

Changes in Population When population increases, opportunities to buy and sell increase. Naturally, the demand for most products then increases. This means that the demand curve for, say, flat-screen televisions, shifts to the right. At each price, more flat-screen televisions will be demanded simply because the consumer population increases. This concept is shown in the graph on the left. The demand curve labeled D1 represents demand for televisions before the population increased. The demand curve labeled D2 represents demand after the population increased.

In contrast, if population decreases, overall demand for products also decreases. At each price, fewer flat-screen televisions will be demanded. When this happens, the demand curve shifts to the left.