

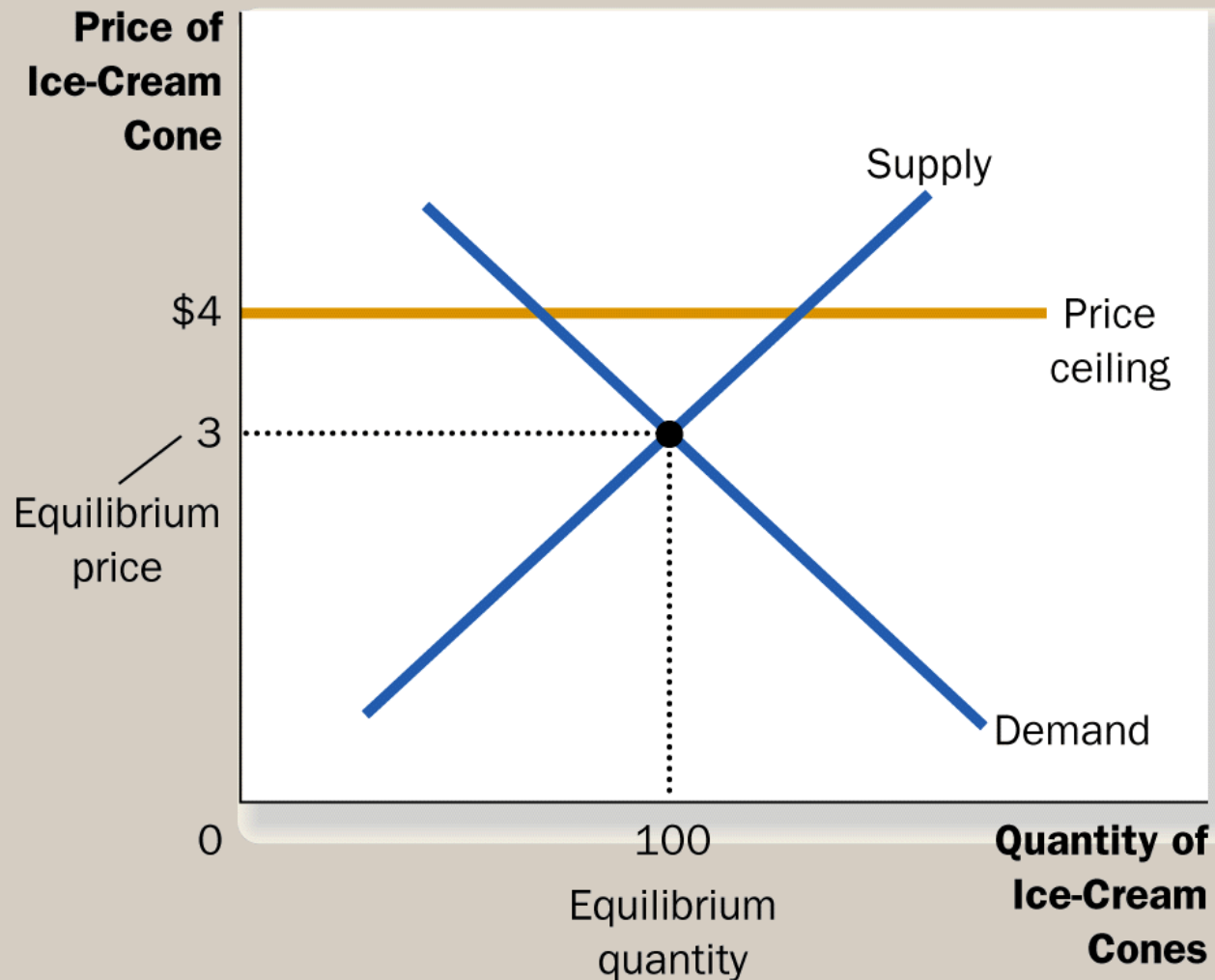


# 6

## Supply, Demand, and Government Policies

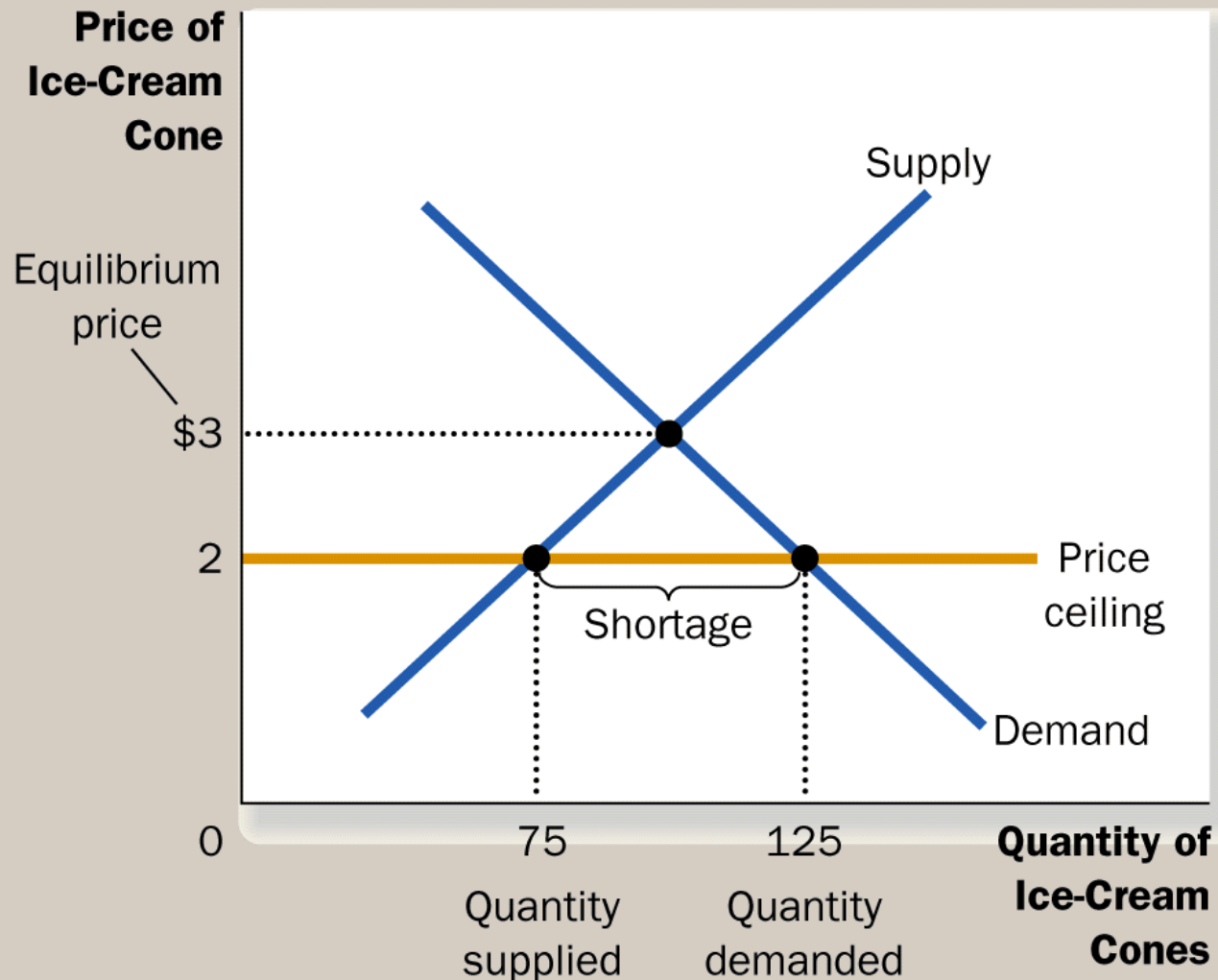
# Figure 1a A Market with a Price Ceiling

