

**America Without a Minimum Wage:  
Why the Federal Minimum Wage Should Be Abolished**

Zachary Cary

## **Abstract**

Minimum wage policy may be the greatest economic policy issue where the common man has a strong opinion. Nearly every person has a view of how minimum wage policy should be enacted, whether it be in raising the federal minimum wage, changing the scope of authority in the federal government, or another policy. However, in discussing any kind of policy, the key details of the policy must be discussed in the framework of both how it would be affected and how it would impact its stakeholders. In this policy analysis, the Iron Triangle of Public Policy – the key executive agency, the key legislative committees, and the key interest groups which affect policy making – is discussed in reference to minimum wage policy. As we discuss the key actors in policy making, we also discuss those who would be heavily impacted by minimum wage policy changes – unions, employers, and workers – and the reasons why they may advocate for or against changes to minimum wage policy. Once we understand the methods and reasons behind the minimum wage, we must discuss the downstream effects of enacting a minimum wage policy, and three different policies are briefly discussed: raising the federal minimum wage, eliminating the federal minimum wage, and taking wage policy away from the federal government and granting it to the state governments. Finally, we look at how a Christian should think about minimum wage policy, identifying areas where the Bible discusses wages and liberty.

## **America Without a Minimum Wage: Why the Federal Minimum Wage Should Be Abolished**

Minimum wage policy is a heavily discussed and debated topic of today's politics. From advocates who wish to see an increase of the federal minimum wage, to individuals who argue vehemently against the minimum wage, everybody has an opinion on what Congress should implement with this legislation. Since its establishment in 1938 with the Fair Labor Standards Act, the minimum wage has been a federal cornerstone for the Department of Labor. However, to fully understand the depths and aspects of minimum wage policy, one must understand not only who enacts and creates these regulations, but also the key beneficiaries of any changes, as well as who would foot the bill. In this paper, I will outline who the key players of the Iron Triangle of Public Policy are in this arena, as well as the three main groups who would be impacted by any changes to minimum wage laws. I will also discuss several options in brief on what policy options there are in addressing the issue of the federal minimum wage.

## **Iron Triangle of Public Policy**

Public policy is made by the government for the public. For the legislature to make good laws that will benefit the people, and for the executive branch to be able to properly enforce these regulations, there must be a great understanding of how various policies will have an impact on the individuals affected. Therefore, when discussing public policy making, the Iron Triangle is often referenced. This "Iron Triangle" details the various sub-components of the policy-making process: the executive agencies or bureaucratic organizations which would impact or implement

the proposed policy; the legislative committees which would discuss or propose the policy; and the special interest groups – the lobbyists, the supporters, the opposition – who would impact the voters and lawmakers when discussing the proposed policy.

### Department of Labor

The first aspect of the Public Policy Iron Triangle is to identify which key executive agencies or bureaucratic organizations would have the biggest impact or control over minimum wage policy. The Department of Labor is the head of all wage policies in the United States and was directly responsible for establishing the minimum wage through the Fair Labor Standards Act of 1938.<sup>1</sup> Since 1938, the Department of Labor has continued to use the Fair Labor Standards Act to raise the federal minimum wage and control this issue across the United States. Currently, the minimum wage acts in the capacity of “can be more than, but not less than” when held in conjunction with the minimum wages of the states. This means that whichever minimum wage is greater – state or federal – is the minimum wage that applies to each jurisdiction. For example, the federal minimum wage is \$7.25 as of January 1, 2009,<sup>2</sup> but in the state of Arizona, the minimum wage is \$12.80.<sup>3</sup> In this case, individuals in Arizona are entitled to \$12.80 per hour, rather than the federal minimum wage of \$7.25. However, should a state not have a minimum wage, or if the minimum wage is lower than the federal minimum wage, then the states must require that individuals are paid at the federal minimum wage rate.<sup>4</sup> By regulating minimum wage laws, the Department of Labor acts as the enforcement arm of wage policies for the United States and the Executive Branch.

