



**T**





**b**

e

e

f





e

C

t





e





a

**p**

**r**



c

e

C

e







n

g

m

u

S

t



p

**r**



h



**b**



t



t

h

e

9

u





**b**





u

m

p

**r**

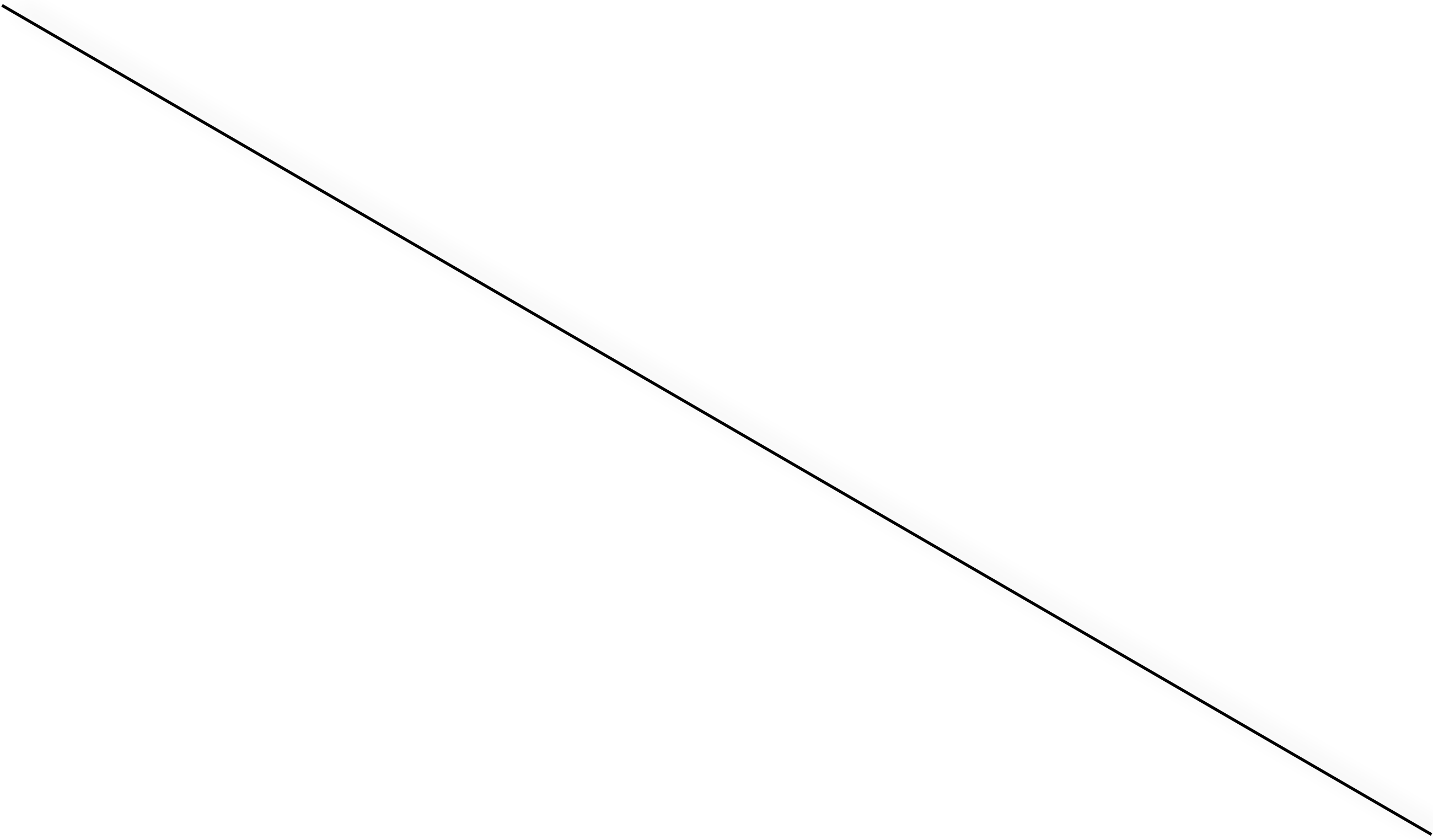


c

e



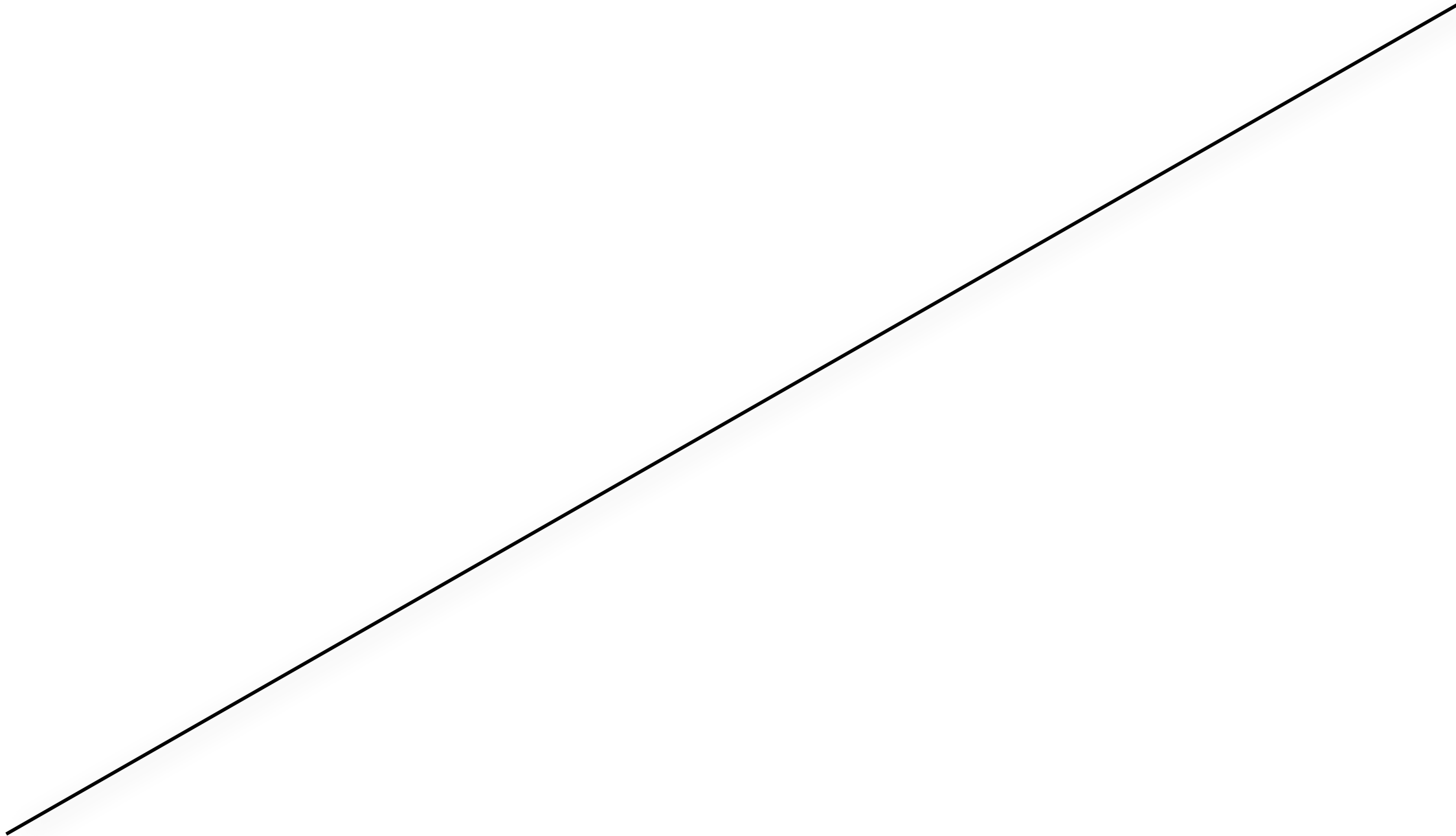




**D**

S

4,000









1

2

3

4

5

6

7

8

9

10

11

12

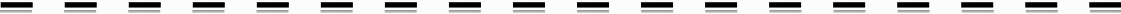
