

Bare minimum: The working poor as society's greatest philanthropists

From the Editors in the [August 8, 2006](#) issue

They serve us at restaurants; they trim our lawns; they clean our houses and hotel rooms; they take our money at convenience stores. They are the minimum-wage earners, who, if their state's minimum isn't higher, are paid just \$5.15 an hour. At 40 hours per week, 52 weeks a year, that amounts to \$10,700 annually—nearly \$6,000 less than the federal poverty line for a family of three.

Since the minimum wage was last raised nearly a decade ago, workers' purchasing power has been reduced by more than 20 percent. When adjusted for inflation, the minimum wage is at its lowest point in the past 50 years, according to the Center for Economic and Policy Research.

Thirty-five percent of minimum-wage earners are the sole earners in their families; two-thirds of them are women; and about three-fourths of them are full-time workers. In other words, we are not talking about teenagers working part-time to earn pocket change.

Author and social critic Barbara Ehrenreich went underground in the late 1990s to see if she could survive working in minimum-wage positions. She concluded that minimum-wage earners are society's major philanthropists: "They neglect their own children so that the children of others will be cared for; they live in substandard housing so that other homes will be shiny and perfect; they endure privation so that inflation will be low and stock prices high. To be a member of the working poor is to be an anonymous donor, a nameless benefactor, to everyone else" (*Nickel and Dimed: On [Not] Getting By in America*).

These benefactors cannot get a break from legislators. Though 83 percent of the American people favor increasing the minimum wage, leaders in the House of Representatives have kept the issue from coming to a vote. And the Senate defeated a motion to increase the minimum wage from \$5.15 to \$7.25 an hour (though it voted for a pay increase for senators).

The chief argument against raising the minimum wage is that if labor is more costly, employers will hire fewer workers, so the increase will hurt the very people it is intended to help. But the evidence suggests otherwise: states that have enacted a higher minimum wage than that set by the federal government have seen increased growth in small businesses and employment.

In 2004 more than 500 economists, including four who have won the Nobel Prize in economics, endorsed “the principle of valuing work by establishing an hourly wage floor beneath which employers cannot pay their workers.” They also asserted that the minimum wage is “an important tool in fighting poverty.”

A society is judged by how it treats its lowest-paid members. Think about that the next time you’re at a restaurant.