### Legislative Subcommittees

In the same way that the Executive Branch controls some of the power to regulate the minimum wage, the Legislative Branch has the power to make and create laws, and labor laws are a significant area of concern for Congress. Both the House of Representatives and the Senate have a committee that they utilize to assist with making decisions and laws concerning wages. In the House of Representatives, this is the House Education and Labor Committee. Minimum wage policy specifically falls into the purview of the Health, Employment, Labor, and Pensions Subcommittee, whose purpose is to ensure that Americans’ needs are addressed so that students and workers may move forward in a changing school system and a competitive global economy.<sup>5</sup> In the Senate, this committee is the Senate Health, Education, Labor, and Pensions (HELP) Committee. Like the House Education and Labor Committee, the Senate HELP Committee’s jurisdiction is all proposed legislation and other matters relating to education, labor, and wages

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<sup>1</sup> “Fair Labor Standards Act of 1938,” (June 25, 1938, ch. 676, Sec. 1, 52 Stat. 1060)  
<https://uscode.house.gov/statviewer.htm?volume=52&page=1060>.

<sup>2</sup> Department of Labor, “Minimum Wage,” October 1, 2022,  
<https://www.dol.gov/general/topic/wages/minimumwage>, accessed November 23, 2022.

<sup>3</sup> Department of Labor, “State Minimum Wage Laws,” October 1, 2022,  
<https://www.dol.gov/agencies/whd/minimum-wage/state>, accessed November 23, 2022.

<sup>4</sup> Ibid.

<sup>5</sup> House of Representatives Education and Labor Subcommittee, “About,” n.d.,  
<https://edlabor.house.gov/about/jurisdiction>, Accessed November 23, 2022.

and hours of labor.<sup>6</sup> Both the House of Representatives and the Senate play a key role in enacting wage laws and regulations and make up the second arm of the Iron Triangle.

### Key Interest Groups

Alongside executive agencies, bureaucratic organizations, and legislative subcommittees is the third side of the iron triangle of public policy: special interest groups. Special interest groups represent non-political sides to a policy issue, and often represent a specific area of public life. These interest groups either lobby politicians to see policy change or provide information and reports which help to shape or sway public policies. When discussing minimum wage laws, some of the key special interest groups to look to are the American Enterprise Institute (AEI), the Campaign for America's Future, the Economic Policy Institute (EPI), and the National Employment Law Project. The American Enterprise Institute is a "public policy think tank dedicated to defending human dignity, expanding human potential, and building a freer and safer world."<sup>7</sup> With an emphasis on improving the institutions of American liberty, AEI advances ideas rooted in a belief in democracy, free enterprise, American strength and global leadership, solidarity with those at the periphery of society, and a pluralistic, entrepreneurial culture. The Campaign for America's Future is a progressive campaign focused on advancing labor issues such as guaranteeing a living wage for all workers, establishing collective bargaining to achieve better wages and benefits for workers, and much more.<sup>8</sup> The EPI is a nonpartisan, nonprofit think tank created to include the needs of low- and middle- income workers in economic policy discussions. Leaning more to the left on public policy issues, EPI operates under the belief that every working person deserves a good job with fair pay and benefits.<sup>9</sup> The National Employment Law Project is a leading advocacy organization with the mission to build a just and inclusive economy where all workers have expansive rights and thrive in good jobs.<sup>10</sup> One of the ways that they do this is through advocating for raising the minimum wage across America to \$15 per hour, arguing that it is unacceptable that 42% of Americans make less.<sup>11</sup> While these do not include every interest group that would be affected by minimum wage policy, these various groups represent a variety of viewpoints on the minimum wage issue, ranging from a conservative, individual freedom and free markets view to a highly progressive motion to immediately raise the federal minimum wage to \$15. This variety of viewpoints allows for greater understanding of the various positions that are embraced by different individuals invested in the minimum wage policy discussion.

### Minimum Wage Stakeholders

When writing and developing minimum wage policy, it is important to understand who would be affected the most by new policies, both in the positive and negative aspects of any new

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<sup>6</sup> U.S. Senate Committee on Health, Education, Labor, and Pension, "About," n.d., <https://www.help.senate.gov/about>, Accessed November 23, 2022

<sup>7</sup> American Enterprise Institute, "About," n.d., <https://www.aei.org/about/>, Accessed November 24, 2022.

