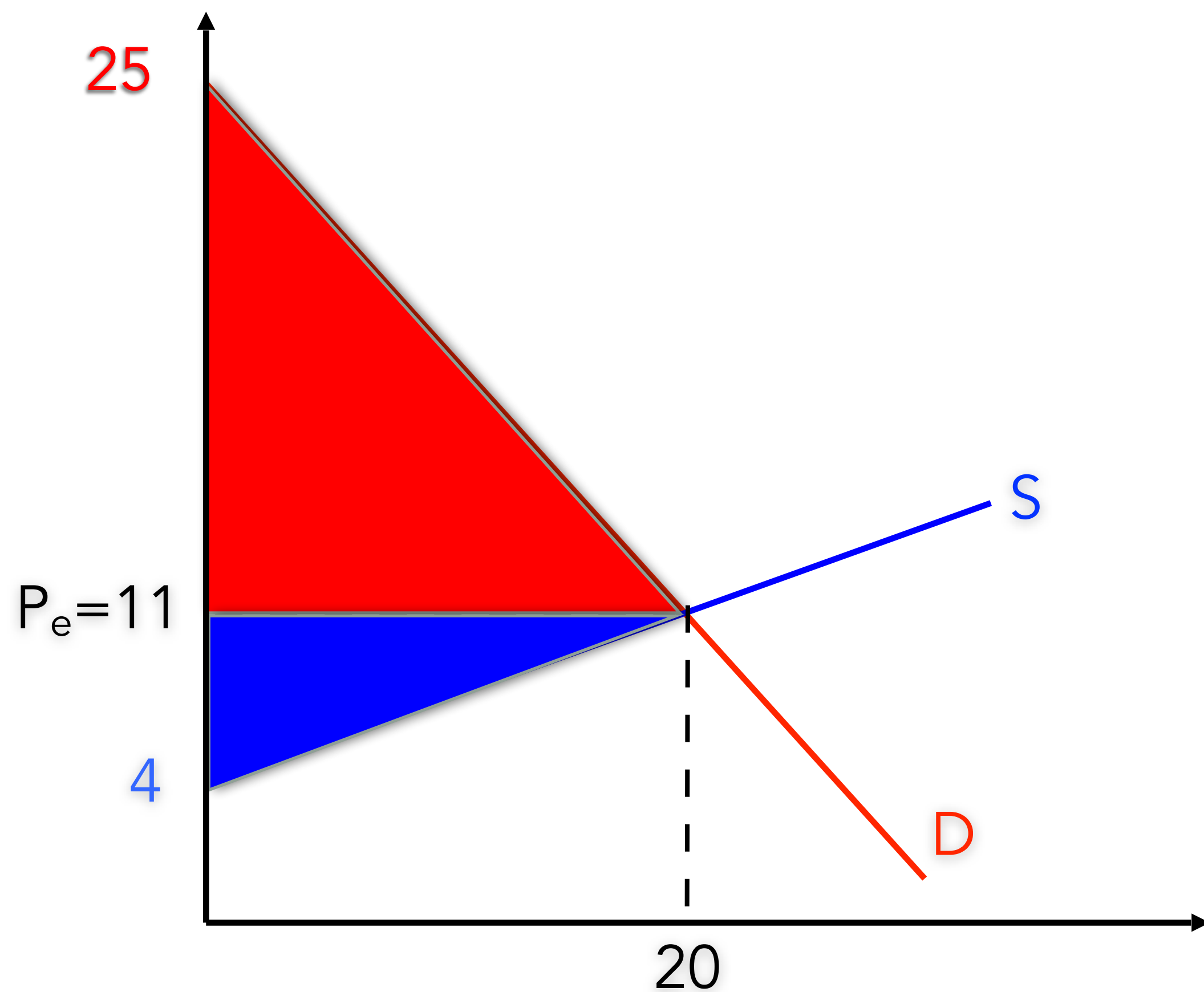
$$= (25 - 1) \times 20 \times 1/2$$

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

= \$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

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

$$= \$70$$

