

Chapter 4

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| equilibrium price | the price at the intersection of the market supply and demand curves; at this price the quantity demanded equals the quantity supplied (p. 81) |
| equilibrium quantity | the quantity at the intersection of the market supply and demand curves; at this quantity, the quantity demanded equals the quantity supplied (p. 81) |
| market equilibrium | the point at which the market supply and the market demand curves intersect (p. 81) |
| price ceiling | a legally established maximum price (p. 89) |
| price floor | a legally established minimum price (p. 89) |
| shortage | where quantity demanded exceeds quantity supplied (p. 82) |
| surplus | where quantity supplied exceeds quantity demanded (p. 82) |
| unintended consequences | the secondary effects of an action that may occur after the initial effects (p. 92) |