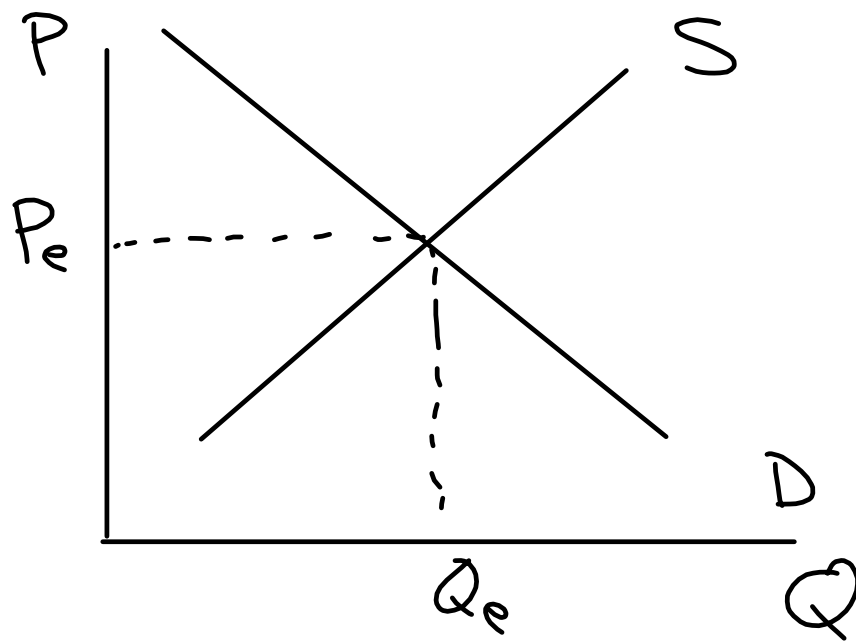


Topic: Equilibrium in
S/D context



What happens when
S and/or D shifts?

D ↑ P ↑ Q ↑

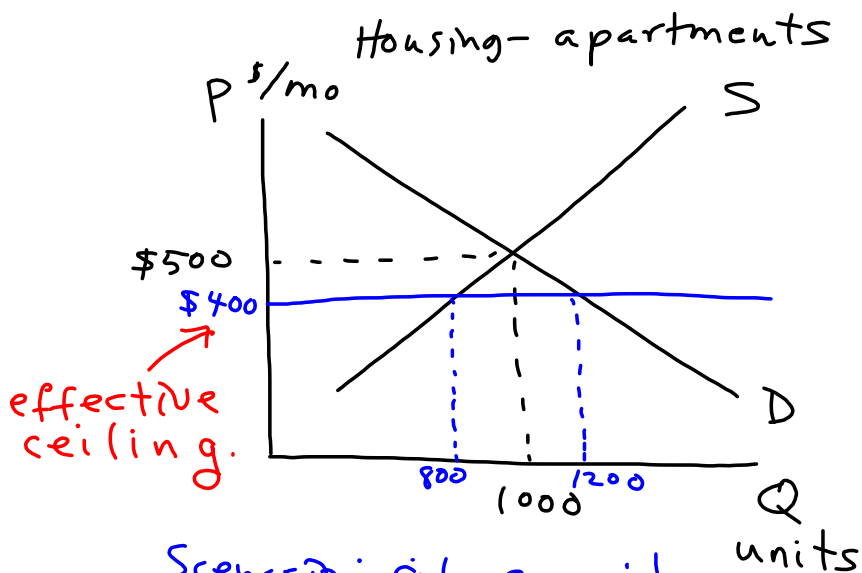
D ↓ P ↓ Q ↓

S ↑ P ↓ Q ↑

S ↓ P ↑ Q ↓

Topic: Price Controls

- imposed by government
- arrived at through politicized process



Scenario: city council
votes \$400/mo ceiling.

shortage: 400 units