(a) A Price Ceiling That Is Not Binding



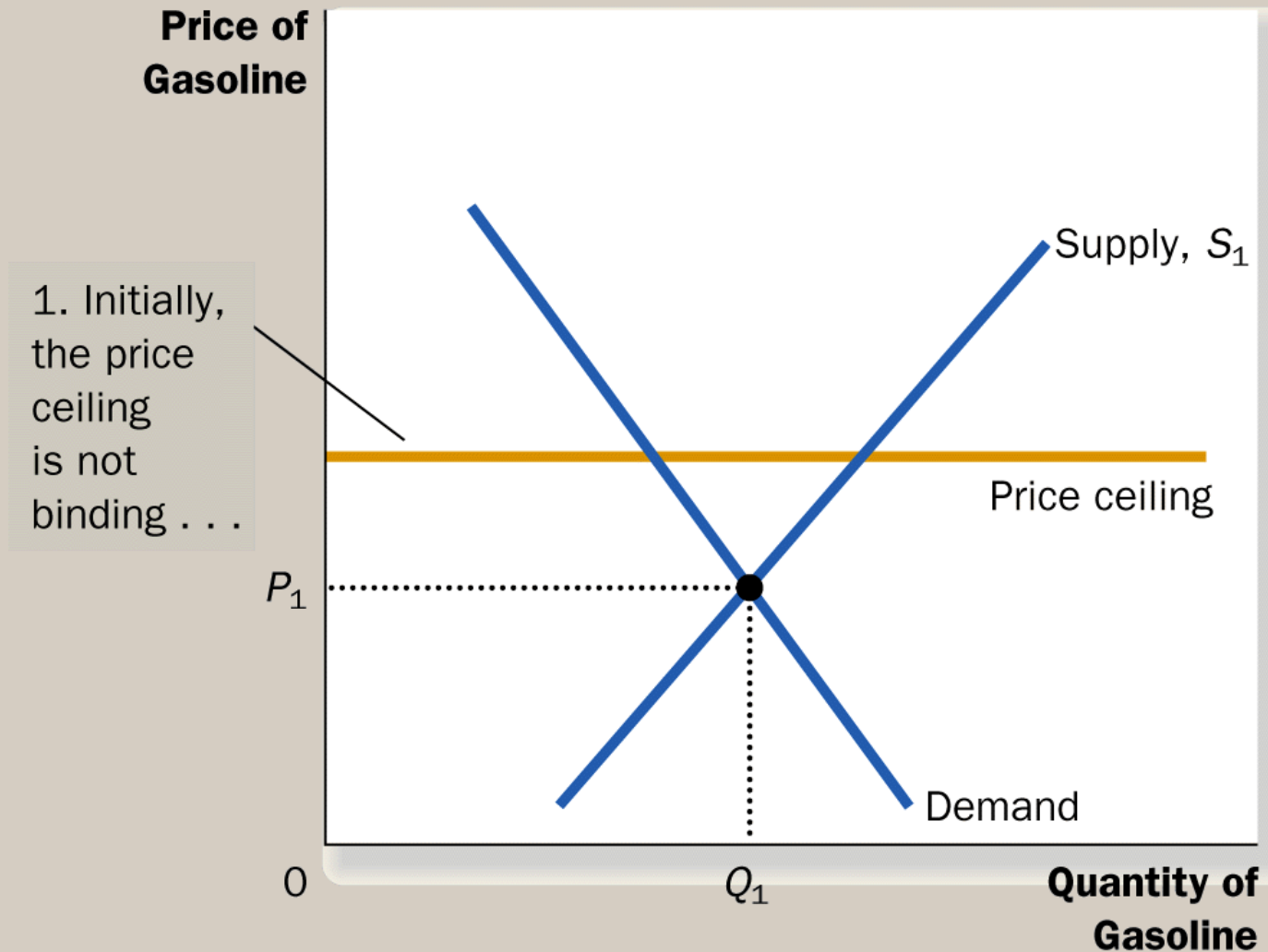
# Figure 1b A Market with a Price Ceiling

(b) A Price Ceiling That Is Binding



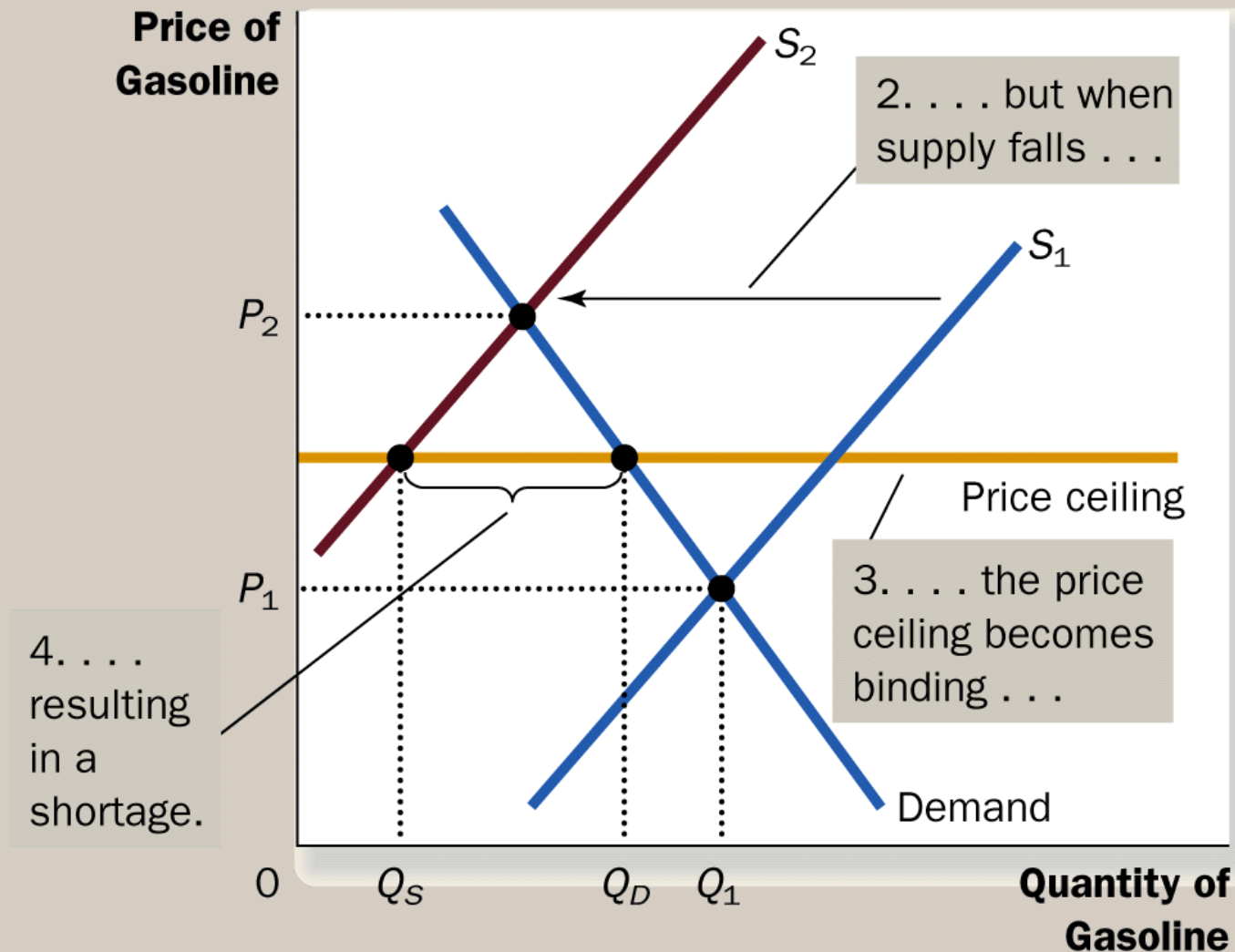
# Figure 2a The Market for Gasoline with a Price Ceiling

