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The Ethics of the Minimum Wage

Armstrong, Ari. “Minimum Wage Laws Are Immoral and Harmful.” Opposing Viewpoints Series: Ethics, edited by Noel Merino, Greenhaven Press, 2015, pp. 184–188

The term “living wage” is an arbitrary one, because no one can agree on what the wage should be: some say $10/hour, some say $12/hour, some say $15/hour. In a literal sense, the term “living wage” means “subsistence wage.” The problem with the term “subsistence wage” is that what it costs simply to exist is lower than the actual minimum wage. The economic harm of a minimum wage is that employers will not hire as many employees or they will fire the ones who do not “provide value in excess of the legally mandated minimum wage” (188). This is particularly detrimental to young and inexperienced workers. The other economic harm of a minimum wage is that business must either scale back their operations or pass along the costs to the customers. This means the consumer has to pay more for groceries, medications, and other goods just to offset the business owner’s cost in paying a minimum wage. The best method of establishing wages is for the employer and the employee to have mutually agreed upon wages. The employer pays competitive wages that attract better employees, and the employees are incentivized to do a good job so that they can maintain their wages. If an employee wants a higher wage, it is his responsibility to negotiate a higher wage in a competitive market. He should earn the higher wage or trade the value of the raise with the value of his/her contribution to the company.

Lovell, Chantal. "A Minimum-Wage Hike Would Not Benefit Single-Parent Families." *Single-Parent Families*, edited by Margaret Haerens, Greenhaven Press, 2016. Opposing Viewpoints. *Opposing Viewpoints in Context*, Accessed 10 Nov. 2017. Originally published as "Minimum-Wage Hike Is the Path to Poverty for Poor People," *NPRI.org*, 29 Oct. 2014.

According to this article, the minimum wage is “a government-imposed wage floor that harms unskilled and inexperienced laborers.” To prove this point, the author explains that the root cause of poverty is not wages; it is whether or not a person is working. National statistics prove that of the people above age 16 who are living in poverty, 67% of them do not work. Of the 33% who do work, only 9% of those are actually employed full time and year round. Only 4% of minimum wage workers are single-parents who work full time jobs. The Congressional Budget Office, which is a nonpartisan entity, acknowledges that raising the minimum wage would lead to job loss because employers would begin replacing or eliminating the jobs typically held by the minimum wage workers. For those 4% of minimum wage workers who are single parents, it is difficult for them to support children. Fortunately, 2/3 of minimum wage workers earn a raise within one year of starting employment.

Williams, Walter E. "Minimum Wage Laws Hurt, Not Help, Unskilled Black Youths." *The Wage Gap*, edited by Noël Merino, Greenhaven Press, 2014. Current Controversies. *Opposing Viewpoints in Context*, Accessed 10 Nov. 2017. Originally published as "Minimum Wage's Discriminatory Effects," *Townhall.com*, 11 May 2011.

Many believe that minorities are the ones who benefit from raising the minimum wage, but in reality, statistical data proves that minorities actually suffer most. During the time span of 2007–2010, 26,400 black men between ages 16-24 lost their jobs because of increases in the minimum wage. Young black men suffer unequal harm from the minimum wage because they are the ones who are statistically most likely to hold low-skilled jobs in eating and drinking establishments. According to the data, “For 16-to-24-year-old men without a high school diploma, 25 percent of whites and 31 percent of blacks work at an eating and drinking establishment.” This article posits that the best way to destroy the American dream of upward mobility is to make it unprofitable for employers to hire under-educated and unskilled workers by forcing them to pay wages that stifle their already narrow profit margins.