13

14

15

$$Q_e = 6000$$


$$P_e = 3,900$$



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



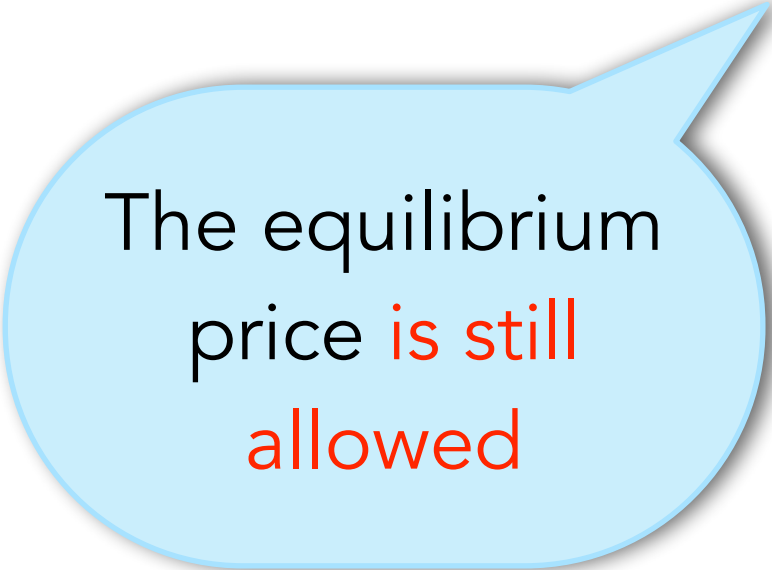
# Price Ceiling

All these prices are  now prohibited



Does not prevent (prohibit)  
price from being the  
equilibrium price





The equilibrium  
price is still  
allowed

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

