





Quantity Demanded
Increase

Price

Thousands

3,000



7

3,000



6

3,000

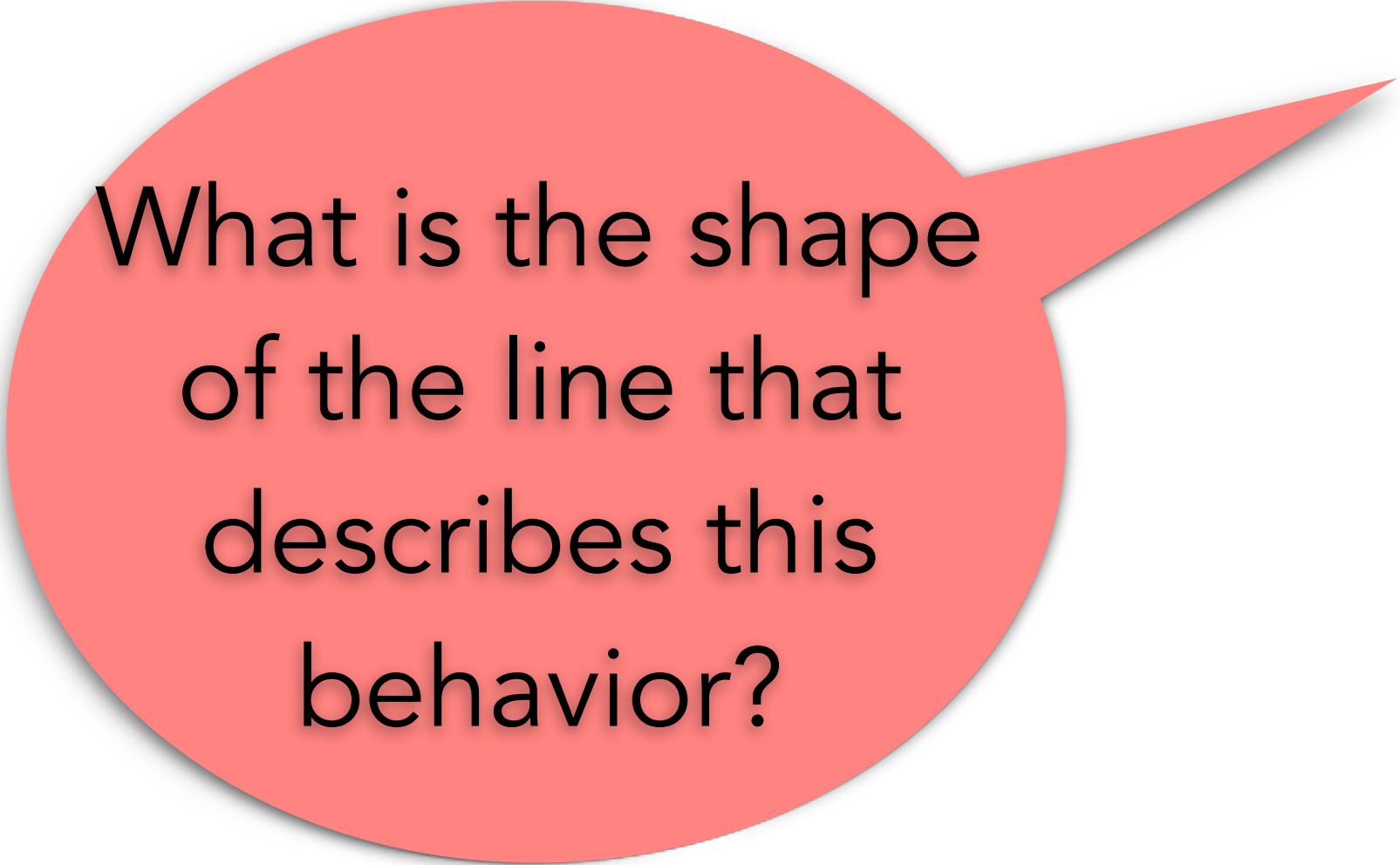
5



Demand is a
Horizontal Line

The government will buy any 1990
or older vehicle for \$3,000 to
remove them from circulation

