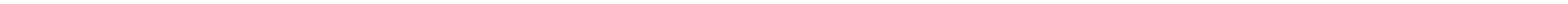


Producers (landlords) **definitely lose** PS
as a result of the price ceiling



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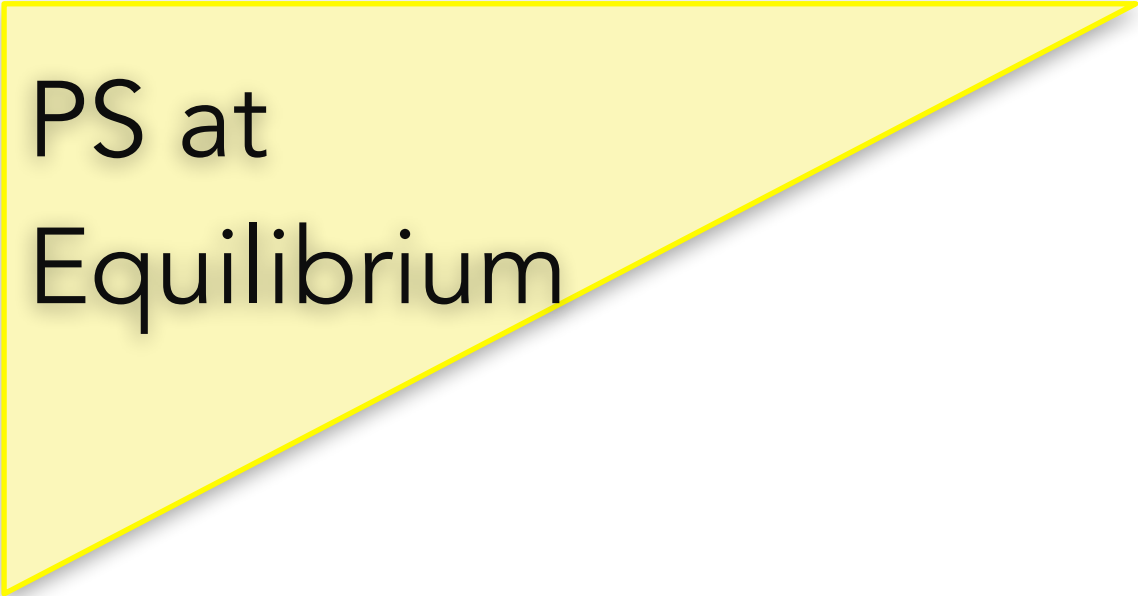
80

600

3,900

Price Ceiling: 2,200





PS at
Equilibrium

$Q_s = 3000$

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$$Q_d = 9000$$



PS: Area *above supply* and *below* the price
(rent) the producer (landlord) receives



