



*Econ Journal Watch,
Volume 4, Number 1,
January 2007, pp 125-167.*

ECONOMICS IN PRACTICE

Reasons for Supporting the Minimum Wage: Asking Signatories of the “Raise the Minimum Wage” Statement

DANIEL B. KLEIN AND STEWART DOMPE*

[Abstract](#)

In October 2006 the Economic Policy Institute (EPI) released a formal statement entitled, “Hundreds of Economists Say: Raise the Minimum Wage” ([link](#)). We made a questionnaire and sent it to almost all of the 659 signatories. Ninety-five graciously participated. This article presents the questionnaire and results. In conducting the questionnaire, we promised not to comment on the results, and so we don’t.

The statement organizers listed 15 leading economists, namely Henry Aaron, Kenneth Arrow, William Baumol, Rebecca Blank, Alan Blinder, Peter Diamond, Ronald Ehrenberg, Clive Granger, Lawrence Katz, Lawrence Klein, Frank Levy, Lawrence Mishel, Alice Rivlin, Robert Solow, and Joseph Stiglitz, and then another 644 signatories, making a total of 659. Here is the statement in full, clipped directly from the original pdf file:

* Department of Economics, George Mason University. Fairfax, VA 22030.

We thank the following individuals for help in refining the questionnaire: Niclas Berggren, Ben Powell, Robin Hanson, Per Skedinger, Bryan Caplan, Russell Roberts, Ted Balaker, Andreas Bergh, Robert Whaples, and Jac Heckelman. And we thank the 95 individuals who participated in the project, and Henry Aaron, Ronald Ehrenberg, and Robert Solow for permission to reproduce their correspondence.

The minimum wage has been an important part of our nation's economy for 68 years. It is based on the principle of valuing work by establishing an hourly wage floor beneath which employers cannot pay their workers. In so doing, the minimum wage helps to equalize the imbalance in bargaining power that low-wage workers face in the labor market. The minimum wage is also an important tool in fighting poverty.

The value of the 1997 increase in the federal minimum wage has been fully eroded. The real value of today's federal minimum wage is less than it has been since 1951. Moreover, the ratio of the minimum wage to the average hourly wage of non-supervisory workers is 31%, its lowest level since World War II. This decline is causing hardship for low-wage workers and their families.

We believe that a modest increase in the minimum wage would improve the well-being of low-wage workers and would not have the adverse effects that critics have claimed. In particular, we share the view the Council of Economic Advisors expressed in the 1999 Economic Report of the President that "the weight of the evidence suggests that modest increases in the minimum wage have had very little or no effect on employment." While controversy about the precise employment effects of the minimum wage continues, research has shown that most of the beneficiaries are adults, most are female, and the vast majority are members of low-income working families.

As economists who are concerned about the problems facing low-wage workers, we believe the Fair Minimum Wage Act of 2005's proposed phased-in increase in the federal minimum wage to \$7.25 falls well within the range of options where the benefits to the labor market, workers, and the overall economy would be positive.

Twenty-two states and the District of Columbia have set their minimum wages above the federal level. Arizona, Colorado, Missouri, Montana, Nevada and Ohio, are considering similar measures. As with a federal increase, modest increases in state minimum wages in the range of \$1.00 to \$2.50 and indexing to protect against inflation can significantly improve the lives of low-income workers and their families, without the adverse effects that critics have claimed.

We made a questionnaire to explore the reasoning of the signatories. Here is the cover message¹ that accompanied the questionnaire:

Cover message that accompanied the questionnaire

Message subject: Reasons for supporting the minimum wage

Dear Professor [name],

My name is Daniel Klein and I am a Professor of Economics at George Mason University. I write in reference to the “Raise the Minimum Wage” statement organized by the Economic Policy Institute and signed by 659 economists, including you. This message contains a questionnaire of nine questions specific to the minimum wage statement. I intend to write up the results for publication. The article may appear in *Econ Journal Watch*, an online journal of which I am editor.

The write-up will be confined to the following: (1) summarizing the data of previous surveys that asked economists about the minimum wage (showing that economists are rather divided); (2) presenting the EPI statement; (3) presenting this questionnaire letter verbatim; (4) summarizing the results of this questionnaire (quoting some responses); (5) linking to an Excel file containing the names of all signatories and their responses in full (the questionnaire is not anonymous). I will refrain from commenting on the results. Hence, the “last word” in this installment of the conversation will go to the questionnaire responses provided by the 659 economists.

I myself oppose the minimum wage. But please be assured that there are no “traps” being set here. This questionnaire project is nothing but an elicitation of the reasons for your support of an increase in the minimum wage.

The minimum wage is one of those dividers within the profession. Conversing in this manner could help illuminate differences in interpretation and judgment, and possibly resolve some of the disagreement.

“Confirming”/“Declining”: If you cannot at this moment complete the questionnaire but think you might, I will be very grateful if you could respond and write simply “confirming.” That way I will not send any follow-up emails or hardcopy. If you decide not to complete the questionnaire, please respond “declining.”

¹ About 15 percent of the questionnaires (those at the start of the alphabet) used “survey” in place of “questionnaire” (after starting we decided that “questionnaire” was more fitting).

KLEIN AND DOMPE

The questionnaire follows below.

Thank you for your attention.

Respectfully,

Daniel Klein
Professor of Economics, George Mason University
Editor, Econ Journal Watch

The cover message promised that the write-up would be confined as specified. Accordingly, this article undertakes only those tasks. We hope that others will find the results valuable and use them to deepen the conversation.

Here is the entire questionnaire, including the instructions:

QUESTIONNAIRE OF THE 659 ECONOMISTS SUPPORTING AN
INCREASE IN THE MINIMUM WAGE

Questionnaire Instructions

Kindly respond to this email message by hitting “Reply” to reproduce the questionnaire. Mark approval of a response with an “x” like this

A. sample response that you approve

For responses you don’t approve, just leave the blank.

In responding to open-ended questions, simply insert your written responses. Use your “Enter” key to create a new line, if you prefer. It is fine to elaborate, but don’t feel expected to give more than brief responses.

There are nine questions. Some are response-contingent and may be inapplicable, depending on your preceding responses.

Don’t hesitate to skip individual questions that are too much trouble (e.g., the solicitation of citations to supporting literature). Incomplete questionnaires are OK, better than no response at all.

The Questionnaire

Please provide your name:

SECTION 1: MECHANISMS

The fourth paragraph of the statement says that you believe an increase in the federal minimum wage to \$7.25 will bring net benefits to workers and to the overall economy. I'd like to ask you about the mechanisms you see at work, generating the benefits. Consider two broad categories of mechanisms, first labor-market mechanisms, and second, broad socio-political mechanisms.

Q1: Please indicate your view of the following statement: *An increase in the federal minimum wage to \$7.25 would generate net benefits for workers and the overall economy through its effects on labor-market mechanisms.*

- A. I agree with that statement.
- B. I disagree with that statement.

If you responded B, skip the next two questions and go directly to Q4.

Q2 (only for those who responded A, agree, above): Kindly identify the beneficial labor-market mechanisms (it's OK to approve more than one):

- A. Equalizing an imbalance in bargaining skills (i.e., bargaining experience, articulateness, confidence)
- B. Inducing employers with monopsony power to increase employment by their firm.
- C. Inducing a transfer from employers to (generally less well off) workers, albeit with possible small disemployment effects.
- D. Coordinating the low-wage labor market by making it common knowledge that jobs pay at least \$7.25.
- E. Other, please specify:

Q3 (again, only for those who responded A, agree, to Q1): For each mechanism that you indicated belief in in the previous question, if it's not too much trouble, kindly indicate one or two sources of information (e.g. publications) that you feel support that belief:

- A. Recommended source on the bargaining-skills mechanism:
- B. Recommended source on the monopsony mechanism:
- C. Recommended source on induced-transfer mechanism:
- D. Recommended source on the coordination mechanism:
- E. Recommended source on other mechanisms specified:

Q4: Regardless of how you responded to the previous questions, please indicate your view of the following statement: *An increase in the federal minimum wage to \$7.25 would generate net benefits for workers and the overall economy through its effects on broad socio-political mechanisms, such as those involving the character of the polity.*

- A. I agree with that statement.
- B. I disagree with that statement.

