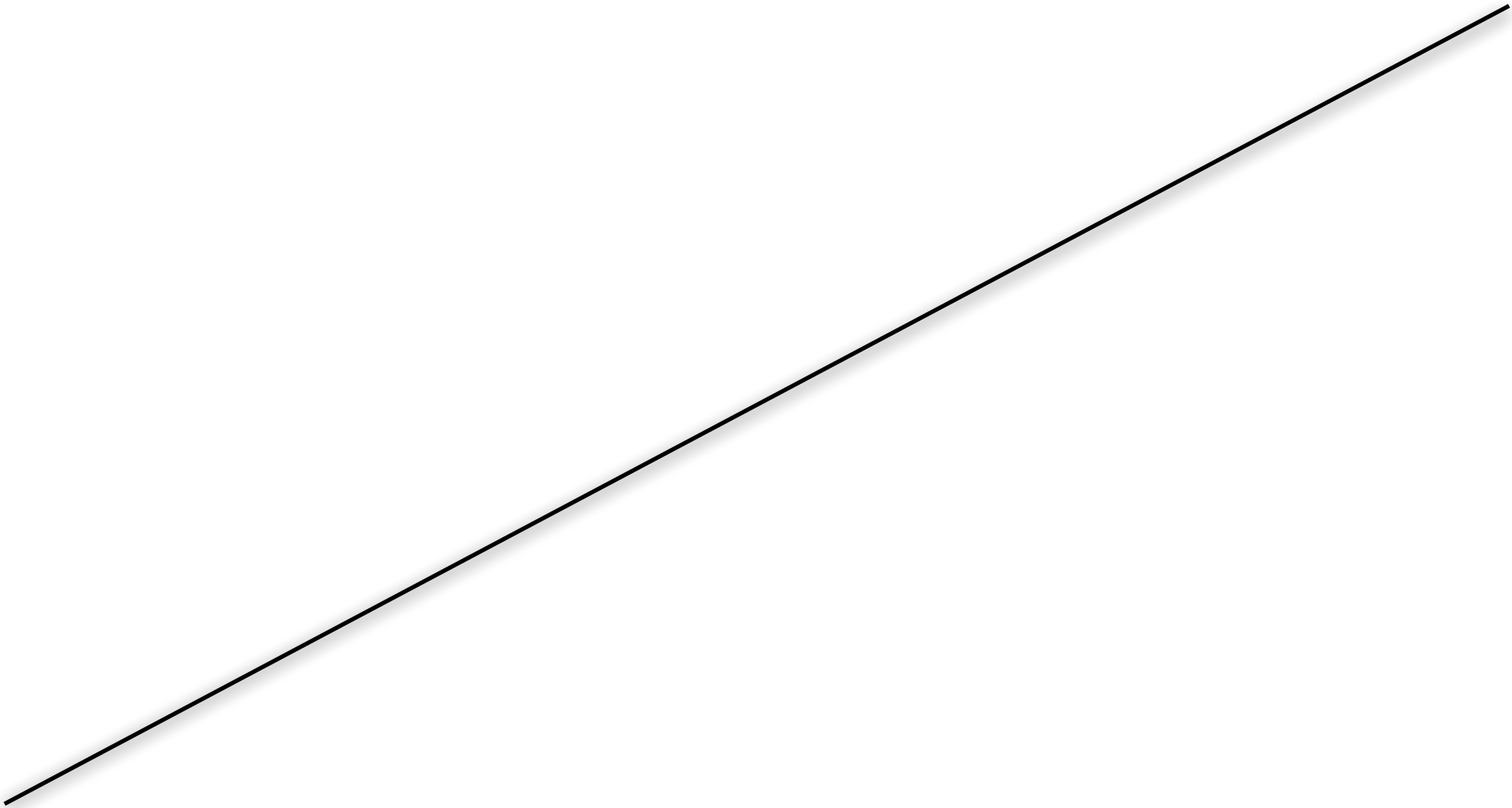


Consumers **definitely lose** CS as a result of the price
floor



D

S





$$Q_e = 4000$$

$$P_e = 0.50$$

Price Floor: 0.8

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

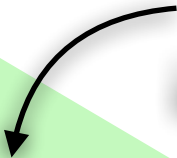
19

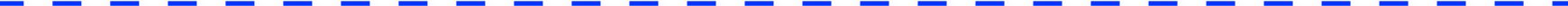
A large pink triangle pointing downwards, occupying the left half of the slide. A thin red horizontal line is visible on the left edge of the slide, intersecting the pink triangle.