<sup>8</sup> Campaign for America's Future, "Campaign for America's Future," n.d., <https://campaignforamericasfuture.org>, Accessed November 24, 2022.

<sup>9</sup> Economic Policy Institute, "About," n.d., <https://www.epi.org/about/>, Accessed November 24, 2022.

<sup>10</sup> National Employment Law Project, "About Us," n.d., <https://www.nelp.org/about-us/>, Accessed November 24, 2022.

<sup>11</sup> NELP, "Fight for \$15," n.d., <https://raisetheminimumwage.com/fight-for-15/>, Accessed November 24, 2022.

regulation. These stakeholders are directly influenced by new policies and knowing how these individuals and groups would be affected is critical to developing policies and understanding their immediate and down-stream effects. The major stakeholders in minimum wage laws are laborers of all wage levels, employers, and unions.

## Unions

Unions are the largest organizational level which is affected by minimum wage laws. Unions are democratically elected bodies which represent the workers within specific labor sectors. Unions have the goal of ensuring that workers are fully represented and are receiving the best benefits and wages, as well as ensuring that workers are taken care of in all aspects of their employment. This includes affordable health care, job security, the ability to improve working conditions without fear of retaliation, and a stable schedule.<sup>12</sup> This should not come as a surprise, then, that unions advocate for higher wages for their workers. What might come as a surprise is the reason why the “Fight for \$15” campaign is heavily supported by unions: a minimum wage increase benefits the unions by encouraging employers to hire union members rather than non-unionized workers, and union contracts are nearly always tied directly to the federal minimum wage.<sup>13</sup> The basic premise is as follows: when minimum wages rise, employers are faced with the dilemma of whether to hire and pay unskilled workers a higher wage, or to pay highly skilled workers slightly more for a better quality job. Unions typically have the higher skilled workers, and when unions come to the table and negotiate for wages, then the wages, while higher than the minimum wage, are not so high as to discourage employment. This means that employers will be more likely to pay the extra cost for a more skilled worker, and union membership will increase as more of the non-unionized workers choose to join unions to maintain employment.<sup>14</sup> This also benefits union members by increasing their own wages, as it eliminates competition from less skilled workers. Researchers at the Federal Reserve and the University of California-Irvine examined how minimum wage increases affect union members, and discovered that if minimum wage were to be raised by 40%, union workers who earn between minimum wage and twice the minimum wage could see between a 20 and 40% earnings increase.<sup>15</sup> One other benefit that unions hold in negotiations of wages is that whenever there are wage laws enacted which will affect the pay of their members, more often than not, unions automatically return to the bargaining table for their respective members. Unions may be granted an “Escape Clause” which allows unions to negotiate for lower wages for workers in exchange for greater benefits.<sup>16</sup> Overall, unions are highly incentivized to advocate for a minimum wage and would benefit from having the federal minimum wage increased.

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<sup>12</sup> American Federation of Labor – Congress of Industrial Organizations, “What Unions Do,” 2022, <https://aflcio.org/what-unions-do>, Accessed November 25, 2022.

<sup>13</sup> Ed Rensi, “Why Do Unions Fund The Fight For \$15 Minimum Wage? Because They Gain A Financial Windfall In Return,” *Forbes*, January 19, 2017, <https://www.forbes.com/sites/edrensi/2017/01/19/why-it-is-that-unions-fund-the-fight-for-15/?sh=7216c74c50ce>, Accessed November 25, 2022.

<sup>14</sup> *Ibid.*

<sup>15</sup> James Sherk, “Union Members, Not Minimum-Wage Earners, Benefit When the Minimum Wage Rises,” *The Heritage Foundation*, February 7, 2007, <https://www.heritage.org/jobs-and-labor/report/union-members-not-minimum-wage-earners-benefit-when-the-minimum-wage-rises>, Accessed November 25, 2022.