(a) The Price Ceiling on Gasoline Is Not Binding



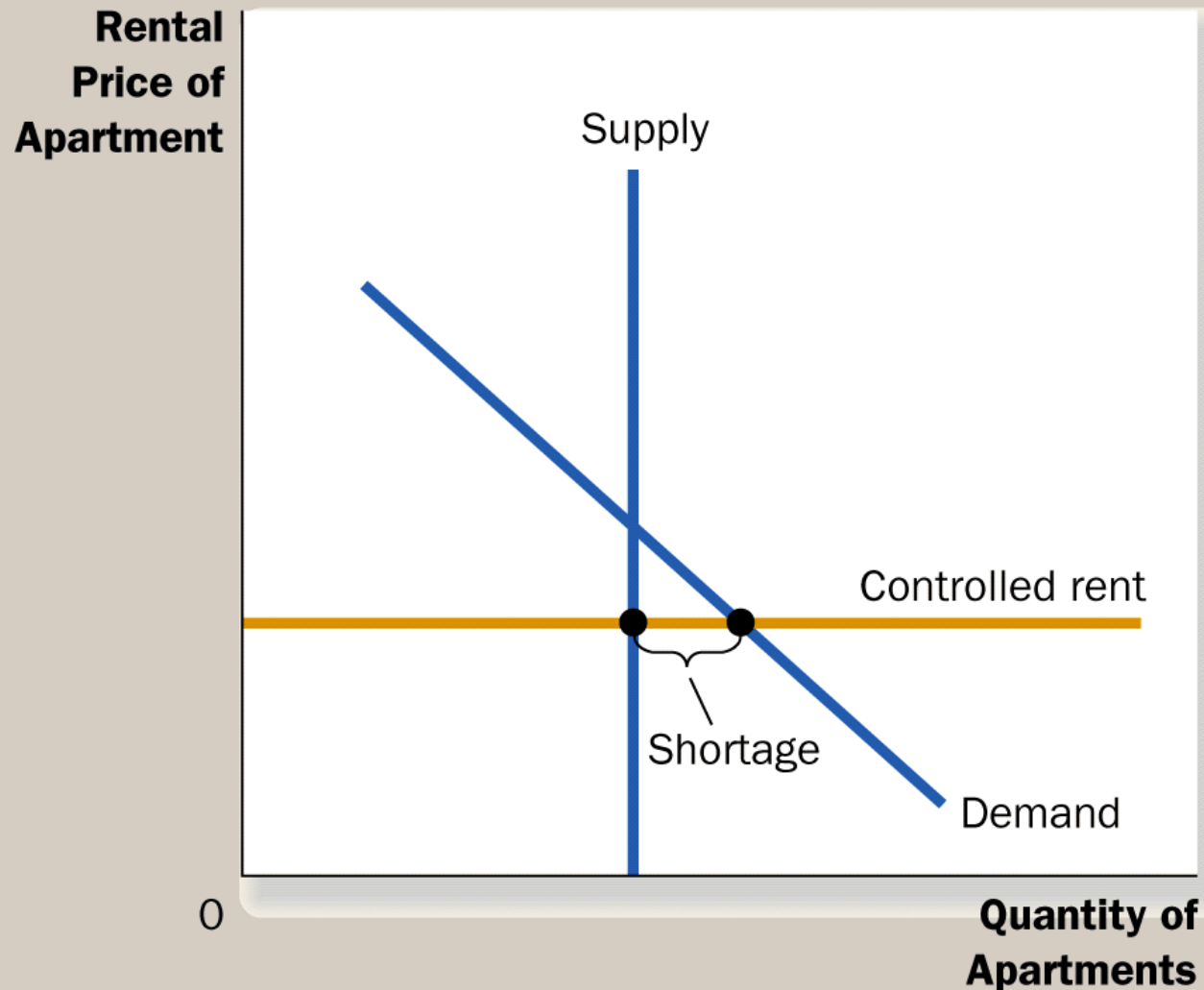
# Figure 2b The Market for Gasoline with a Price Ceiling