Price
remains
the same



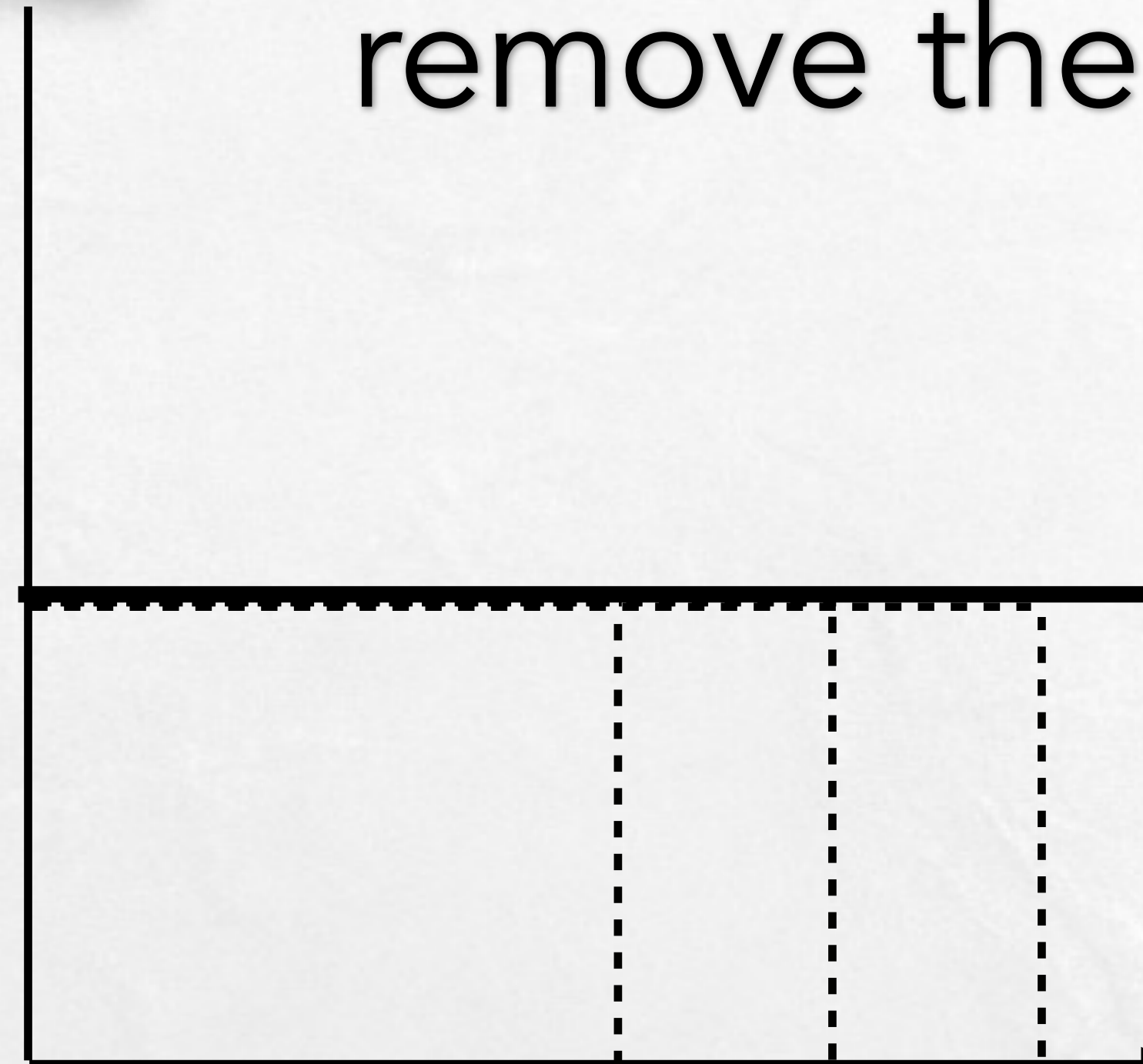
What is the shape
of the line that
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Price
remains
the same 3,000

Price



Demand is a
Horizontal Line

Thousands

5 6 7

Quantity Demanded
Increase

The **price** of candy bars **does not affect** the quantity purchased until the price rises above \$3 when consumers refuse to purchase any amount