**CRASH COURSE ECONOMICS – Episode #28**

**Labor Markets and Minimum Wage**

**STUDENT QUESTIONS**

**TRUE OR FALSE:**

1. Wages of sports superstars are generally determined by the forces of supply and demand.

2. A wage will generally be low if there is a large supply of people able to perform the job in question.

3. When it comes to jobs that require a college degree, wages usually depend on how important that job is to society.

4. Wage discrimination happens when some workers are paid less due to issues like their race, sex, or age.

5. When a labor market is a monopsony, there are multiple companies hiring and workers frequently change employers.

6. The NCAA has policies that prevent supply and demand from setting the wages of college athletes.

7. Efficiency wages are higher than expected in an effort to keep workers from leaving for other jobs.

8. Union membership in the U.S. has been on the rise since the 1950s.

9. In today’s American labor market, the largest unions represent workers who have government jobs, such as firefighters and teachers.

10. A minimum wage effectively functions as a price ceiling.

11. About 7% of American workers earn minimum wage.

12. A minimum wage increase could have a “ripple effect” that could raise wages of almost 30% of the workforce.

13. Some classical economists argue that the minimum wage hurts the very people it was intended to help.

14. One view of the minimum wage is that it helps to correct the market failure that results from workers having too little power compared to employers.

15. Most nations around the world have yet to establish minimum wage laws.

16. Raising the minimum wage would increase demand, which could help created more jobs in the economy.

17. In 1992, a minimum wage increase in New Jersey actually did boost employment.

18. One of the best strategies for earning a higher wage is to learn a new, in-demand skill.