(b) The Price Ceiling on Gasoline Is Binding



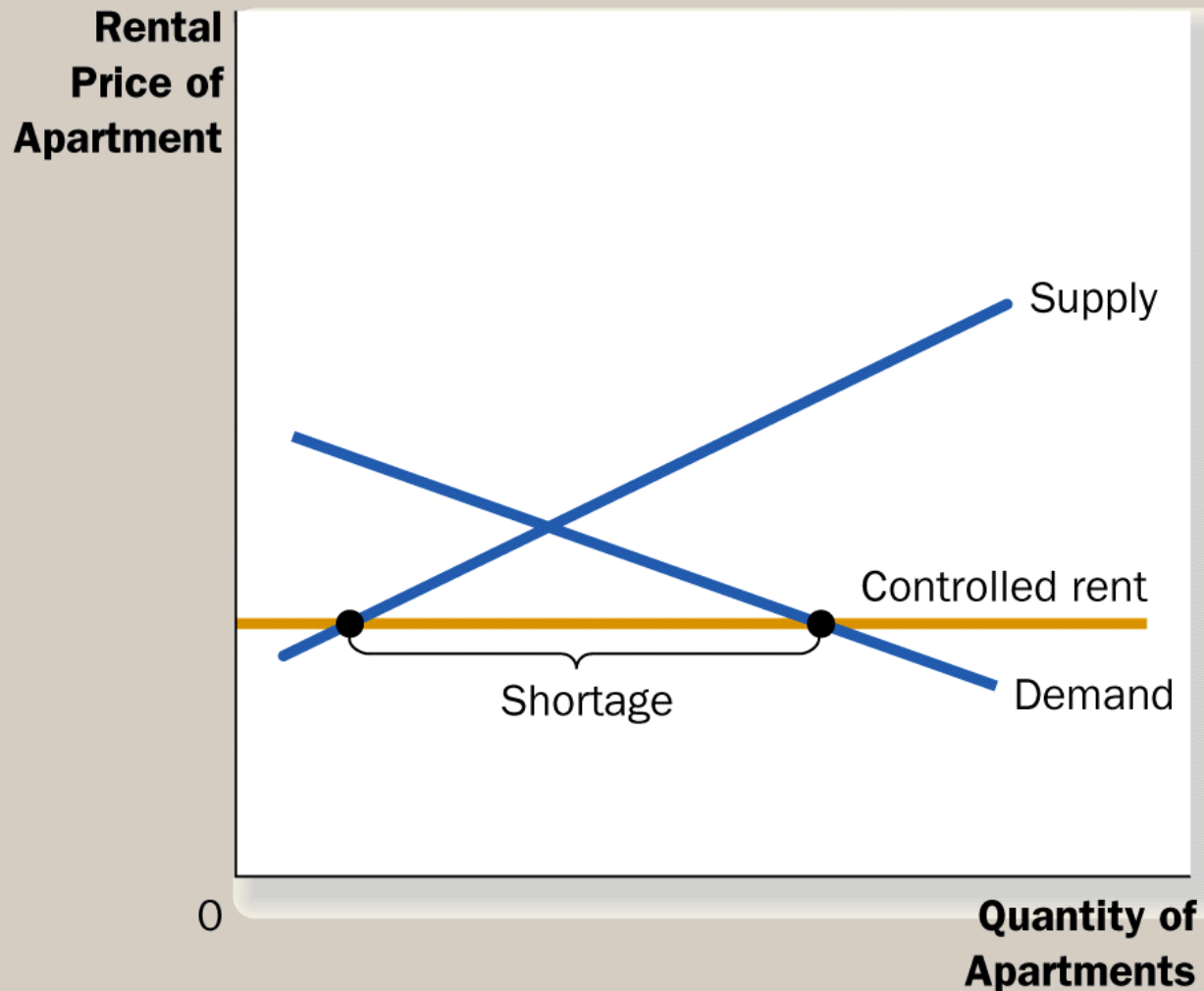
# Figure 3a Rent Control in the Short Run and in the Long Run

**(a) Rent Control in the Short Run  
(supply and demand are inelastic)**



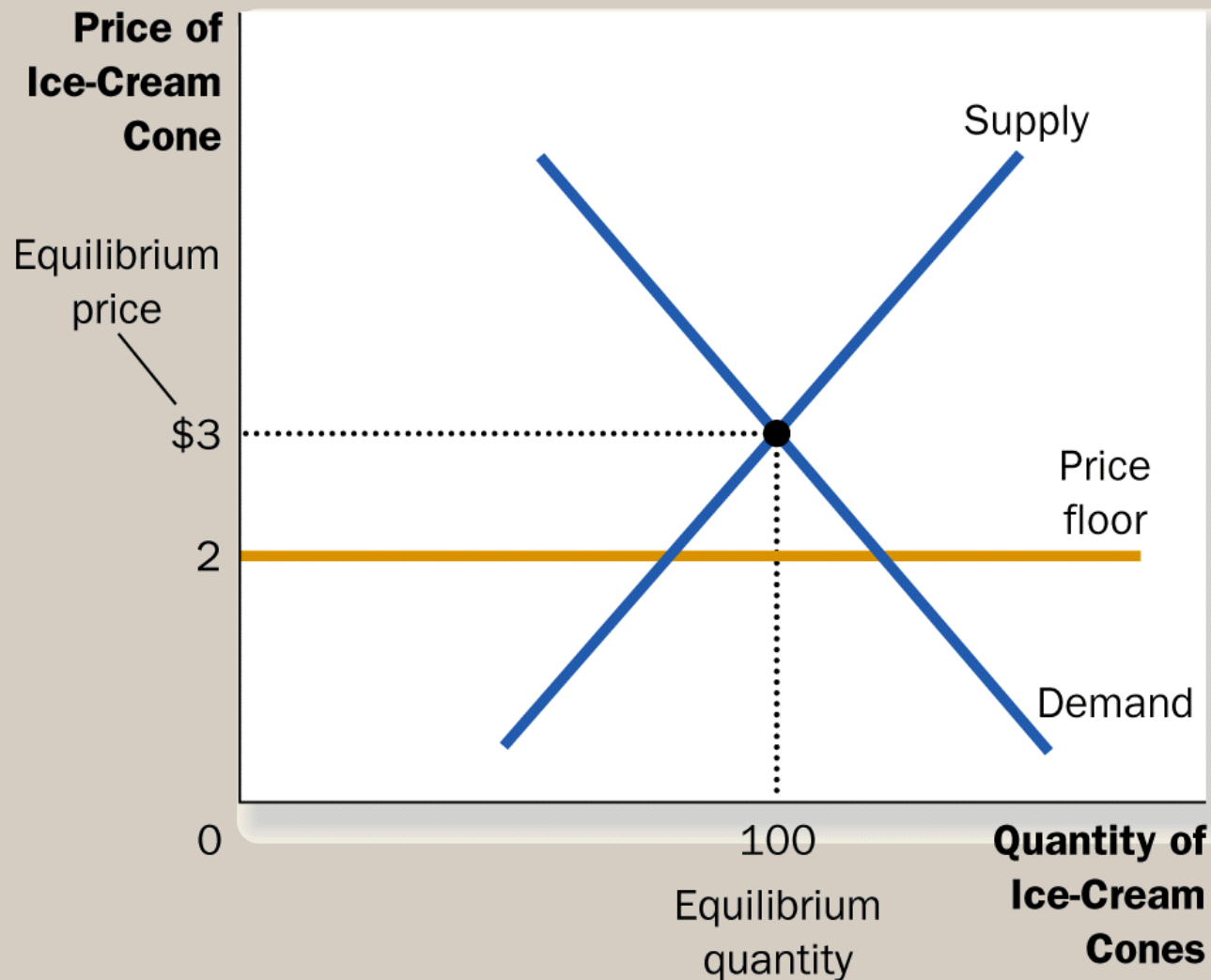
# Figure 3b Rent Control in the Short Run and in the Long Run