Q5: If you agreed with the previous statement (in Q4), kindly tell us how you think about those socio-political mechanisms (a few words, or, you are welcome to elaborate and to cite recommended sources):

SECTION 2: POSSIBLE NEGATIVE ECONOMIC CONSEQUENCES OF INCREASING THE MINIMUM WAGE TO \$7.25

Q6: Virtually every policy action has at least some “winners” and some “losers.” The following is a list of six possible negative consequences of the proposed increase in the minimum wage. Please mark each of these with one of the following three symbols:

s = significant economic drawback

m = minor economic drawback

n = not a substantive consequence (that is, the claim is false)

- A. Because they cannot legally compete by lowering their price below \$7.25, some individuals will not get employed (or will work fewer hours), regrettable because they miss out on income or work experience.
- B. Because they cannot legally compete by lowering their price below \$7.25, some individuals who do work will do so under otherwise less favorable conditions (such as fewer perks, less recognition or consideration, less training or instruction, harder work, etc.).
- C. Because of the increase to \$7.25, some workers will face a flatter time-profile of wage increases.
- D. Because of the increase to \$7.25, some workers will work illegally.
- E. Because of the increase to \$7.25, employers will enjoy less producer surplus.
- F. Because of the increase to \$7.25 and higher costs of production, consumer well-being will decline (because of higher prices, lower quality, fewer options).

SECTION 3: THE MINIMUM WAGE AND LIBERTY

In one manner of speaking, liberty is freedom from political or legal restrictions on one’s property or freedom of association. Subscribers to this definition are apt to say that the minimum wage law is coercive because it (along with concomitant enforcement) threatens physical aggression against people for engaging in certain voluntary, consensual acts (namely, employing people at sub-minimum wages). (Notice that even subscribers to this definition of liberty recognize that it does not by itself carry a policy recommendation; values other than liberty exist and might conflict with it.)

Q7: Please indicate which of the following options best fits your view of this semantic issue:

- A. I agree that that definition of liberty is the primary definition of liberty, and in that sense the minimum wage law is coercive.
- B. I give some weight to that definition of liberty, but not primary weight; the minimum wage law is only coercive in a sense.
- C. I give little to no weight to that definition of liberty; the minimum wage law is not coercive in any significant sense.
- D. Other [please specify]:

Q8: If you responded either B or C to the previous question, please fill in A or B below:

- A. To me, the primary meaning of liberty is [fill in]:
- B. To me, in such political/legal discourse, "liberty" is not particularly meaningful at all.

GENERAL FEEDBACK

Q9: If you have general remarks about the minimum wage issue or this questionnaire, please provide them here:

Thank you for completing the questionnaire. Please email the completed questionnaire to minwage@gmu.edu by December 20, 2006.

[End of questionnaire]

Before turning to the results of this investigation, we report the results of minimum-wage questions from other surveys of economists.

MINIMUM-WAGE SURVEYS: A REVIEW OF FINDINGS

The present occasion seems ripe to report on all known minimum-wage questions asked of US economists. The matters have generally been of two sorts: a general policy judgment, and the disemployment of young and unskilled workers. At the end of this section we also summarize results for other scholars and the general public.

Surveys of US Economists' Policy Positions on the Minimum Wage

In policy judgment, economists not only lack consensus, but even show a U-shaped pattern of judgment. At the time of this writing, the most recent survey of economists was Robert Whaples's 2005 survey, sent to 210 randomly selected American Economic Association members (Whaples 2006). The 77 respondents to the following question show a U-shaped pattern:

Table 1: Robert Whaples 2005 survey of AEA members

The federal minimum wage in the U.S. should be:	
a. eliminated.	46.8%
b. decreased.	1.3
c. kept at the current level.	14.3
d. increased by about 50 cents per hour.	5.2
e. increased by about \$1 per hour.	15.6
f. increased by more than \$1 per hour.	16.9

Klein and Stern (2006) report on their 2003 survey of 1000 AEA members and received 264 responses.² Again we see a U-shape:

Table 2: Klein & Stern's 2003 survey of AEA members

Minimum wage laws :	
1. Support strongly	28.4%
2. Support mildly	18.9
3. Have mixed feelings	14.4
4. Oppose mildly	17.8
5. Oppose strongly	20.5
Have no opinion	0.4

Although differences in wording cloud comparison between Klein & Stern and Whaples, the two surveys both indicate that economists are pretty evenly divided on the policy issue.

It should be noted that there might be an ideological disparity between AEA members and U.S. economists defined by degree or by academic position. This is a matter we don't know a lot about, but there is some reason to believe there is a social-democratic tilt to the AEA, at least in more recent years (McEachern 2006; Klein 2006). It is possible that the minimum wage finds more support from the median AEA member than the median economist.

² For a breakdown by Democratic/Republican voting, see Klein and Stern (2007).

Two Surveys of Labor Economists

In 1996, Victor R. Fuchs, Alan B. Krueger, and James M. Poterba surveyed all self-identified labor economists (not only in economics departments) at the 40 top research universities (Fuchs et al 1998, 1388). The respondents were asked to assess “Increase the minimum wage from \$4.25 to \$5.15 per hour over two years” by making a mark along a continuous scale from “strongly oppose” (given a value of zero) to “strongly favor” (given a value of 100). Among the 65 responses, the mean was 53, the median 50, and the standard deviation 30, illustrating what the authors say about the investigation generally: “The most striking result is the extensive disagreement among economists about policy proposals in their specialty” (p. 1390).

Another survey of labor economists asked a similar question. In 1994, Robert Whaples mailed a questionnaire to 193 randomly selected labor economists who were members of the AEA, and asked them to assess the claim that “the current minimum wage should be increased.” Among the 75 who answered the question, 42 percent generally agreed, 15 percent agreed with provisos, and 43 percent generally disagreed (Whaples 1996, plus unpublished data from Whaples³). Thus, the average level of support for the minimum wage is somewhat higher among labor economists than among AEA members.

The “Young and Unskilled” Question

Beginning with the landmark 1976 survey by Kearn et (1979), many surveys have asked economists whether they “generally agree,” “agree with provision,” or “generally disagree” with the statement: “A minimum wage increases unemployment among young and unskilled workers.” Over time, economists have become less favorable to the statement, as shown in Table 3.

³ Whaples also asked how much teenage employment would decrease from a 10 percent increase in the minimum wage; we refrain from reporting the results here.

Table 3: Survey results for the “young and unskilled” question

“A minimum wage increases unemployment Among young and unskilled workers”				
Year, Survey	Reference	Generally Agree	Agree with provisions	Generally Disagree
Surveys based principally on general AEA membership				
1976, 211 of 600 AEA members, stratified.	Kearl et al 1979	68%	22%	10%
1990, about 32 percent of 700 economists, stratified	Alston et al 1992, 206	61	21	18
2000, about 300 of 1000 AEA members	Fuller and Geide- Stevenson 2003, 378	45.6	27.9	26.5
Survey of labor economists				
1994, 77 of 193 labor economists (all AEA members)	Whaples 1996 + unpub. info from Whaples	50	37	13
Surveys of econ grad students at Chicago, Columbia, Harvard, MIT, Stanford, Yale, and (only for the later survey) Princeton				
1985, 212 of about 700 grad students	Colander and Klamer 1987; Colander 2005, 189	34	39	18
Ca 2002, 231 of about 850 grad students	Colander 2005, 189	33	38	23

Notes: (1) The percentages in a line might sum to less than 100 because no opinion/non-responses are not reported here. (2) There are very minor variations in wording, e.g., “generally agree” is here equated with “agree”; “agree with provisions” is here equated with “agree with reservations”; etc.