<sup>16</sup> U.S. Chamber of Commerce, “Labor’s Minimum Wage Exemption: Unions as the ‘Low-Cost’ Option,” *U.S. Chamber of Commerce Workforce Freedom Initiative*, 2016, p. 4, [https://www.uschamber.com/assets/archived/images/documents/files/final\\_report\\_labors\\_minimum\\_wage\\_exemption.pdf](https://www.uschamber.com/assets/archived/images/documents/files/final_report_labors_minimum_wage_exemption.pdf), Accessed November 25, 2022.

## Employers

When it comes to minimum wage policy, the group of stakeholders that is impacted the most by new or changed regulations are employers and business owners. This makes sense, as the employers are the individuals who must absorb the cost of a minimum wage increase and ensure that their employees are being both fairly and legally compensated for their work. The primary goal of business owners and employers is ensuring that their workers are receiving just compensation for their work, while also ensuring that enough money is brought into the organization to ensure that the business can stay open and profitable. This can lead to issues with determining how to handle minimum wage increases. Determining whether it is the best course of action to raise the wages of all current workers, reducing profit margins, or reducing employee salary and benefits to accommodate larger minimum wages can be a daunting challenge for any business owner. For this reason, it is imperative that employers be taken into consideration when determining whether or how to increase minimum wage laws and regulations. It is also important to understand that business owners typically do not only think in terms of dollars and cents, but also have a sincere appreciation and concern for their employees, and would, if able, increase wages. However, it is not always possible for a business to increase wages without having a significant impact on the goods or services provided. For smaller businesses, it is more beneficial for employers to seek to keep good employees within their company, but it is also more difficult to make up the increased cost for maintaining employment at its current levels.

## Workers

The group that would see the most immediate impact from a minimum wage increase is the low-wage worker. By increasing the federal minimum wage, workers who earn below the newly mandated amount would be required to see wages increase in proportion to the law, not to fall below the newly stated minimum. This would mean that if a worker were currently earning the federal minimum of \$7.25,<sup>17</sup> they would begin to make more than twice that amount once the new legislation takes effect. This would raise the wages of all low-wage workers immediately and would likely lead to an increase in wages for all workers, as even those who earn more than the minimum wage would see wages rise proportionally to the minimum wage to maintain value of employment and to keep workers gainfully employed. Workers have traditionally been supporters of minimum wage increases, especially when cost of living factors are included. As inflation rises, the cost of living has risen as a reflection of higher costs and lower monetary value.<sup>18</sup> This issue has been the primary reason that workers are fighting to raise the minimum wage, as wages have not increased to reflect rises in inflation and spikes in costs of living, resulting in the purchasing power of lower- and middle-wage workers to decrease.

When engaging in new wage policy, the workers are the individuals who may see the widest bell curve effect. There are some workers who, once minimum wage laws go into effect, will receive larger wages and continue to work with no negative repercussions. These individuals would be on the right end of the bell curve. In the middle of the bell curve, most workers would

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<sup>17</sup> Department of Labor, "Minimum Wage," Accessed November 23, 2022.

<sup>18</sup> Michelle Ullman, "How Inflation Affects Your Cost of Living," *Investopedia*, October 26, 2022, <https://www.investopedia.com/articles/personal-finance/081514/how-inflation-affects-your-cost-living.asp>, Accessed November 25, 2022.

receive higher wages, but with some cost – businesses may reduce operating hours, decreasing benefits for employees to offset wage increases, and increase service costs in conjunction with wage increases<sup>19</sup> – which would reduce the overall impact of increasing wages. In fact, a study by the Harvard Business Review suggested that following increases in the minimum wage, employers, rather than firing individuals, ended up hiring more workers to work for fewer hours, meaning that total compensation per individual worker decreases by approximately 14%.<sup>20</sup> With a wide spectrum of results which could affect workers, requiring a large increase in minimum wage must be undertaken with considerable caution.

### **Minimum Wage Policy Options**

When discussing the possible methods of addressing the concerns with the federal minimum wage, there are generally three options that can be taken. The first option is to increase the federal minimum wage, providing higher wages for workers. The second option is to reduce or eliminate the minimum wage at all levels, allowing business owners to make the decisions on wages for their workers. The third option is to eliminate the federal minimum wage but give each of the states the ability to set the minimum wage for their own citizens. Let's look at each of these proposals in a little bit more detail.