**(b) Rent Control in the Long Run  
(supply and demand are elastic)**



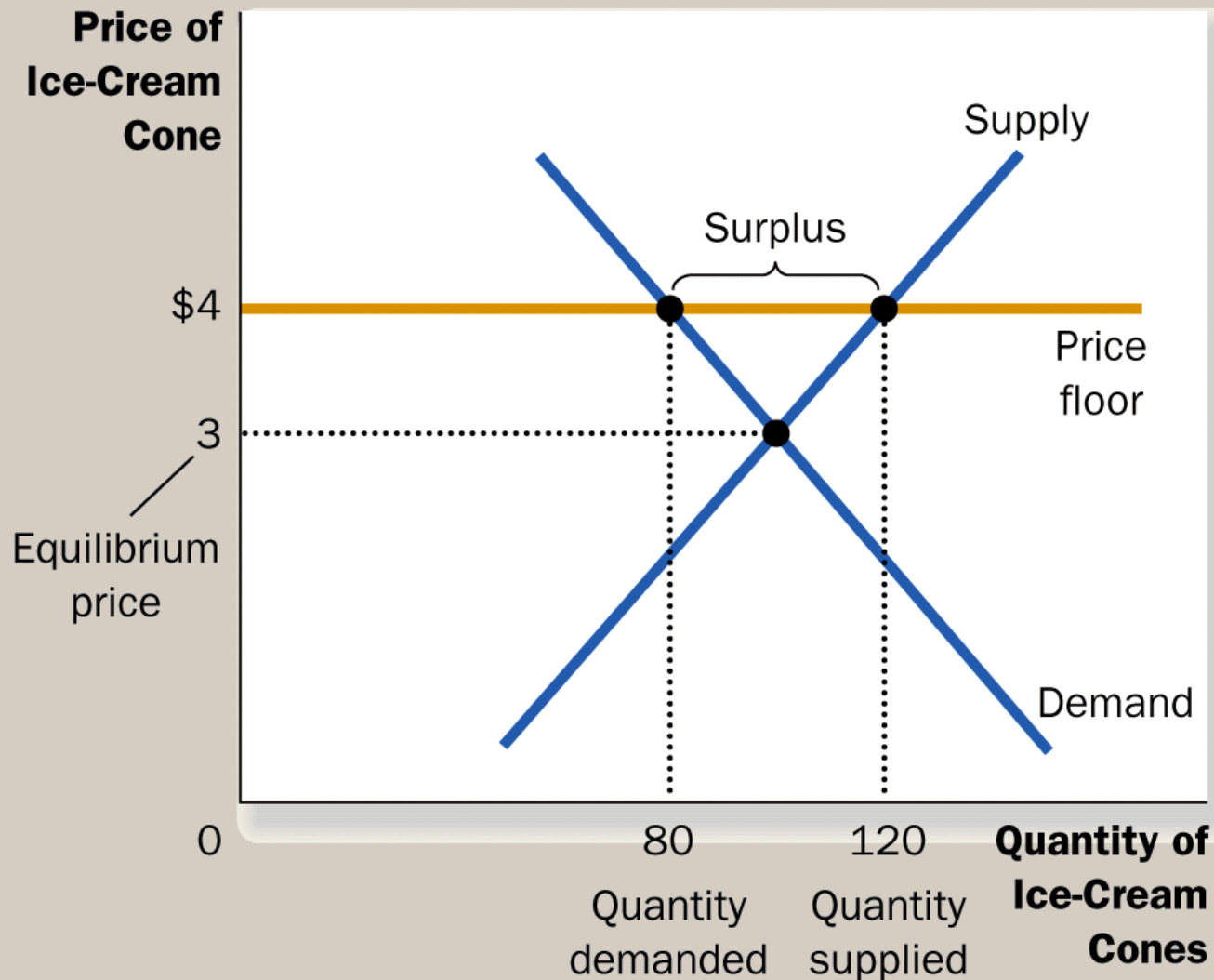
# Figure 4a A Market with a Price Floor

(a) A Price Floor That Is Not Binding



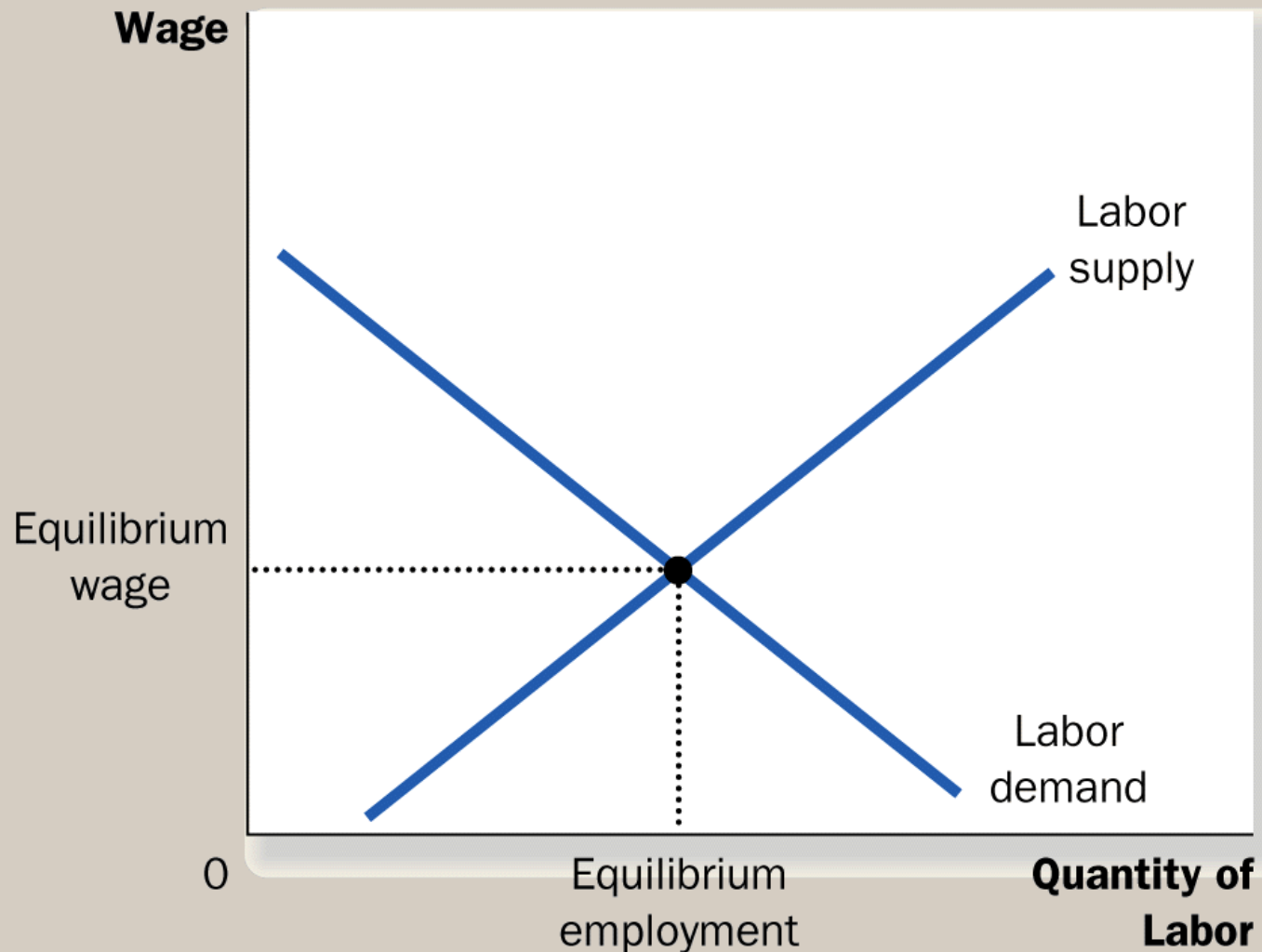
## Figure 4b A Market with a Price Floor

