***Optional Assignment-Explanation, Reasoning & Understanding***

***Podcast: A Mall Divided***

If you’d like to listen to the podcast again, here is the link:

<http://www.npr.org/sections/money/2014/08/22/342232976/episode-562-a-mall-divided>

*After listening to the podcast, answer the following questions:  Be sure to include and highlight at least 5 economic vocabulary words total in your answers.*

1. Draw a graph showing the initial law to implement a raise in minimum wage in the city of San Jose.  What does this graph represent in economic terms?
2. How does minimum wage affect the equilibrium of the labor market?
3. Describe 3 unintended consequences of the new law.  Use specific examples from the podcast.
4. What would your recommendation be to the city of San Jose in regards to increasing their minimum wage?  Defend your answer using economic reasoning.