Short Essay Question 1: Due **May 29th, 2020**

Please briefly explain what the **Cheap Labor Argument (sometimes also called `sweatshop worker fallacy` or `pauper worker fallacy`)** is. (About one paragraph. 2-3 sentences is probably enough. You can use Salvatore’s chapter 9 also if you want.)

Next, explain the arguments AGAINST it. Or, rather, explain why economists think this is a “fallacy”. Use Salvatore (ch. 9), but also other textbook sources (at least one other text, or (good!) online resource) to help develop your answer. This second part of the essay should be about one-half a page.

At the end of the assignment, please note which additional textbook(s) or online resources you used to develop your answer. (Some examples might be Krugman & Obstfeld, or Caves & Jones, Appleyard, etc.)

* If you like “classic” videos, you can also watch Milton Friedman’s Free to Choose, especially the first and second Volumes. He talks of many aspects of the market, but the cheap wages argument is also discussed there. The videos (please watch the 1980 version, not 1990 version, if you can) are available on YouTube and elsewhere.