is the cost of the next best alternative forgone, for example money spent on murder investigations (a movement along the PPC from B to A, to opportunity cost is the 30 officers who could have been investigating murders). Moreover this government many not get the price control correct, they may set it too high (PH) or too low (PL), this will mean that the market failure will not be solved as demand will be too high or too low.

In conclusion, a government regulation cannot alone solve the market failure of fast food. This price control cost both time and money to enforce and has an opportunity cost. Also the government may not get the price control correct and even if they do then there will be a surplus of fast food and this is a misallocation of our scare resource and may lead in some case to the creation of a black market. Producers may also decide that the fine/ punishment is not great enough to put them off and may continue to sell at a lower price as it may be more finically beneficial to them. for example if the fine was £1000 yet the producer stood to make £2000 selling at the lower price and higher demand equilibrium then they may ignore the regulation. Therefore while a regulation may help to solve market failures on the surface and to a certain extent as it reduces demand for the legal price, the extent to which regulation work is limited.