(b) A Price Floor That Is Binding



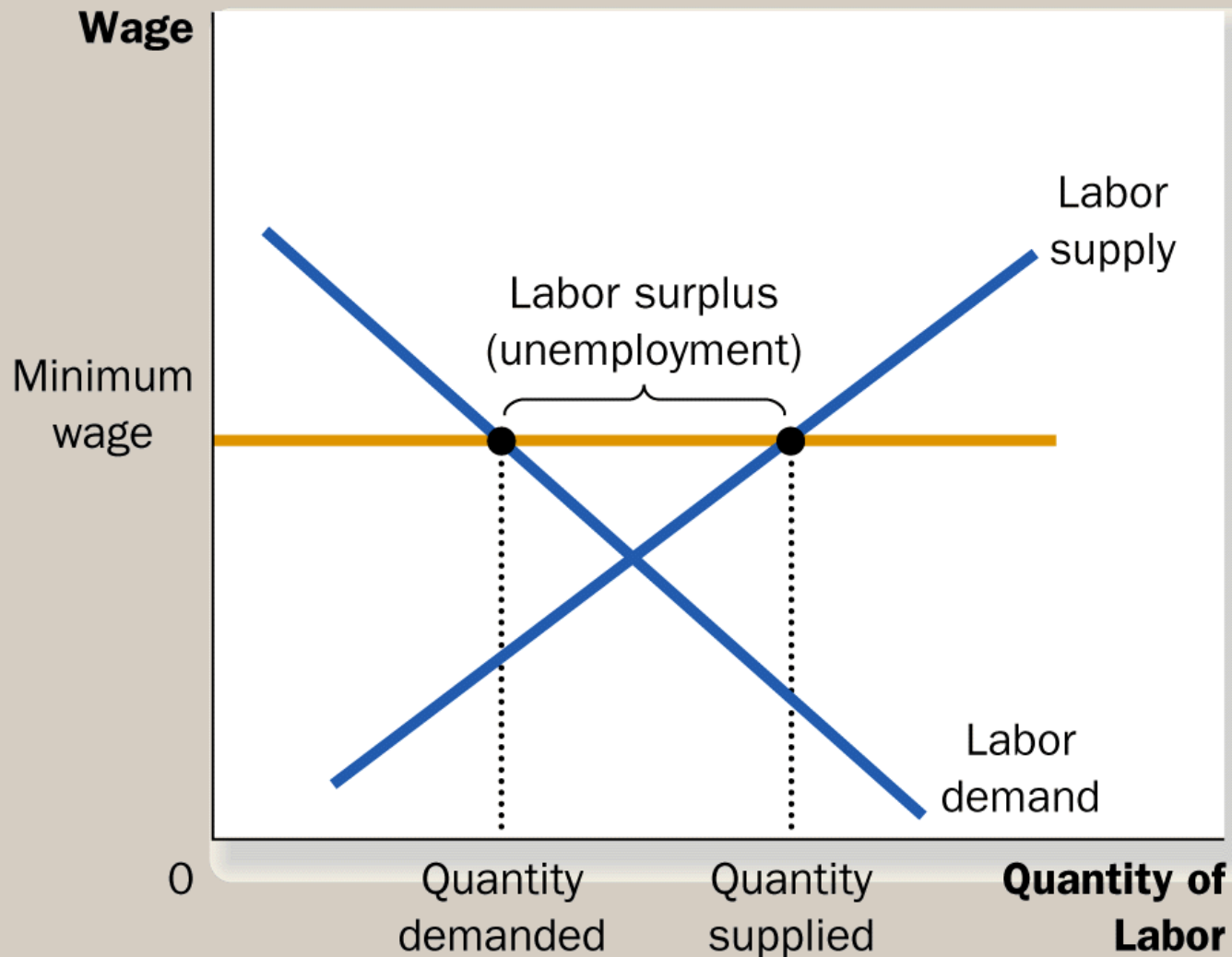
# Figure 5a How the Minimum Wage Affects the Labor Market