Additionally, in 2000, Colander re-sampled as best he could the graduate students originally responding in 1985, received 45 responses, and found that their belief in young-and-unskilled disemployment had increased somewhat (Colander 2003).

In 1996, Moorhouse, Morris, and Whaples (1999) asked the young-and-unskilled question, using a five point scale, of members of the American Law and Economics Association (ALEA), who overwhelmingly believed in disemployment. In 2000, Whaples and Heckelman (2005, 76) asked the same of smallish samples of members of the AEA and of the American Political Science Association, and almost all 326 members of the Public Choice Society (PCS). Compared to the AEA members, economist members of PCS believed very much more in disemployment. Thus, there are some specialized groups and associations who strongly believe in young-and-unskilled disemployment.

Many surveys have put the “young and unskilled” question to economists outside the United States. Of economists in France (surveyed ca 1980), 16.7 percent generally agree, 21 percent agree with provisions, and 59.8 percent generally disagree that a minimum wage increases unemployment of the young and unskilled. Combining data as reported in Frey et al (1984, 991), Block and Walker (1988, 140), Ricketts and Shoemith (1990), and others, Anderson, Blandy, and Carne (1993) provide a valuable cross-country comparison. Following their scoring system (p. 11), the economist belief in young-and-unskilled disemployment by country is shown in Table 4. Note that minimum wage laws differ in form in different countries, so the term might signify somewhat different things to economists in different countries.

Table 4: Economist belief in disemployment, by country (surveys ca 1980-1993)

Country	Anderson et al (1993) metric of belief in disemployment
United States	83.5
Canada	81.0
Australia	78.8
South Africa	78.0
Taiwan/South Korea/Hong Kong/Singapore	75.7
New Zealand	69.1
Thailand/Indonesia/Malaysia/Philippines	68.6
Germany	63.5
United Kingdom	61.5
Switzerland	59.4
Austria	55.8
Japan	42.5
France	33.7

Surveys of Non-Economists

One study put the “young and unskilled” question to some non-economists. Fuller et al (1995, 231) surveyed delegates of the 1992 Republican and Democratic national conventions. The Republican delegates had a belief distribution quite similar to that of the 1990 economists line in Table 3, whereas the Democrats deviated greatly, with only 14.6 percent “mainly agree,” 10.7 percent “neither agree/disagree,” and 73.2 percent “mainly disagree” that a minimum wage increases unemployment among the young and unskilled.

In Spring of 2003, Alan Blinder and Alan Krueger (2004) conducted a random telephone survey of the US population eighteen and older. They completed 1,002 surveys and weighted by demographic variables to match US Census estimates. They asked, “*Do you think the federal minimum wage should be increased?*”:

Yes	75 percent
No	21 percent
Don’t know or refused	4 percent

The results comport well with public opinion surveys going back decades. Support for the minimum wage is clearly much more pervasive among the general public than among academic economist (this pattern, according to Bryan Caplan, goes for most government intervention, except possibly welfare-state policies; Caplan 2007). Blinder and Krueger add that support for raising the minimum wage was stronger among women than men, among nonwhites than white, among non-college-educated than college-educated, among lower-income than higher-income, among voters than non-voters, and among “liberals,” “moderates,” and “haven’t though much about its” than among “conservatives” (pp. 354-55).

As mentioned, AEA members were asked about minimum wage laws, with “support strongly” scored as 1, “support mildly” 2, “have mixed feeling” 3, “oppose mildly” 4, and “oppose strongly” 5. The same survey was administered to five other scholarly associations:

<i>Scholarly association</i>	<i>Ave response to minwage q</i>
American Economic Association:	2.8
American Anthropological Association:	1.2
American Historical Association:	1.3
American Political Science Association:	1.6
American Sociological Association:	1.2
American Society for Political and Legal Philosophy:	1.7

The lowest possible average is 1.0. Thus, among the other disciplines, support is strong and overwhelming. In terms of distance from 1.0, economists are strikingly less supportive, even though with an average of 2.8 they lean slightly in favor of the minimum wage (3.0 being the mid-point of the scale).⁴

Summary of all survey results

Several points emerge from the various surveys: (1) US economists are not only divided over the minimum wage, but the distribution of policy opinion is U-shaped, suggesting deep-seated cleavages; (2) The average level of support for the minimum wage is somewhat higher among labor economists than among AEA members; (3) AEA members mostly, but not overwhelmingly, think that minimum wages increase unemployment of the young and unskilled, but that belief has weakened in recent decades; (4) Graduate students are less inclined to believe in young-and-unskilled disemployment; (5) Economist belief in disemployment seems to be highest in the United States and lowest in France; (6) Whereas AEA members are pretty evenly divided on the policy, the general US population shows consistent and strong majority support for raising the minimum wage; (7) Overwhelmingly, scholars in anthropology, history, philosophy, political science, and sociology support the minimum wage.

RESULTS OF OUR QUESTIONNAIRE

Response Rate

The “Raise the Minimum Wage” statement listed 659 individuals and institutional affiliation.⁵ We gathered email addresses using institutional websites, the AEA directory, Google, etc. Using a specially created email account, during November and early December 2006 we proceeded to send the cover-message and questionnaire. We used the subject-line “Reasons for supporting the minimum wage,” and avoided attachments, URLs, and

⁴ The average response values for the six associations are calculated from the original data and are close to those reported in Klein and Stern (2005, 279), which breaks down the data by Democratic/Republican voting and treats only the academic respondents.

⁵ The statement lists 15 leading economists and then states, “650 of their fellow economists agree,” with the rest following. Actually, the rest number only 644 (this number corrects for the duplication of Aniss Bahreinian, who is also listed as Bahreinian Aniss).

other features that might trigger spam filters. We watched carefully for bounce-backs, and when they occurred searched for alternate email addresses; we also followed up when automated responses required manual response to pass through a filter or indicated an alternate email address. We obtained what appeared to be sound, working email addresses for 618 of the 659. Those who did not acknowledge our send were emailed a follow-up reminder notice (and again we watched carefully for bounce-backs). For the individuals for whom we could find no email address, we obtained postal addresses in all but 14 cases, and sent the questionnaire with a SSE envelope, and received one PO return.⁶ We therefore count the number of contacted persons as 644. The responses were as follows:

Table 5: Response rate to the Questionnaire, of 644

	n	(n/644)
Completed questionnaires ⁷	95	15%
Declines		
• acknowledged but declined ⁸	149	
• no response whatever	400	
TOTAL Declines	549	85%

The “no response whatever” rate might be slightly overstated, in that some intended recipients probably did not in fact see the email communication for one reason or another, but we feel confident that such number would have been no more than a few percent (particularly as signatories would quite plausibly be in communication with each other about the questionnaire). Thus, upwards of 80 percent refrained from engaging.

We do not presume to interpret that rate; the questionnaire is unconventional in not being anonymous and in being openly at odds on the issue, so the response rate is not readily comparable to ordinary surveys.

⁶ For all details, see the “Communication” Excel worksheet.

⁷ We count as “completed” any returned questionnaire with at least one question answered. Aside from Jennifer Ball, who responded only to Q1, Q2, and Q9, the other respondents pretty much responded to all major questions.

⁸ This includes five individuals who confirmed that they had received the questionnaire but never completed it.