#### **Increase the Federal Minimum Wage**

The first option for dealing with minimum wage policy is to increase the federal minimum wage to \$15 per hour. As previously mentioned, the current federal minimum wage is \$7.25, and has been since 2009. This has not reflected any of the significant economic activities which have changed the costs of living, as well as inflation in the market and increased costs of shipping and transportation since the beginning of the COVID-19 pandemic of 2020.<sup>21</sup> With inflation at a near record high, the costs of living have risen dramatically, meaning that those workers who continue to earn a minimum wage are struggling to continue to maintain their current lifestyle, which for some, has dire consequences. For a minimum wage worker who was only barely making enough to get by before COVID-19, it is nearly impossible to maintain their same lifestyle, and likely this same individual is no longer employed, as job cuts heavily target unskilled, low-wage laborers. To fix the issues that have arisen because of inflation and the loss of purchasing power, it is imperative that the federal minimum wage be raised to \$15 to ensure that low-wage workers are able to care for themselves and their loved ones.

The benefits to raising the federal minimum wage include ensuring that workers can earn a living wage, the economy will benefit, and government programs may be reduced. A living wage is “the remuneration received for a standard workweek by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Elements of a

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<sup>19</sup> Adam Uziarko, “How Small Businesses Are Affected By Minimum Wage,” *Business News Daily*, November 2, 2022, <https://www.businessnewsdaily.com/8984-increased-minimum-wage.html>, Accessed November 25, 2022.

<sup>20</sup> Qiuping Yu, Shawn Mankad, and Masha Shunko, “Research: When a Higher Minimum Wage Leads to Lower Compensation,” *Harvard Business Review*, June 10, 2021, <https://hbr.org/2021/06/research-when-a-higher-minimum-wage-leads-to-lower-compensation>, Accessed November 26, 2022.

<sup>21</sup> Center on Budget and Policy Priorities, “Tracking the COVID-19 Economy’s Effects on Food, Housing, and Employment Hardships,” *Center on Budget and Policy Priorities*, February 10, 2022, <https://www.cbpp.org/research/poverty-and-inequality/tracking-the-covid-19-economys-effects-on-food-housing-and>, accessed November 26, 2022.

decent standard of living include food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected events.”<sup>22</sup> Having a living wage ensures that all workers across America will be able to live outside of poverty and will be able to afford regular and unexpected life expenses. Another benefit to raising the minimum wage is that whenever wages rise, more money will circulate into the economy. The Institute for Policy Studies has calculated that every extra dollar earned by a low-wage worker adds \$1.21 to the economy, a 21% increase in overall economic activity.<sup>23</sup> A third benefit to raising the minimum wage would be the potential for a reduction in government welfare programs, as individuals are earning a wage high enough to be disenrolled. For example, the Supplemental Nutrition Assistance Program would have its spending reduced by \$5.3 billion dollars if the minimum wage were increased. This would be a great benefit to the American people, as taxpayers foot the bill for \$152.8 billion directly for welfare programs.<sup>24</sup>

In contrast, if the minimum wage were raised, there could be several negative repercussions as well, such as harming small businesses, an increase in unemployment, and greater increases in inflation. When the minimum wage is increased, the largest economic burden will be placed on business owners. This can have a detrimental impact as increased wages may cost 1.4 million jobs and the loss of some small businesses.<sup>25</sup> Because smaller businesses do not always have a large profit margin, any increase in costs can have an enormous impact. These will often be seen in changes to hours operated, employee hours, and increased costs of goods and services.<sup>26</sup> This may ultimately lead to businesses being forced to close. This may contribute to the second cost to raising the minimum wage, an increase in unemployment. When smaller businesses shut down, local economies are the most affected. Within communities, businesses shutting down will create an employment vacuum as workers are now all competing for a smaller number of jobs, and opens the door for large businesses to transfer the economic investment out of the community and make large profits.<sup>27</sup> A third argument to raising the minimum wage is the evident rise of inflation, as the increase of money flowing from producers to consumers would cause prices to rise to reflect rising costs and maintain profit margins.<sup>28</sup> With some of these positives and negatives to raising the minimum wage, it is critical that policies be cautious when discussing federal minimum wage laws.

