

Answer on Question # 71354, Economics / Microeconomics

Consequently, provided that the effect of increasing the income is stronger, it can be argued that the price and demand for this product will decrease. After all, with the increase in income, the price level will decrease, and with the decrease in the number of farmers on the contrary, the supply curve will shift to the left, and the price level will increase, but the effect of increasing the income is stronger.