The 95 individuals who completed the questionnaire <i>(Thank you!)</i>		
Katie Baird	Christopher Gunn	William Ross
Dean Baker	Robert Haveman	Jesse Rothstein
Jennifer Ball	Mark R. Hopkins	Joydeep Roy
David Barkin	Alan G. Isaac	Gregory M. Saltzman
Barbara Bergmann	Pascale Joassart	Michael Sattinger
Eli Berman	Farida C. Khan	A. Allan Schmid
L. Josh Bivens	Kevin Lang	Stephen J. Schmidt
Margaret Blair	Frederic S. Lee	Eric A. Schutz
Robert A. Blecker	Sang-Hyop Lee	Bruce R. Scott
Alan Blinder	Frank Levy	Timothy M. Smeeding
Barry Bosworth	Richard Lotspeich	Janet Spitz
Joyce Burnette	Daniel Luria	Howard Stein
Karl E. Case	Mark H. Maier	Jeffrey Stewart
Menzie Chinn	Catherine L. Mann	Paul Swaim
Charles R. Chittle	Julie A. Matthaei	Christopher Udry
Patrick Conway	Elaine McCrate	Vivian Grace Valdmanis
Paul N. Courant	Kate McGovern	William Van Lear
Peter Dorman	Richard McIntyre	Lane Vanderslice
Arindrajit Dube	Andrew McLennan	Mark Votruba
Amitava Dutt	Jo Beth Mertens	Jeffrey Waddoups
Fritz Efav	Thomas R. Michl	William Waller
Robert M. Feinberg	Lawrence Mishel	Bernard Wasow
Susan F. Feiner	John R. Morris	Robert W. Wassmer
Marianne A. Ferber	Reynold F. Nesiba	Mark Weisbrot
John Fitzgerald	Laurie Nisonoff	Charles L. Weise
Gerald Friedman	Manuel Pastor	Thomas E. Weisskopf
James K. Galbraith	Jim Peach	John Willoughby
Teresa Ghilarducci	Randall Reback	Edward Wolff
Richard J. Gilbert	James B. Rebitzer	Anne Yeagle
Lonnie Golden	Donald Renner	Henry W. Zaretsky
Dan Goldhaber	Jaime Ros	Jim Zelenski
Neva Goodwin	Joshua L. Rosenbloom	

As for sampling issues, we only want to say that, however representative the “sample” is of minimum-wage supporters, the investigation also has merit as a set of conversations. Even if only one person had responded to the questionnaire, we would be interested to know the thought of that person—not as a representative sample, but as “man thinking” on the issue, with a unique body of argument reflecting a unique

web of interpretation and judgment, including new angles provided in responses to the open-ended questions. That is one reason why we made an appendix that enables one to read the results *by respondent*.

Presentation of Results

Here we reproduce a question and then report the frequency and range of responses, sometimes quoting individual responses for purposes of illustration or special interest. In addition to this written report, one can access from Appendix 1 a complete compilation of responses in three forms: (1) a scroll-by-person; (2) a scroll-by-question; (3) an Excel file with response data.

Labor Market Mechanisms that Make the Minimum Wage Desirable

Preceding Question 1 there were remarks that reminded the respondent that the statement affirmed that raising the federal minimum wage to \$7.25 would bring net benefits to workers and to the overall economy. The remarks then sought to distinguish two broad categories of beneficial mechanisms, labor-market mechanisms and socio-political mechanisms. The first three questions deal with labor-market mechanisms.

Q1: Please indicate your view of the following statement: An increase in the federal minimum wage to \$7.25 would generate net benefits for workers and the overall economy through its effects on labor-market mechanisms.

- A. I agree with that statement.
- B. I disagree with that statement.

As expected, the vast majority of respondents—90—marked A, agreement.⁹ Only five marked B (Gunn, F.S. Lee, Rosenbloom, Stewart, and Waller).

The survey asks those who agreed to answer the next two questions:

Q2 (only for those who responded A, agree, above): Kindly identify the beneficial labor-market mechanisms (it's OK to approve more than one):

⁹ We impute A (agreement) to William Ross, who marked neither but answered Q2 as though he had marked Q1 with A.

- A. [] *Equalizing an imbalance in bargaining skills (i.e., bargaining experience, articulateness, confidence)*
- B. [] *Inducing employers with monopsony power to increase employment by their firm.*
- C. [] *Inducing a transfer from employers to (generally less well off) workers, albeit with possible small disemployment effects.*
- D. [] *Coordinating the low-wage labor market by making it common knowledge that jobs pay at least \$7.25.*
- E. [] *Other, please specify:*

The responses as regards A, B, C, and D can be sorted into the mutually exclusive combinations (the notation (E) denotes that the individual also wrote open-ended remarks).

- A (5):** Susan F. Feiner (E), Richard J. Gilbert, Jim Peach, Vivian Grace Valdmanis, Anne Yeagle (E)
- A&B (5):** L. Josh Bivens, Arindrajit Dube (E), James B. Rebitzer, Michael Sattinger (E), Jeffrey Waddoups (E)
- AB&C (10):** Dean Baker, Alan Blinder (E), Menzie Chinn (E), Fritz Efav (E), James K. Galbraith (E), Thomas R. Michl (E), John R. Morris, Gregory M. Saltzman, Paul Swaim (E), Lane Vanderslice (E)
- ABC&D (4):** Charles R. Chittle, Paul N. Courant, Amitava Dutt (E), Reynold Nesiba (E)
- AB&D (3):** Jo Beth Mertens, Laurie Nisonoff (E), Lawrence Mishel (E)
- A&C (13):** Katie Baird, Jennifer Ball, David Barkin, Eli Berman, John Fitzgerald (E), Lonnie Golden, Mark R. Hopkins (E), Mark H. Maier, Kate McGovern (E), Joydeep Roy, A. Allan Schmid, Charles L. Weise (E), Edward Wolff
- AC&D (15):** Barbara Bergmann, Margaret Blair, Robert A. Blecker, Robert M. Feinberg (E), Gerald Friedman (E), Neva Goodwin, Julie A. Matthaei (E), Richard McIntyre, Donald Renner, Stephen J. Schmidt, Howard Stein, Christopher Udry, William Van Lear, Robert W. Wassmer, John Willoughby
- A&D (2):** Barry Bosworth, Manuel Pastor (E)
- B (0)**
- B&C (3):** Patrick Conway, Dan Goldhaber, Elaine McCrate (E)
- BC&D (2):** Marianne A. Ferber, Teresa Ghilarducci (E)
- B&D (1):** Frank Levy (E)
- C (15):** Joyce Burnette, Peter Dorman (E), Robert Haveman (E), Farida C. Khan (E), Kevin Lang, Sang-Hyop Lee, Andrew McLennan, Daniel

Luria (E), Joshua L. Rosenbloom,¹⁰ Eric A. Schutz (E), Janet Spitz (E), Mark Votruba (E), Bernard Wasow, Mark Weisbrot, Henry W. Zaretsky

C&D (9): Pascale Joassart, Richard Lotspeich, Randall Reback, Jaime Ros, William W. Ross, Jesse Rothstein, Bruce R. Scott (E), Timothy M. Smeeding, Thomas E. Weisskopf

D (1): Alan G. Isaac

E (only) (3): Karl E. Case, Catherine L. Mann, Jim Zelenski;

No Response (4): Christopher Gunn, Frederic S. Lee, Jeffrey Stewart, William Waller [they all marked B to Q1]; thus total individuals is 95.

