

Unit 2 Lesson 4 Price Controls homework: finish Market Picture

Supply and Demand

Market (equilibrium) _____ is where the supply curve intersects the demand curve.

- ✚ The interaction of supply and demand normally determines the price and the quantity of goods.
- ✚ Sometimes the _____ establishes price controls that can affect the market

Price Ceiling is:

- ✚ The _____ price that a supplier can legally charge.
- ✚ It's always _____ than the market price.
- ✚ Example: _____

Effects of a price ceiling:

Price ceilings cause a _____, which is a lack of goods.

The _____ is caused by the _____ price – too many consumers want the good and there isn't enough suppliers willing to produce it.

Price Floor: the _____ that a supplier can charge.

It is always _____ the market price.

Example: _____

Disequilibrium occurs when the quantity demanded is not the same as the quantity supplied.

Price controls cause _____.

Ceilings => _____

Floor => _____

_____ : A sudden lack of goods normally caused by an unexpected external force

A _____ is a single seller usually charging more than market price

_____ is _____ businesses that control most of the sales in a market.

_____ is when several firms compete selling basically the same item.

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Using a supply and demand curve, where is the price determined?

What are some of the things that the mini-steel mills do to make them successful?

Why do baseball players get paid so much?