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<sup>22</sup> Global Living Wage Coalition, “What is a Living Wage?” *Global Living Wage Coalition*, <https://globallivingwage.org/about/what-is-a-living-wage/>, Accessed November 27, 2022.

<sup>23</sup> Lily Roberts and Ben Olinsky, “Raising the Minimum Wage Would Boost an Economic Recovery – and Reduce Taxpayer Subsidization of Low-Wage Work,” *Center for American Progress*, January 27, 2021, <https://www.americanprogress.org/article/raising-minimum-wage-boost-economic-recovery-reduce-taxpayer-subsidization-low-wage-work/>, Accessed November 26, 2022.

<sup>24</sup> Ibid.

<sup>25</sup> Roy Maurer, “Will a \$15 Minimum Wage Hurt Small Businesses?” *Society for Human Resource Management*, <https://www.shrm.org/hr-today/news/hr-news/pages/15-dollar-minimum-wage-hurt-small-businesses.aspx>, Accessed November 27, 2022.

<sup>26</sup> Uzialko, “How Small Businesses are Affected by Minimum Wage,” *Business News Daily*, November 2, 2022, <https://www.businessnewsdaily.com/8984-increased-minimum-wage.html>, Accessed November 25, 2022.

<sup>27</sup> Brad Close, “Big business backs a \$15 minimum wage because it will crush Main Street competitors,” *USA Today*, February 26, 2021, <https://www.usatoday.com/story/opinion/2021/02/26/big-business-behind-push-for-15-minimum-wage-column/4545386001/>, Accessed November 25, 2022.

<sup>28</sup> James Sherk, “\$15 Minimum Wages Will Substantially Raise Prices,” *The Heritage Foundation*, January 19, 2017, <https://www.heritage.org/jobs-and-labor/report/15-minimum-wages-will-substantially-raise-prices>, Accessed November 27, 2022.



## Eliminate the Minimum Wage

To the counter of raising the minimum wage, the next policy theory would be to completely remove the minimum wage at both the state and the federal level. To some, this may sound just as radical as raising the minimum wage to \$15, but in the same way, eliminating the minimum wage has positive and negative impacts as well. Some of the positive impacts includes deregulating businesses and allowing civil society to play a larger role in community welfare, while some of the negatives include a lack of accountability for ensuring that wages are being paid properly and can survive on their wages.

When the minimum wage is eliminated, then businesses are allowed to make the decisions which will best impact their own workers and profits. This grants business owners the ability to decide the value of work provided by their employees and pay them appropriately. For example, what is the value of flipping a hamburger? What is the value of fitting plumbing? Folding clothes in a boutique? Each of these has a different answer, and none of them are set in stone. Giving businesses the ability to operate within the confines of their own economy and competitive community will be of a net benefit to workers, as each individual can work to practice self-ownership, as stated by John Locke, and identify the value of their own work.<sup>29</sup> In the same way, businesses want employees who bring value to a business, and once these individuals are members of the work force, employers will ensure that they will choose to stay. Another benefit to giving local societies the ability to set wages is that it will allow civil society to play a larger role in the betterment of the community. As it stands now, federal welfare protects individuals and removes the stimulus for localities to take care of their own citizens. Churches, civic organizations, charitable organizations, and local governance all have a role to play in their respective communities.<sup>30</sup> By giving the federal government power over ensuring that individuals are employed and being paid well, local authorities have had the power taken from them.

However, by eliminating the minimum wage, unscrupulous business owners may be less likely to pay fair wages to workers. In an optimal world, all business owners would act in the best interests of their employees to maintain a positive work environment, but there would be no way to ensure that wages are paid properly. This would also fail to guarantee that workers would make wages that would accommodate costs of living and countermand the effects of inflation.

