TODAY'S "SHORT TOPIC": TICE MISSED AN IMPORTANT POINT ABOUT THE MINIMUM WAGE!



By Stephen L. Bakke September 1, 2015

Here's what provoked me:

The Commentary Editor for the Minneapolis StarTribune (a very clever fellow) wrote a really fine article about making sure we evaluate controversial policies by objectively noting the true, not hypothetical, real world effect of those policies. He does an excellent job on the subject of gun control. He almost "gets there" in a discussion of the minimum wage debate, but in my opinion he left out one very important consideration.

Here's my response:

Tice Missed an Important Point about the Minimum Wage!

I enjoyed D.J. Tice's 8-31 Opinion Exchange offering "And what if the worst case doesn't transpire." It was thoughtful and insightful regarding gun control and the minimum wage debate. He reminds us to examine and acknowledge the sometimes unexpected real world results following implementation of controversial policies. His observations are worthy of attention.

Regarding raising the minimum wage, Tice accurately points out that in spite of protests by many of us conservatives, modest increases only minimally affect employment levels. And he and I both applaud the value of studying closely the affects in those states implementing major increases. Stay tuned on that. But he missed an opportunity to emphasize that we should also evaluate the success or failure of minimum wage increases by referring back to the original goal: i.e. fighting inequality and poverty. In this regard, there's no way minimum wage increases have, or can, succeed. These wage increases don't adequately benefit the intended target!

Consider this from recent (mostly 2011) studies:

- Minimum wage increases tend to primarily benefit teenagers and secondary wage earners, not the working poor 37% of minimum wage workers came from families that had average income of approximately \$104,000.
- Minimum wage earners OVERALL (i.e. not just teenagers), tend NOT to come from poor families average income is more than \$53,000 per year.
- Almost 79% of minimum wage earners were NOT living in poverty.

The goal is noble, but tinkering with the minimum wage doesn't address the real task at hand.