

**Recitation 9 Notes**  
**14.01SC Principles of Microeconomics**

- I. Government Policy – want to redistribute surplus and raise money
  - a. Price Controls – price ceiling
  - b. Price Support – price floor
  - c. Import Tariffs/Quotas, Free Trade
    - i. subject to perfectly elastic demand/supply at world price

MIT OpenCourseWare  
<http://ocw.mit.edu>

14.01SC Principles of Microeconomics  
Fall 2011

For information about citing these materials or our Terms of Use, visit: <http://ocw.mit.edu/terms>.