Table 6: Frequencies of markings of specified labor-market mechanisms

Labor-market mechanism	n	% of 193 A-D Marks	% of 231 A-E marks	% of 88 persons marking A-D	% of all 95 persons responding
<i>A. Equalizing an imbalance in bargaining skills (i.e., bargaining experience, articulateness, confidence)</i>	57	30%	25%	65%	60%
<i>B. Inducing employers with monopsony power to increase employment by their firm.</i>	28	14%	12%	32%	30%
<i>C. Inducing a transfer from employers to (generally less well off) workers, albeit with possible small disemployment effects.</i>	71	37%	31%	81%	75%
<i>D. Coordinating the low-wage labor market by making it common knowledge that jobs pay at least \$7.25.</i>	37	19%	16%	42%	39%
TOTALS <i>(Also, there were 38 E write-ins)</i>	193	100%			

Though the most marked mechanism is a transfer to workers (C), it is perhaps surprising that it is not marked more universally. Maybe a reason is

¹⁰ Rosenbloom marked B to Q1, yet answered C to Q2; perhaps he would not count the induced transfer as a labor market mechanism.

that the option specifies that the transfer comes from employers. Karl E. Case commented: “There is a transfer from some households to low wage workers. It is unclear who bears the burden since there will be a general equilibrium change. It is not necessarily ‘employers’ who bear the burden” (a similar clarification is made by Andrew McLennan).

In addition to the specified mechanisms, option E invited “Others, please specify.” We count 35 individuals to have indicated other mechanisms.¹¹ The other mechanisms were as follows:

- 20 individuals mentioned **productivity enhancements** by way of any of a number of mechanisms: higher worker effort (in particular, the expression “efficiency wages” is used by seven individuals), better production processes or innovation, more training and investment in human capital, less turnover, and wage compression/reduced wage dispersion. The 20 individuals counted here are Blinder, Chinn, Dorman, Dube, Efaw, Feinberg, Feiner, Fitzgerald, Friedman, Galbraith, Ghilarducci, Haveman, Hopkins, Khan, Luria, McCrate, Pastor, Schutz, Swain, and Waddoups.
- **Balance of power/bargaining power** is mentioned by Galbraith, Levy, Scott, Weise, and Zelenski.
- **Augmented workers’ buying power/aggregate demand/macroeconomic activity** is mentioned Dutt, Mann, Schutz, and Spitz.
- No other labor-market mechanism was mentioned more than twice.

The next question asked:

Q3 (again, only for those who responded A, agree, to Q1): For each mechanism that you indicated belief in in the previous question, if it’s not too much trouble, kindly indicate one or two sources of information (e.g. publications) that you feel support that belief:

¹¹ There were 38 individuals who wrote something in the E area, but for three (Case, Goodwin, and McLennan) we deem the remarks to be clarifications of their A-D responses only. Thus we say that 35 individuals indicated other mechanisms.

- A. Recommended source on the bargaining-skills mechanism:*
- B. Recommended source on the monopsony mechanism:*
- C. Recommended source on induced-transfer mechanism:*
- D. Recommended source on the coordination mechanism:*
- E. Recommended source on other mechanisms specified:*

More than half of the respondents graciously responded to this nudgy question. Here we list authorities mentioned by at least three respondents:

- **David Card** and/or **Alan Krueger** (several times also with **Lawrence Katz**): Cited by 29 individuals, almost entirely in connection with the monopsony mechanism (option B) and the smallness of unemployment (which is mentioned as part of the induced-transfer mechanism option C). Relevant works: Card 1992a, 1992b; Card, Katz and Krueger 1994; Card and Krueger 1994, 1995a, 1995b, 2000; Katz and Krueger 1992; Krueger 1995; Autor, Katz and Kearney 2004.¹²
- **Alan Manning** and/or **Stephen Machin**: Cited by six individuals, mostly in connection with monoposony. Relevant works: Dickens et al 1998, 1999; Dolado et al 1996; Machin and Manning 1994, 1997; Machin et al 2003; Machin and Wilson 2004; Manning 2003.
- **John DiNardo**, **Nicole Fortin** and **Thomas Lemieux**: Cited by four individuals. Relevant work: DiNardo, Fortin and Lemieux 1996.
- **David Neumark** and/or **William Wascher**: Neumark is mentioned by four individuals (once with Wascher), but in two of those cases Neumark is cited as countering or moderating the pro-minimum-wage point. Relevant works: Neumark 2001; Neumark et al 2006; Neumark, Schweitzer and Wascher 2004, 2005; Neumark and Wascher 1992, 1994, 1995a, 1995b, 1996a, 1996b, 1998, 2000, 2002, 2003, 2004, 2006.

¹² Our method for collecting “relevant works” of the listed authors was to include any work with the pertinent authors’ names listed in the very recent large work Neumark and Wascher 2006, and to supplement with any sources cited by the respondents.

No other source or authority is cited more than twice. Among the cited authors mentioned here, two—Lawrence Katz and John DiNardo—signed the EPI statement; neither responded to the questionnaire.

Socio-Political Mechanisms

The next two questions explored socio-political mechanisms:

Q4: Regardless of how you responded to the previous questions, please indicate your view of the following statement: An increase in the federal minimum wage to \$7.25 would generate net benefits for workers and the overall economy through its effects on broad socio-political mechanisms, such as those involving the character of the polity.

- A. I agree with that statement.
- B. I disagree with that statement.

Agree on socio-political mechanisms (choice A), 74 individuals.

Disagree on socio-political mechanisms (choice B), 7 individuals.

NR and others responses: 14 individuals.¹³

The next question asked those who agreed to the previous question to explain the socio-political mechanisms at work:

Q5: If you agreed with the previous statement (in Q4), kindly tell us how you think about those socio-political mechanisms (a few words, or, you are welcome to elaborate and to cite recommended sources):

To this question, 66 respondents wrote in responses. The following 21 responses make a not unrepresentative sample of the socio-political mechanisms indicated. In this article, we have reformatted and corrected obvious typos.¹⁴

¹³ No response came from 6 individuals; five more (Bergmann, Berman, Blair, Mertens, Weise) also checked neither “agree” nor “disagree” but did write that they were uncertain about the meaning of the question or their answer to it; two (Galbraith and Sattinger) also checked neither “agree” nor “disagree” but wrote remarks that more or less affirmed socio-political mechanisms; and one (McLennan) checked both “agree” and “disagree” and wrote a clarification of his response.

¹⁴ The appended scrolls contain original responses without corrections.

Alan Blinder: I would not put large weight on this, but I think that to some extent attitudes and mores matter. Regardless of Pareto efficiency, we do not allow indentured servitude or child labor. Similarly, a \$7.25 minimum wage would state that society deems it wrong to pay less.

Peter Dorman: Since Tocqueville (at least) there is a well-established argument that greater equality of income and respect is associated with better democratic performance. This is a near-consensus position in political theory.

Arindrajit Dube: Increased income (and reduced inequality) has broad effects throughout society and polity; this includes (but is not limited to) increased self worth, increased ability to use added time to spend with kids, attend community college, etc., from an income effect.

Amitava Dutt: Reducing poverty, reducing inequality. Creating a culture where people realize that some basic needs of people should be satisfied.

Robert M. Feinberg: I'm not sure if this is exactly what is meant here, but I would see notions of fairness playing a role.

Neva Goodwin: many market mechanisms are affected by common expectations and habits. There are periods and circumstances when employers feel relatively more, and relatively less, responsibility for the overall wellbeing of their employees. Attitudes which Alfred Marshall referred to as "chivalry" can rise above what is legally required, but if legal requirements sink down, cultural attitudes are apt to sink also. And if laws require more humane wages, the cultural expectations and habits will be supported to rise to a more humane level.

Robert Haveman: 1) giving low wage workers a stake in their firms and jobs 2) giving low wage workers a feeling that they are less marginalized than they now feel.

Catherine L. Mann: The electorate recognizes the widening distribution of income, especially as evidenced by CEO pay and Wall Street salaries and bonuses. The legislative drive to raise the minimum wage is less about the economic impact, which in fact is likely to be very small, and more as a signal of the electorate's concerns with the growing disparity in economic outcomes.

Kate McGovern: Public policy measures that decrease economic inequality are good for health of the civil society and the democracy. And, as a

general principle, society should encourage work and the dignity of work: no one who works should be poor.

John R. Morris: Economic justice for low income people.

Jesse Rothstein: I believe that a great deal of bargaining happens within parameters that are determined, in part, by societal expectations. Government policy has some role in determining those expectations.

