Questions you should be able to answer after doing the reading and attending class

1. What are the 2 dominant theories applied to the labor market and what do they argue determines outcomes in the labor market?
2. What is the basic signaling mechanism in a market?
3. What is meant by perfect competition?
4. What are the basic assumptions underlying the operation of the economy?
5. What are the basic components of an economic model?
6. How does the labor market differ from the market for goods?