Answer on QUESTION #73474 - Economics | Microeconomics
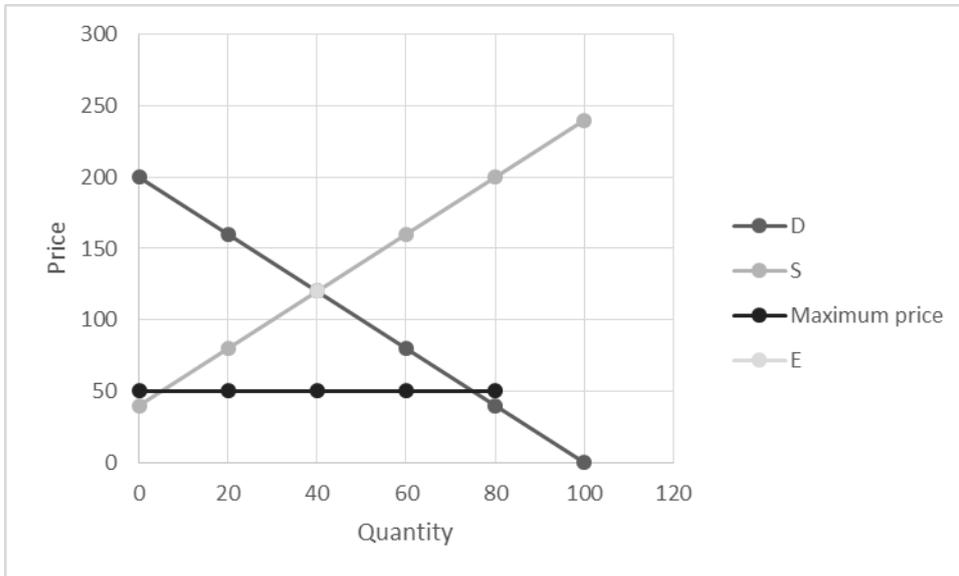
Task: uppose the demand curve is: P = 200 − 2Qd and the supply curve is: P = 40 + 2Qs. If the government imposes a price ceiling at $50, consumer surplus will be

Answer:

If the price is $50, Qd will be:

50 = 200 - 2Qd

2Qd = 150

Qd = 75

Consumer surplus will be ½*(200-50)*75 =$5625