CS at
Equilibrium

$$Q_d = 100$$

CS after
floor is
imposed





100

100

100

100

100

100

100

100

100

Qs = 8000



CS: Area **below** demand and above the price
the consumer pays



Consumers can only afford
to buy 100 units at the
new higher price

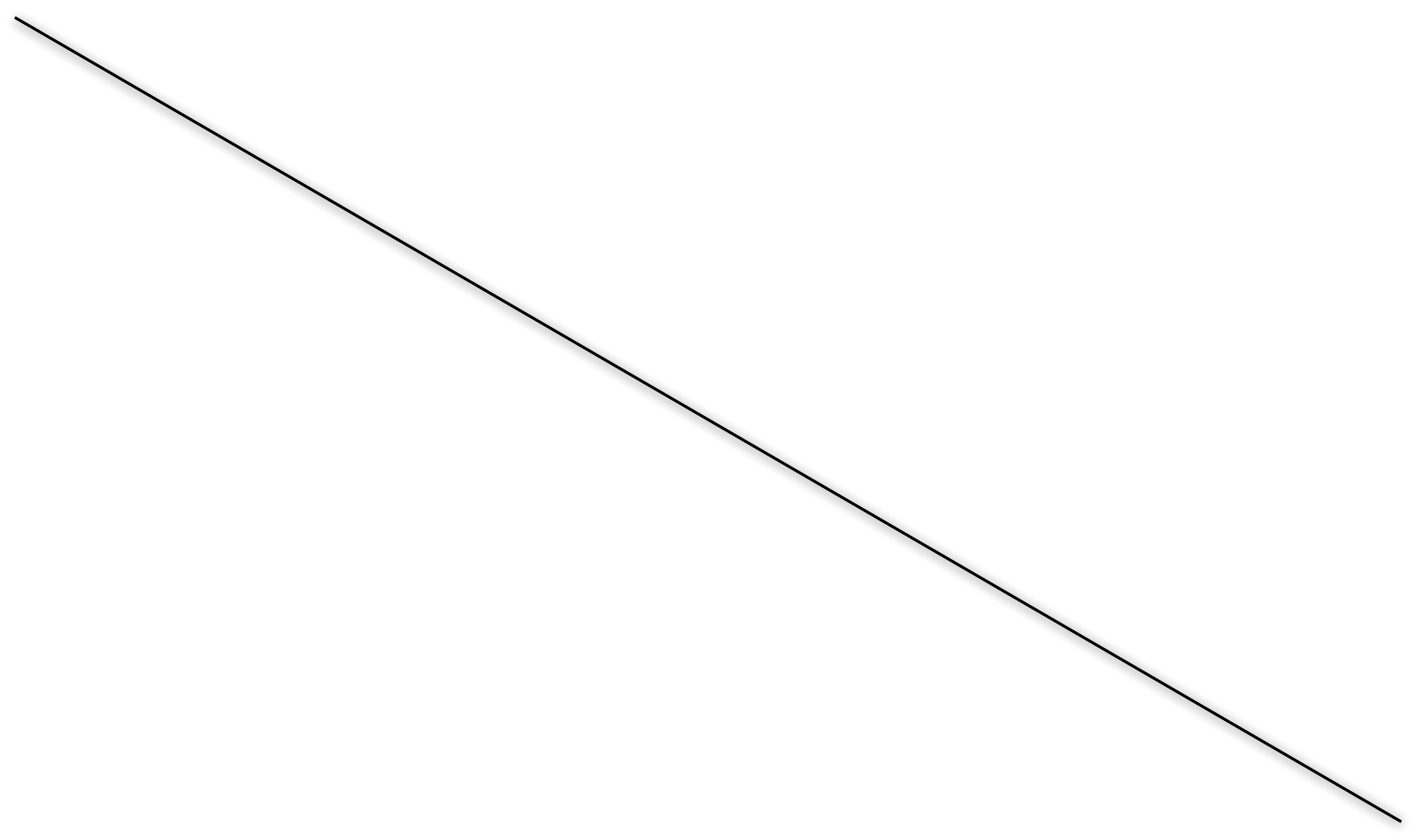
Consumers can only get
Consumer Surplus on 100
units



$$Q^d = 100$$

A red triangle with a dark red border, pointing to the right. The text "CS lost" is written inside the triangle in a large, black, sans-serif font.

CS lost



CS lost



Consumers **definitely lose** CS as a result of the price floor