Paul Swaim: Given the very high value placed on self-sufficiency in the US, I think it is important that adults working full time can earn enough to make a substantial contribution to supporting a decent living standard and take pride in their status as workers. Put differently, people playing by the rules should not feel like total losers (or be considered as such by their fellow citizens). The minimum wage can probably make a modest contribution to approaching this objective.

William Van Lear: Suggests a society committed to fairness and recognizes that power has a role in determining outcomes.

Mark Votruba: Vast disparities in wealth and income stability of democratic capitalism, as suggested by Alan Greenspan. I would add that our sense of community is undermined, which in turn undermines the social norms towards “appropriate” social behaviors, especially by those at the bottom.

Jeffrey Waddoups: Reducing wage inequality will increase the quality of democratic institutions.

Bernard Wasow: A low cost demonstration of concern for low wage workers that causes little damage. Elicits a buy-in by low wage workers to the polity

Robert W. Wassmer: A good public policy analysis requires the balancing of both efficiency and equity considerations. Though the efficiency effects of a minimum wage are not entirely certain, I believe most Americans consider it "fair" that the minimum amount paid to an American to work in a country as affluent as ours should not be entirely left to a market determination. Though I am certain that there is disagreement as to what level this minimum should be set at.

Mark Weisbrot: the US has suffered a massive upward redistribution of income over the past 30 years, with the median wage increasing about 9 percent while productivity has increased over 80 percent. This has created a

much more unequal, class-stratified society and spills over into all sorts of regressive, ugly politics. Krugman has written about this if you need more.

Edward Wolff: In the political economy of the US, labor has lost a considerable amount of social and political power vis-à-vis business. Raising the minimum wage is one, albeit small, measure to help labor vis-à-vis business.

Henry W. Zaretsky: Improved living conditions for affected workers and their families. Less likely to become dependent on public programs such as welfare and Medicaid. More incentive to seek work. More stake in the system. More independence.

Jim Zelenski: Helps develop and support a broad middle class which in turn supports political and social stability as well as household self-sufficiency.

Possible Negative Economic Consequences

The next section of the questionnaire was called “POSSIBLE NEGATIVE ECONOMIC CONSEQUENCES OF INCREASING THE MINIMUM WAGE TO \$7.25” and consisted of just one question:

Q6: Virtually every policy action has at least some “winners” and some “losers.” The following is a list of six possible negative consequences of the proposed increase in the minimum wage. Please mark each of these with one of the following three symbols:

s = significant economic drawback

m = minor economic drawback

n = not a substantive consequence (that is, the claim is false)

- A. Because they cannot legally compete by lowering their price below \$7.25, some individuals will not get employed (or will work fewer hours), regrettable because they miss out on income or work experience.
- B. Because they cannot legally compete by lowering their price below \$7.25, some individuals who do work will do so under otherwise less favorable conditions (such as fewer perks, less recognition or consideration, less training or instruction, harder work, etc.).
- C. Because of the increase to \$7.25, some workers will face a flatter time-profile of wage increases.

- D. Because of the increase to \$7.25, some workers will work illegally.
- E. Because of the increase to \$7.25, employers will enjoy less producer surplus.
- F. Because of the increase to \$7.25 and higher costs of production, consumer well-being will decline (because of higher prices, lower quality, fewer options).

Table 7: Possible drawbacks: “significant,” “moderate,” “not” 

Possible negative consequence	Importance of possible drawback			(NR)	Score
	sig	mod	not		
<i>A. Because they cannot legally compete by lowering their price below \$7.25, some individuals will not get employed (or will work fewer hours), regrettable because they miss out on income or work experience.</i>	10	54	24	(7)	42
<i>B. Because they cannot legally compete by lowering their price below \$7.25, some individuals who do work will do so under otherwise less favorable conditions (such as fewer perks, less recognition or consideration, less training or instruction, harder work, etc.).</i>	1	39	47	(8)	23.5
<i>C. Because of the increase to \$7.25, some workers will face a flatter time-profile of wage increases.</i>	1	37	43	(14)	24
<i>D. Because of the increase to \$7.25, some workers will work illegally.</i>	4	51	32	(8)	34
<i>E. Because of the increase to \$7.25, employers will enjoy less producer surplus.</i>	5	55	22	(13)	40
<i>F. Because of the increase to \$7.25 and higher costs of production, consumer well-being will decline (because of higher prices, lower quality, fewer options).</i>	2	39	45	(9)	25
TOTALS	23	275	213	(59)	

None of the suggested drawback are thought to be significant by many respondents. The three consequences given relatively more weight are disemployment, diminution of producer surplus, and inducement to working illegally (the formula for Score is $100(s+0.5m)/(s+m+n)$). Meanwhile, the “not a substantive consequence (that is, the claim is false)” numbers range from 24 to 47.

Consequences E and F both pertain to the minimum wage as redistribution. Fifteen individuals (or 16 percent of respondents)¹⁵ said “not” *both* to “employers will enjoy less producer surplus” and to “consumer well-being will decline.” They evidently think that raising the minimum wage not only benefits low-skilled workers on the whole, but raises productivity to such an extent that neither employers nor consumers take a hit.

We recognize that there are subtleties and ambiguities in the listed consequences. James K. Galbraith noted: “In answering [n], here and below, I do not make the ridiculous claim that ‘no’ worker would suffer this consequence. Rather, [n] reflects my belief that the consequence is not ‘substantive’ –that it would be going too far even to label it a ‘minor’ economic drawback.” Galbraith proceeded as we intended, and we think that most other respondents would also.

Another ambiguity over a “negative consequence” is, as Randall Reback and Jesse Rothstein pointed out (in response to Q9), that one might agree that it is a consequence without conceding that it is negative. For example, working illegally is better than not working at all. And some respondents¹⁶ interpreted a flatter time-profile of wage increases as “getting a raise earlier rather than later,” and hence a good thing (we had meant that, irrespective of the level, the slope would be lower, so that over, say, a two-year period, increased remuneration of those employed is less than one might figure by simply comparing the starting (minimum) wage with the would-have-been lower starting wage.). Also, five individuals¹⁷ indicated in written remarks to Q6 that it wasn’t a bad thing that employers obtain less producer surplus, and two individuals¹⁸ indicated that it wasn’t a bad thing that consumers well-being decline.

Receiving least weight was consequence B—the idea that when the minimum wage puts a floor on the wage dimension the other dimensions of

¹⁵ The 15 individuals are: Chinn, Dutt, Galbraith, Joassart, F.S. Lee, S-H Lee, Matthaei, McIntyre, Nesiba, Spitz, Stein, Valdmanis, Wolff, Zaretsky, and Zelenski.

¹⁶ See Q6 comments by Blair, Ferber, Galbraith, Hopkins, and Lotspeich.

¹⁷ Ferber, Galbraith, Ghilarducci, Matthaei, and Willoughby.

¹⁸ Ghilarducci and Matthaei.

the employment relationship might get adjusted adversely for the minimum-wage earner. The other dimensions are sometimes called “non-wage job attributes.” Only one respondent saw this as a significant drawback of the policy, and 47 (a majority of those answering the question) marked it as “not.” Michael Sattinger (who marked it “moderate”) noted: “This is a major point in Finis Welch’s book about the minimum wage,” presumably meaning Welch (1978). Incidentally, the point is also the central idea of McKenzie (1980), and more than a dozen empirical studies have explored the effects on non-wage job attributes, particularly formal training and insurance, with mixed findings; but it is rare that researchers obtain data on particularistic attributes like work demands, conditions, informal instruction, schedule flexibility, recognition, and respect.