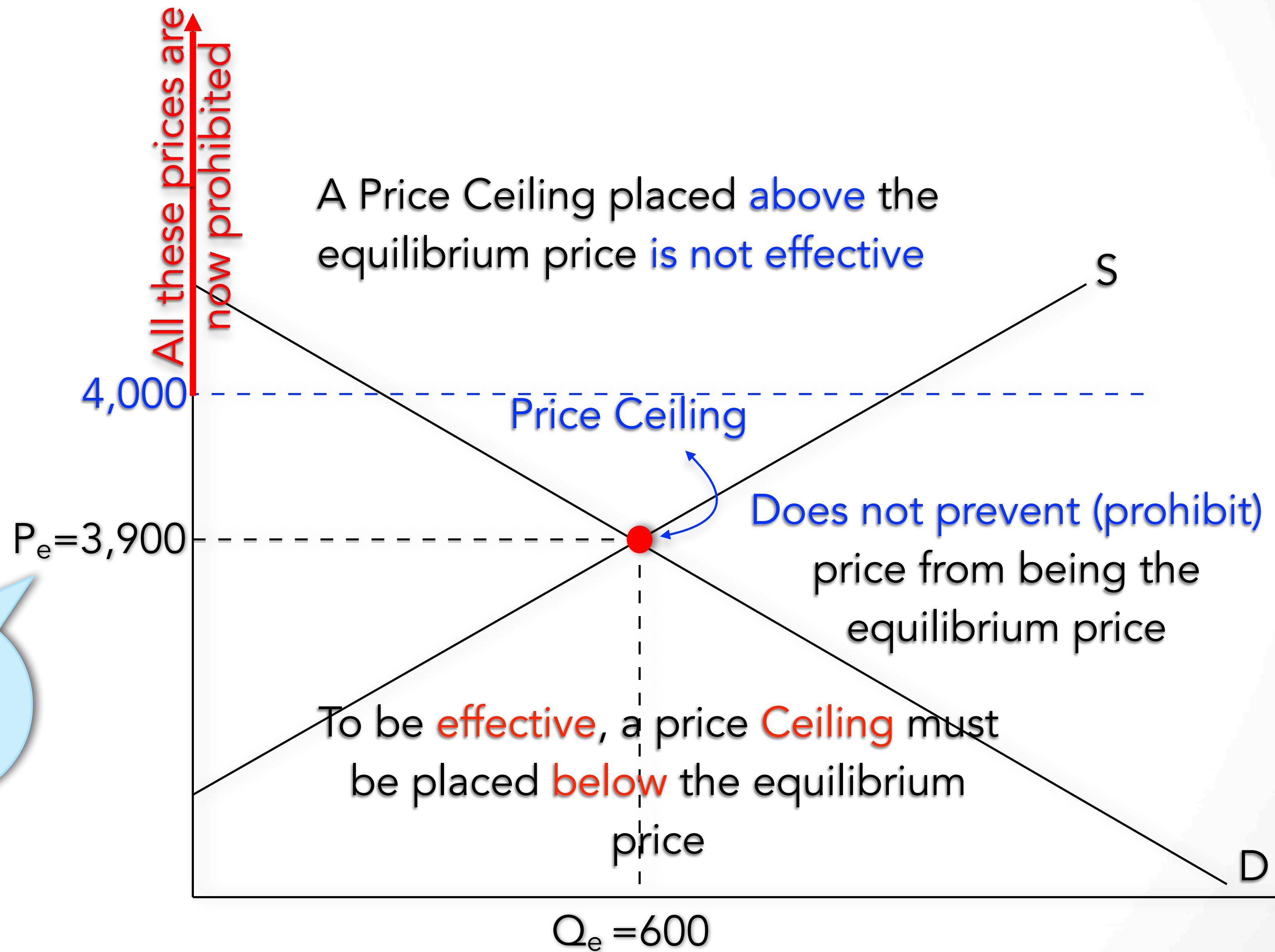
A Price Ceiling placed above the equilibrium price is not effective



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

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

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



The equilibrium  
price **is still  
allowed**



A price Floor prohibits prices **below** the floor