(a) A Free Labor Market

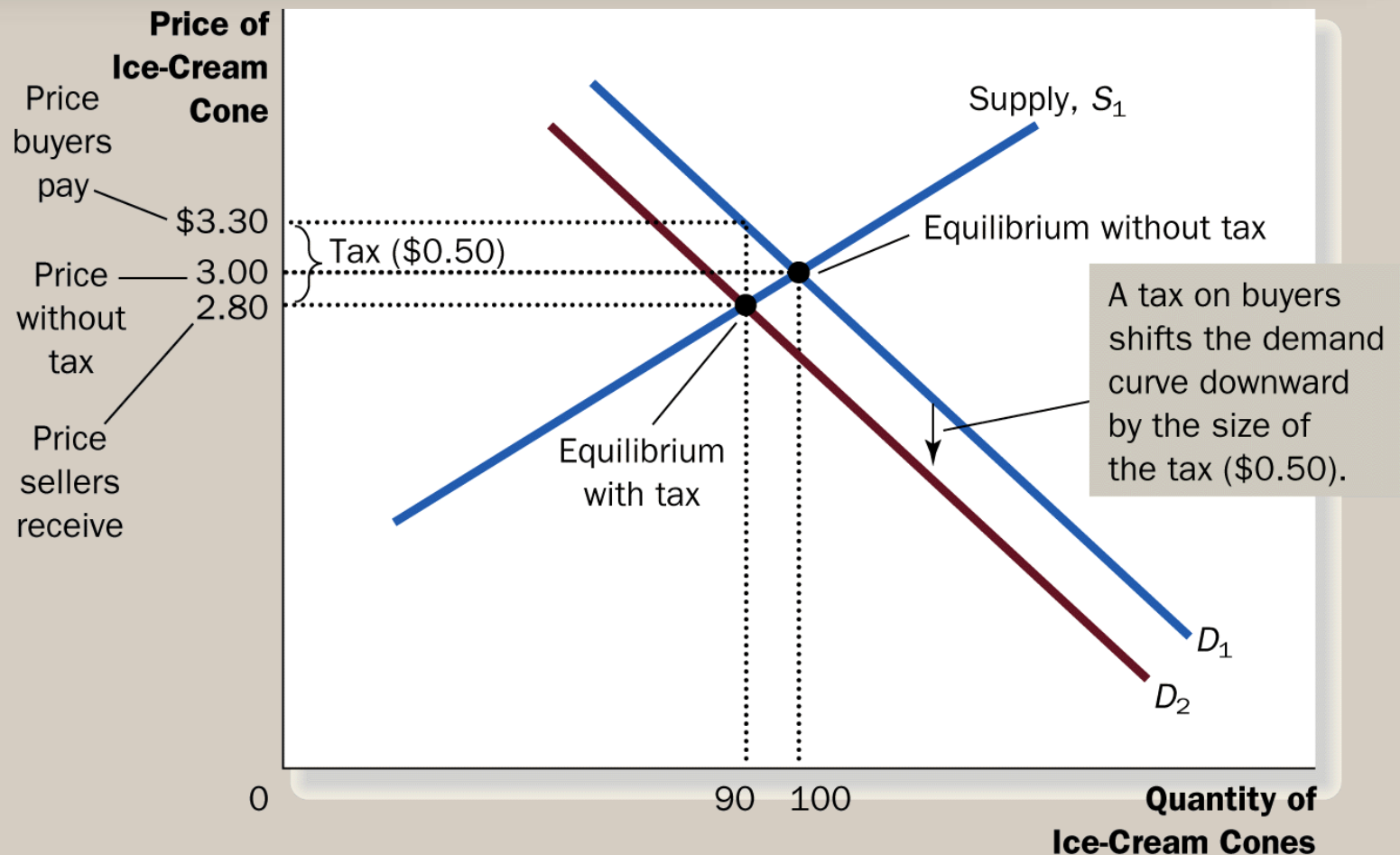


# Figure 5b How the Minimum Wage Affects the Labor Market

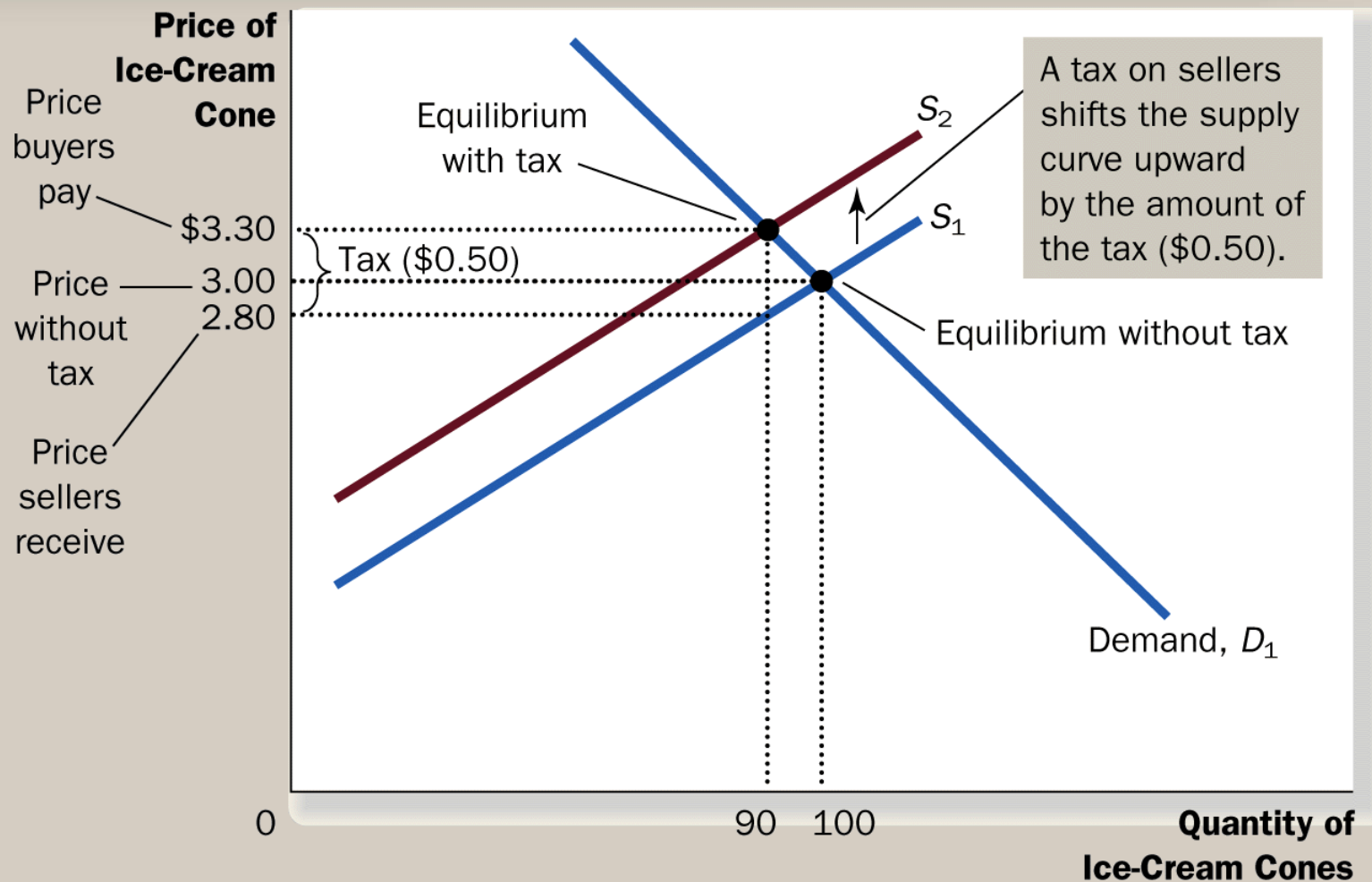
**(b) A Labor Market with a Binding Minimum Wage**