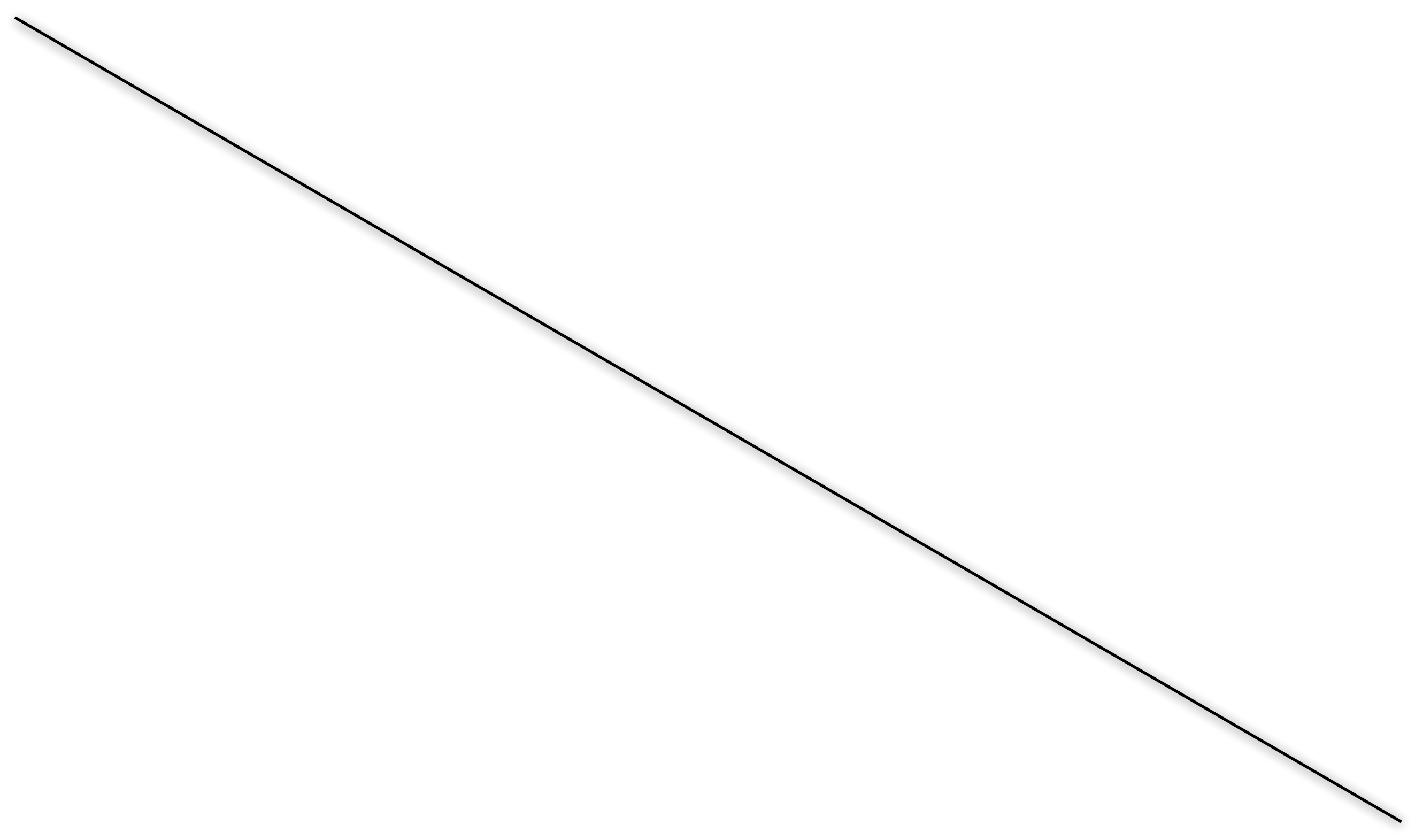
The quantity supplied
drops to 300

Producers can only get
Producer Surplus on 300
units

$$Q^s = 300$$



PS lost

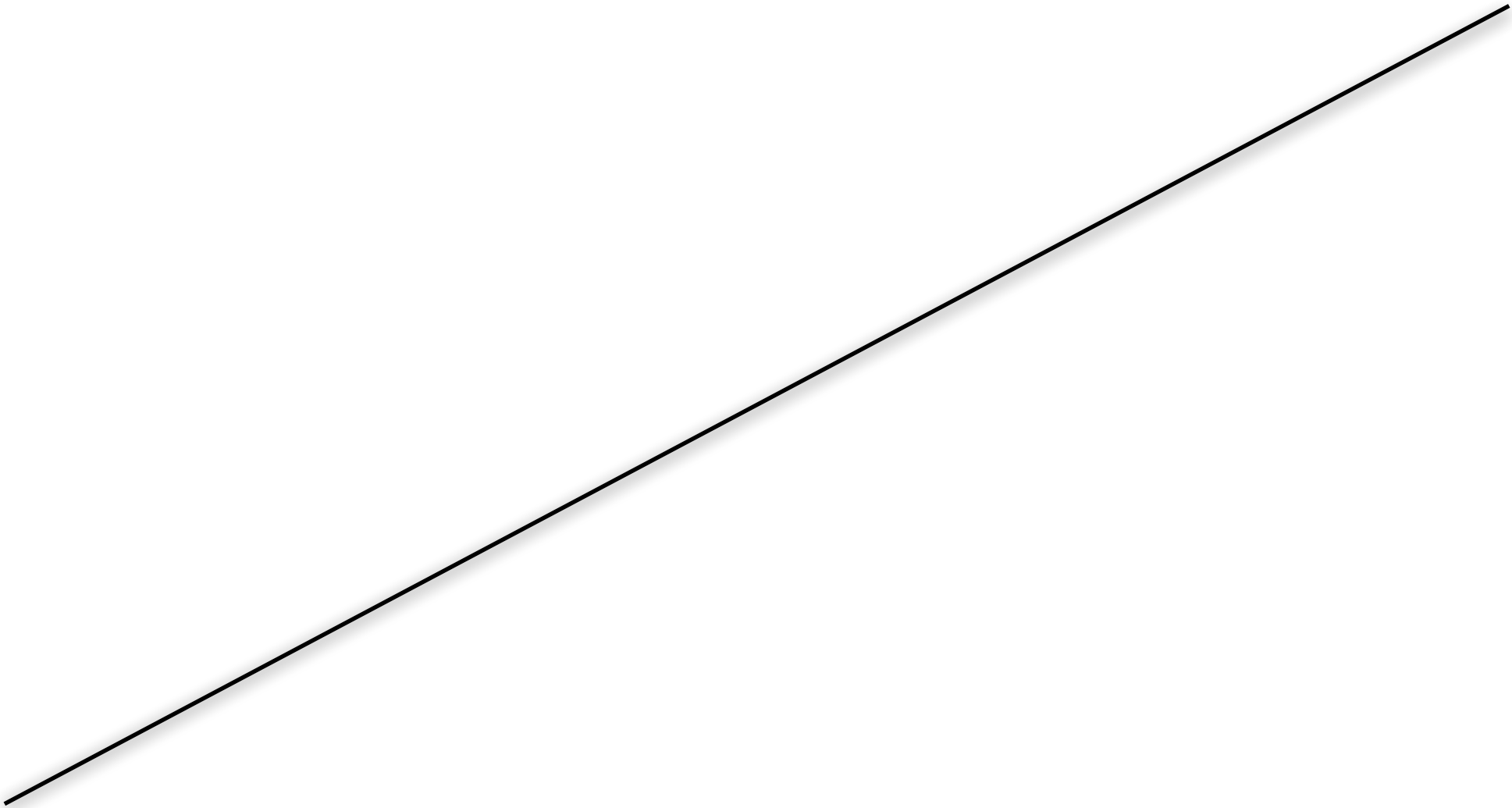


PS lost





PS after
ceiling is
imposed



Producers (landlords) **definitely lose** PS
as a result of the price ceiling