The Meaning of “Liberty” and “Coercion”

The final section of the questionnaire took the minimum wage as a concrete setting to explore people’s thinking about the meaning of “liberty” and “coercion.” Here follows from the questionnaire a statement and two questions:

In one manner of speaking, liberty is freedom from political or legal restrictions on one’s property or freedom of association. Subscribers to this definition are apt to say that the minimum wage law is coercive because it (along with concomitant enforcement) threatens physical aggression against people for engaging in certain voluntary, consensual acts (namely, employing people at sub-minimum wages). (Notice that even subscribers to this definition of liberty recognize that it does not by itself carry a policy recommendation; values other than liberty exist and might conflict with it.)

Q7: Please indicate which of the following options best fits your view of this semantic issue:

- A. I agree that that definition of liberty is the primary definition of liberty, and in that sense the minimum wage law is coercive.
- B. I give some weight to that definition of liberty, but not primary weight; the minimum wage law is only coercive in a sense.
- C. I give little to no weight to that definition of liberty; the minimum wage law is not coercive in any significant sense.
- D. Other [please specify]:

Q8: If you responded either B or C to the previous question, please fill in A or B below:

- A. [] *To me, the primary meaning of liberty is [fill in]:*
- B. [] *To me, in such political/legal discourse, “liberty” is not particularly meaningful at all.*

Table 8: Adherence to the posited semantics of “liberty”

<i>Q7: Please indicate which of the following options best fits your view of this semantic issue:</i>	n	% of 95
<i>A. I agree that that definition of liberty is the primary definition of liberty, and in that sense the minimum wage law is coercive.</i>	5	5%
<i>B. I give some weight to that definition of liberty, but not primary weight; the minimum wage law is only coercive in a sense.</i>	18	19%
<i>C. I give little to no weight to that definition of liberty; the minimum wage law is not coercive in any significant sense.</i>	47	50%
<i>D. Other [please specify]:</i>	23	24%
No response	2	2%

Only five respondents assented to the primacy of the posited definition of liberty and that the minimum wage was coercive. Forty-seven (or 67 percent of those selecting A, B, or C) said they give little to no weight to that definition and denied that the minimum wage law is coercive in any significant sense. Furthermore, of the 23 individuals who selected “Other,” the vast majority wrote in comments which indicated strong reservations about that definition, if not outright rejection. Thus, 90-95 percent all minimum-wage supporters reject the primacy of the posited semantics, and about 65 percent reject any significant place for those semantics. We hazard to guess that a survey of minimum-wage *opponents* would yield a frequency ranking A > B > C, the reverse of what is found here. If so, disputants of the issue for the most part do not agree on what “liberty” and “coercion” mean. Since those conceptions relate directly to one’s understandings of “voluntary choice,” “the free market,” “intervention,” and other fundamental analytic distinctions and categories, the implication is that conceptual cleavages probably often separate how the two sides formulate and analyze the issue.

The Q7 (D) written responses are a lot like the Q8 (A) written responses, so let’s first review the frequencies for Q8 before turning to a sample drawn from both sets of written responses. Q8 was intended only for those who rejected the primacy of the posited semantics by marking B or C in Q7, but, as it happens, Q8 was also joined by five respondents who marked D in Q7. Table 9 tabulates those marking A or B in Q8:

Table 9: “Liberty” according to those answering Q8

<i>Q8: If you responded either B or C to the previous+ question, please fill in A or B below:</i>	N
<i>A. To me, the primary meaning of liberty is [fill in]:</i>	40
<i>B. To me, in such political/legal discourse, “liberty” is not particularly meaningful at all.</i>	22

The 62 individuals marking A or B in Q8 would be among those who had rejected the primacy of the posited definition of liberty. Twenty-two or 35 percent marked that in such political/legal discourse “liberty” is not particularly meaningful at all. Those marking A to Q8 wrote in their idea of the primary meaning of liberty. One can read the full set of responses in the appended scrolls. Here, we provide samples of the written responses from Q7 (D) and Q8 (A). We think that rejecting “negative liberty” (the posited semantics) tends to go with affirming “positive liberty.” To get some scheme into the exhibit of responses, we first provide a sample of written comments critical of negative liberty, and then a sample supportive of positive liberty.

The following comments are critical of or at odds with negative liberty.

Barbara Bergmann (Q7): I believe violating the min wage law is a civil offense, and so does not threaten physical aggression.

Alan Blinder (Q7): None of those words quite fit me. My view is that, yes, the minimum wage is somewhat coercive--as is all regulation. But I don't see the right to pay super-low wages as one of the important freedoms.

Farida C. Khan (Q7): Liberty for a person (in this context) is the right to work with dignity and respect. It is not an employer’s right to reduce labor to indignity and pay any wage they like—that is an exercise of violence rather than an exercise of liberty.

Gregory M. Saltzman (Q7): Your use of the words "threatens physical aggression" to describe the minimum wage law is inflammatory because it seeks to evoke a very negative emotional response. You also provide a false characterization of minimum wage laws. Some employers may dislike being required to pay a higher wage rate than they prefer to pay, but such a requirement is in no way "physical aggression."

Michael Sattinger (Q7): I think the definitions of property rights (and rights in exchanges) are essential for markets and liberty. Property rights inevitably benefit some and harm others, so the coercion referred to would be inevitable. Not raising the minimum wage would also be coercive according to the definition of liberty proposed above.

Allan Schmid (Q7): "Freedom for the pike is death for the minnow." I. Berlin.

Jeffrey Stewart (Q7): I hardly think that because workers are forced to work in order to live that they "choose" to work for minimum wages. Your definition of coercion is not the same as the dictionary definition. ¶ You are defining liberty of the right of property owners to do what they wish with their property. I do not subscribe to this definition of liberty. For me it has more to do with free speech and freedom of association and other civil liberties.

Bernard Wasow (Q7): all laws and regulation restricts liberty. The alternative is worse.

Barry Bosworth (Q8): in the context of the minimum wage discussion, liberty is not primary in the sense government is taking only a small action to restrain the coercive power of some employers.

William Waller (Q8): Liberty is freedom from political or legal restrictions on one's property or freedom of association as long as this behavior involves no involvement or impact on any nonconsenting third party. ¶ Once social, cultural, or political institutions are involved in supporting, facilitating, or creating an environment for this behavior, then it is legitimate, indeed required, that a larger notion of the public interest be considered in the behavior. ¶ Since no legal employer/employee relation of which I am aware exists that does not involve currency, use of the postal

service, use of roads, payment of taxes, etc., the definition of liberty is not in my view encumbered by this question.

As for affirmations of positive liberties of one kind or another, there were a great many. Here we reproduce all that are fairly brief. Omissions of parts of the written comments are indicated by an ellipse (...).

Peter Dorman (Q7): The "negative liberty" of unregulated markets must be weighed against "positive liberty" aspects of regulation on a case-by-case basis. The threats to positive liberty at the bottom end of the labor market are so severe that they weigh more heavily.

Susan F. Feiner (Q7): Hunger is far more coercive than the minimum wage ... especially for children, they are not the ones making the choices. Have you ever had to sit and listen to children crying for want of food?

Pascale Joassart (Q7): Liberty and freedom imply that people are able to make choices. This requires having the ability to make these choices. Workers with low income are unable to escape poverty and provide people in their household with real options for education, and other important aspects of life. In that way, laws that attempt to improve the standard of living of the working poor represent an increase in liberty.

Kevin Lang (Q7): This is far too complex an issue to reduce to sound-bites, and I will not attempt an answer that is even remotely complete. Were I to attempt to define liberty, the concept would have to include something related to the opportunity to fulfill one's potential and would have to recognize that different aspects of liberty may be contradictory. The liberty of a child not to be hungry may be in conflict with my liberty to spend my money as I see fit.

Julie A. Matthaei (Q7): how about the freedom to work and live from that work -- i.e. a living wage?

Lawrence Mishel (Q7): Your definition is a 'freedom from' definition. I believe there's a 'freedom to do XXX' dimension to freedom. So, if there's no coercion low-wage workers are 'free' to go hungry!