## Give States and Localities Control of Wages

The third option to address minimum wage concerns is to eliminate the federal minimum wage, but to give jurisdiction over wage laws to the states, in an exercise of federalism. This plan would arguably be the most constitutional route, as it empowers the states to exercise control over their own citizens, and the argument can be made that wage laws do not fall within the purview of the federal government. The benefits of this plan are the same as eliminating the minimum wage, with the only difference being that states would have control over minimum wage laws within their own borders. In this instance, there would still be minimum wage laws,

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<sup>29</sup> Tom Mullen, "The Best Argument Against Minimum Wage Laws: You Don't Own Other People," *Foundation for Economic Education*, December 4, 2018, <https://fee.org/articles/the-best-argument-against-minimum-wage-laws-you-dont-own-other-people/>, Accessed November 27, 2022.

<sup>30</sup> Steve Monsma, *Healing For A Broken World* (Wheaton, Illinois: Crossway Books, 2008), 81.

but they would vary throughout the states. In practice, this is already happening, with most states having a minimum wage higher than the federal minimum wage already.<sup>31</sup>

Federalism dictates that the powers of the federal government be used for issues at a national level, and that issues which affect individual states be handled by the states themselves. When discussing the constitutionality of a federal minimum wage, the argument must be presented from the Constitution. The Tenth Amendment of the Constitution grants states any authorities not specifically listed within the Constitution, and the only mention of commerce legislation within the Constitution speaks to commerce between the states. With this argument, opponents of the federal minimum wage state that the Fair Labor Standards Act of 1938 was a legislative overreach. By overturning this law, the right to regulate commerce within the states would return to the proper level of authority.

### **Christian Perspectives on Wage Laws**

When looking at minimum wage policy as a Christian, it is important to understand what the Bible says on wages and labor. The first thing to understand is that the Bible understands the value of the individual and their work. The Bible says that “wages are not credited as a gift, but as an obligation,”<sup>32</sup> and says that “the worker is worth his wages.”<sup>33</sup> This means that, as Christians, we should be advocates for ensuring that individuals are paid fairly for their labor, and that their work is valuable. In addition, the Bible says in Leviticus that a workers wages should not be withheld from them unnecessarily.<sup>34</sup> The most important aspect of determining which wages should be paid and when comes to the idea of freedom of contract, which Jesus discusses in the parable of the Workers in the Vineyard.<sup>35</sup> In this story, a landowner agrees to various wages with various individuals, and emphasizes his right to use his own money as he wishes when making business arrangements with his workers. When looking at these ideals in specific contexts, Christians should hold to the idea that while poverty may always exist, we should be generous with those who are in need,<sup>36</sup> and that nobody should be paid wages that would cause harm or bring them into destitution.<sup>37</sup> With all of this in mind, Christians ought to support policies which will fight poverty, as providing a well-earned wage gives credibility to individual value and helps people feel like their work is important to society.<sup>38</sup>

### **Conclusion**

Ultimately, the federal minimum wage does not appear to be going away any time soon. Rather, it appears that there will soon be an increase, as pressure continues to mount in Congress. However, it is important to remember the following. The Iron Triangle of Public Policy exists for a specific reason: to attempt to spread the authority and advocacy for various policies and regulations to the most groups possible, so that whenever a law is enacted or proposed, the

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<sup>31</sup> Department of Labor, “State Minimum Wage Laws,” *United States Department of Labor*, October 1, 2022, <https://www.dol.gov/agencies/whd/minimum-wage/state>, Accessed November 26, 2022.

<sup>32</sup> Ro. 4:4 (New International Version)

<sup>33</sup> 1 Tim. 5:18

<sup>34</sup> Lev. 19:13

<sup>35</sup> Matt. 20:1-16

<sup>36</sup> Deu. 15:11

<sup>37</sup> Deu. 24:14-15

<sup>38</sup> Monsma, 133.

various points of discussion are handled and addressed at the appropriate levels and have had all sides fleshed out, enabling the best decision making within a specific issue. In this instance, the Department of Labor, in conjunction with the Congress, rely on lobbying on minimum wage policies from various interest groups to get a feel for how the unions, employers, and workers feel about raising the minimum wage. Once these are taken into consideration, then Congress, in conjunction with the executive branch, will decide what to do with the issue of the federal minimum wage. As Christian policy makers, we should be advocating for whatever policies will ensure that workers receive just compensation for their work, while also advocating for the ability of businesses to utilize their resources and capital in whatever manner they see fit.

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