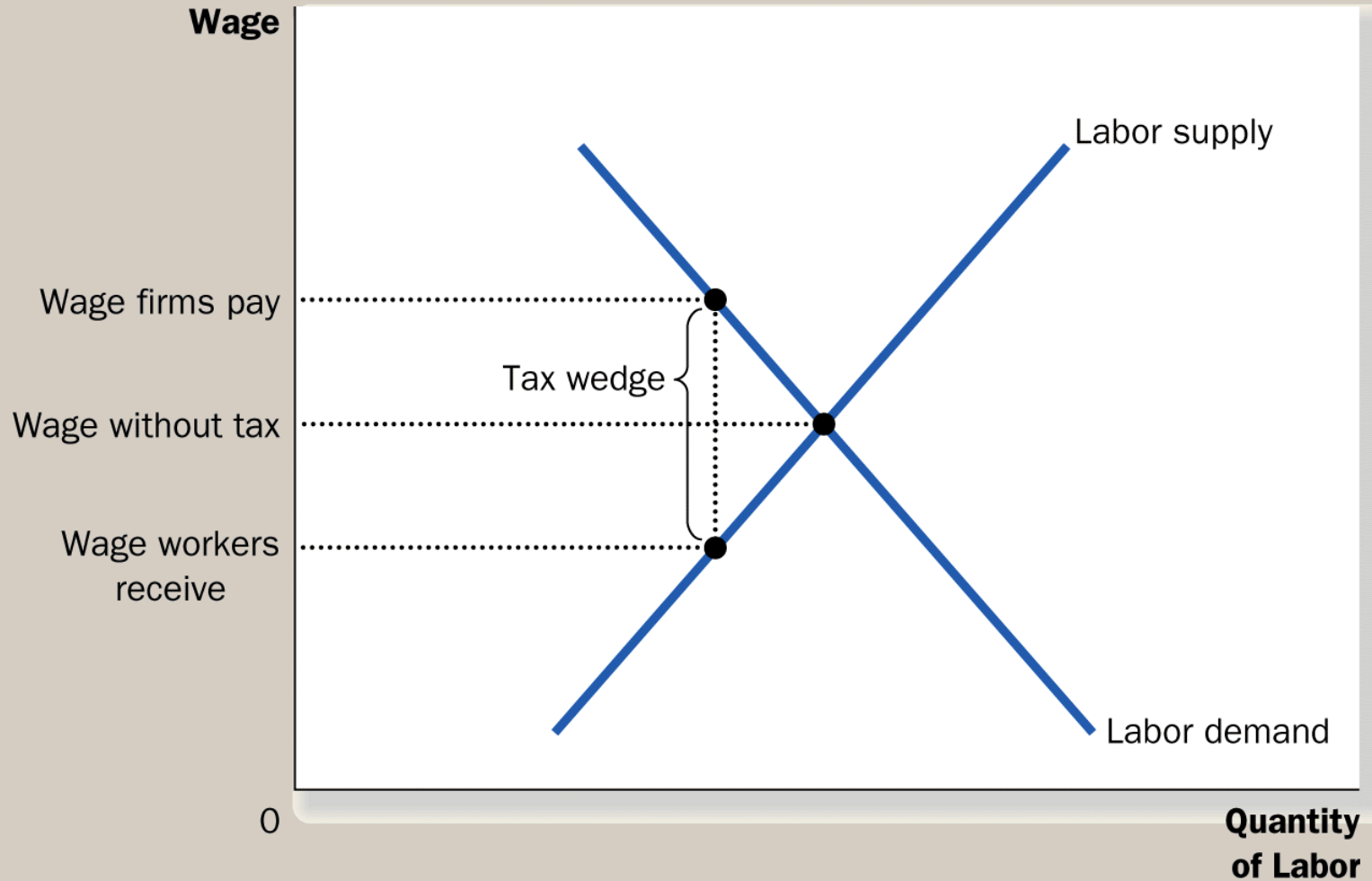
# Figure 6 A Tax on Buyers



# Figure 7 A Tax on Sellers

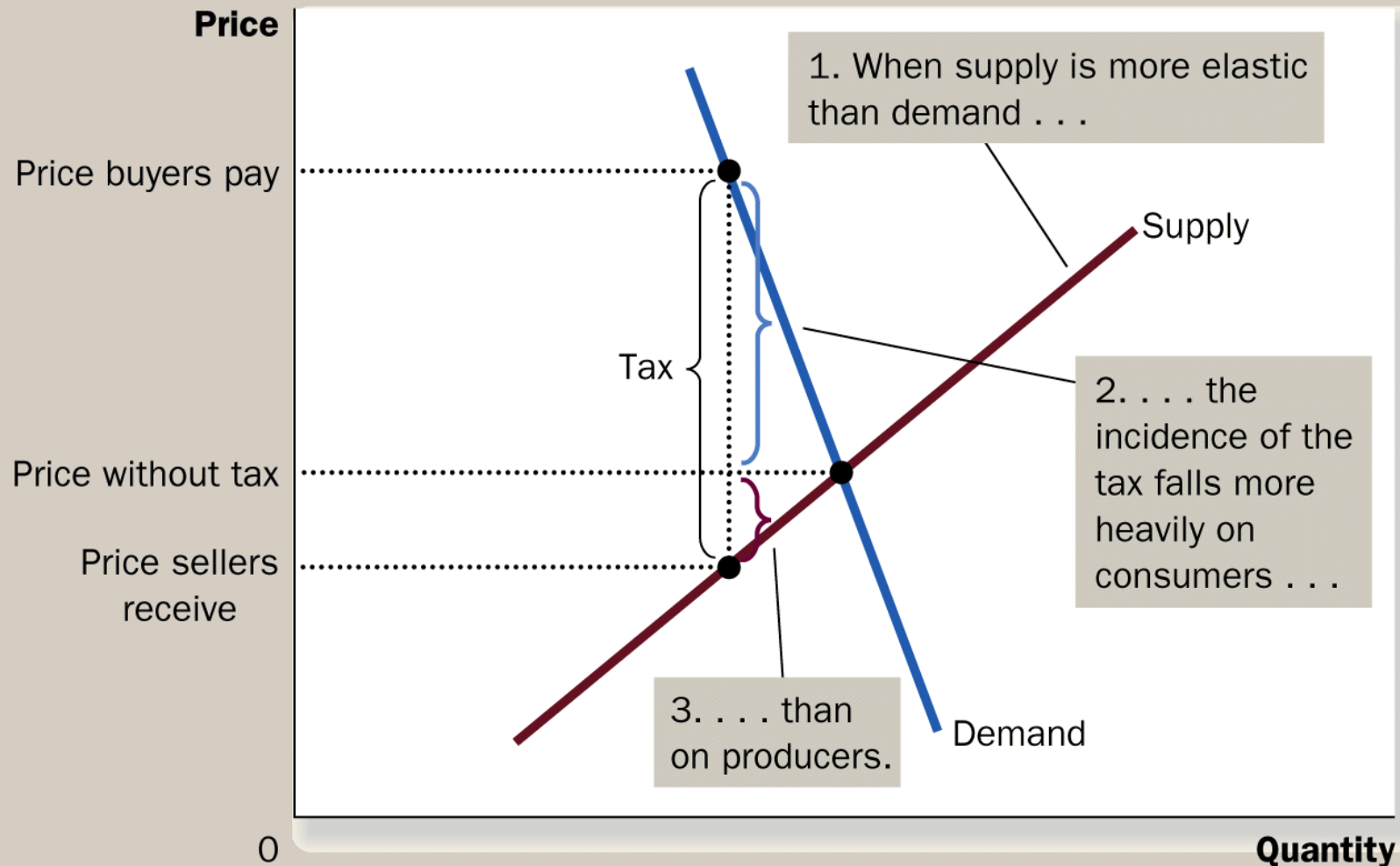


# Figure 8 A Payroll Tax



# Figure 9a How the Burden of a Tax is Divided

(a) Elastic Supply, Inelastic Demand



# Figure 9b How the Burden of a Tax is Divided

(b) Inelastic Supply, Elastic Demand