L. Josh Bivens (Q8): Liberty is having a wide range of options as to how to live and work, subject to the constraint that my liberty doesn't unduly impinge on others' choices.

Menzie Chinn (Q8): [To me, the primary meaning of liberty is] freedom from government regulation, freedom from government surveillance, freedom from repression from private sector actors, freedom from extreme want such as starvation and poverty.

Gerald Friedman (Q8): [To me, the primary meaning of liberty is] opportunity to take part in society and to pursue happiness

Teresa Ghilarducci (Q8): [To me, the primary meaning of liberty] Is the ability to pursue one's goals to the best of one's ability.

Lonnie Golden (Q8): [To me, the primary meaning of liberty is] the freedom from constraint that inhibits an individual to realize one's own potential and pursue happiness. This includes freedom from want, poverty, deprivation.

Neva Goodwin (Q8): [To me, the primary meaning of liberty is] best described by Amartya Sen,¹⁹ who stresses liberty to do and to be one's best potential self, as being at least as important as the negative liberties of non-coercion

Farida C. Khan (Q8): In this context, a person would have liberty if he/she can live in a community where people respect each other's work and are not subjected to witnessing excess form of consumption of others that some people must clean up after.

Richard Lotspeich (Q8): [To me, the primary meaning of liberty is] Freedom to make choices, but choices that are not made in an environment of material deprivation. Poverty can be considered coercive as well.

Catherine L. Mann (Q8): [To me, the primary meaning of liberty is] Freedom of expression.

¹⁹ Many of Sen's works have this theme, but perhaps Goodwin means *Development as Freedom* (Sen 1999).

Elaine McCrate (Q8): [To me, the primary meaning of liberty is] liberty to live at a minimum level of income and dignity, without which meaningful choice is lacking.

Andrew McLennan (Q8): I would attach greater importance to effective liberty, namely people in the end being free to do what they actually want to do, than to the procedural liberty described in the definition above...

Reynold F. Nesiba (Q8): Liberty is the freedom to act in the world. People with insufficient income are not free, they are enslaved.

Jim Peach (Q8): Economic liberty must also mean access to basic human needs including food, health care, and educational opportunity. Access to these needs is problematic at very low wages. The result is a threat to the liberty of all of us.

Eric A. Schutz (Q8): ...the whole point is “positive” freedom, i.e., freedom “to do”, to fulfill human potentialities, thus any inclination to protect freedoms of private property must, at the least, be balanced against the restrictions such an inclination may impose upon *other freedoms* that require for their fulfillment a deeper association among people than mere market exchange or other similarly alienated interaction -- for example, freedom to pursue intellectual and spiritual growth in social and cultural contexts that are stifled by disallowing public financing because of concerns about taxing private property to pay for them (e.g., recreation, the arts & culture, education, science) ...

Janet Spitz (Q8): [To me, the primary meaning of liberty is] the freedom to engage in choices according to my preferences within the legal confines of the society and civilization in which I choose to live. (ie, I don't get to murder someone if I choose)

Howard Stein (Q8): freedom from government is the overwhelming focus of economists in this country. I put a higher value on freedom from hunger and poverty

Vivian Grace Valdmanis (Q8): [To me, the primary meaning of liberty is] freedom from want and coercion from the powerful

William Van Lear (Q8): [To me, the primary meaning of liberty is] Partly having to do with the above definition, but also social programs and income supports add to freedom by providing more resources and equalizing power relations in society.

Charles L. Weise (Q8): Not sure; it's not merely freedom of contract, but ability to enter into market exchange on an equal footing with competitors/partners.

Thomas E. Weisskopf (Q8): [To me, the primary meaning of liberty is] the opportunity for individuals to make the most of their potential.

John Willoughby (Q8): [To me, the primary meaning of liberty is] an ability to fulfill potential. This follows the views of Amartya Sen. Higher incomes for low income workers helps these workers and their families to have more successful lives.

Edward Wolff (Q8): [To me, the primary meaning of liberty is] Having a sufficiently high standard of living to be able to pursue activities that people want to engage in.

Anne Yeagle (Q8): [To me, the primary meaning of liberty is] the freedom to pursue happiness which has nothing to do with excess, such as high producer surplus, and a minimum wage law enforces the pursuit of liberty because it provides the means to supply the most basic necessities which are a requirement for happiness.

Correspondence from Henry Aaron, Ronald Ehrenberg, and Robert Solow

The EPI signatory list began with 15 “Leading Economists.” Three of those completed the questionnaire—Alan Blinder (Princeton University), Frank Levy (Massachusetts Institute of Technology), and Lawrence Mishel (Economic Policy Institute). Three others also responded with correspondence, without completing the questionnaire, Henry Aaron (Brookings Institution), Ronald Ehrenberg (Cornell University), and Robert Solow (Massachusetts Institute of Technology). We asked to reproduce the correspondence, and each gave permission. The correspondence is available as a linked document from Appendix 2.

General Feedback

The final question (Q9) invited “general remarks about the minimum wage issue or this questionnaire,” and 49 individuals wrote comments, included in the appended scrolls. Eighteen individuals wrote comments that were critical of the questionnaire, many unhappy that formulations biased the discussion or excluded alternative angles; namely, Jennifer Ball, Robert A. Blecker, Menzie Chinn, Patrick Conway, Peter Dorman, Arindrajit Dube, James K. Galbraith, Mark R. Hopkins, Fredric S. Lee, Catherine L. Mann, Andrew McLennan, Manuel Pastor, Randall Reback, Jesse Rothstein, Gregory M. Saltzman, Eric A. Schutz, William Waller, and Charles L. Weise.

Many of the 47 comments harkened back to previous questions. For example, at least five remarked on the “liberty” questions (Lonnie Golden, Manuel Pastor, James B. Rebitzer, Eric A. Schutz, and William Waller). Others elaborated on their reasoning for supporting the petition, often about empirical claims and evidence.

When respondents returned a completed questionnaire to us, they often made remarks at the head, not within the questionnaire itself. As a matter of scheme and punctilio, we have not included these cover messages. But several were friendly. Moreover, several of the general remarks entered at Q9 were friendly:

Robert A. Blecker: This is a very interesting survey, and I'm happy to participate...

Teresa Ghilarducci: I hope you put this survey to nonpolemical use. Thank you for being open and honest about your biases.

Frank Levy: Interesting project.

Julie A. Matthaei: thank you for your interest in my thoughts -- I wish there were more substantive debate on these issues in our profession.

Manuel Pastor: ...Good luck with your article.

Randall Reback: I like the idea of this questionnaire...

Michael Sattinger: I agree that the minimum wage is a complicated issue, and that it is useful to examine the reasons why people support or oppose it. I look forward to seeing the results.

Mark Votruba- I'm looking forward to the results. You've probably already thought of this — it would be great to see similar responses for economists who oppose the min wage...

William Waller: ...Good luck with your project.

Appendix 1: Compendia of complete responses

- A. Scroll-by-person: [Link](#)
- B. Scroll-by-question: [Link](#)
- C. Excel data sheet: [Link](#)

Appendix 2: The following three items are correspondence from individuals who declined but wrote epistles expressing some of their thoughts on the matter. The criterion for inclusion in this appendix is that the individual was among the 15 economists listed by EPI as leading economists signing the petition. These epistles are included with permission of the respective author.

- A. Correspondence from Henry Aaron: [Link](#)
- B. Correspondence from Ronald Ehrenberg: [Link](#)
- C. Correspondence from Robert Solow: [Link](#)

REFERENCES

- Alston, Richard M., James R. Kearl, and Michael B. Vaughan.** 1992. Is There a Consensus among Economists in the 1990s? *American Economic Review, Papers and Proceedings* 82 (May): 203-209.
- Anderson, Malcolm, Richard Blandy, and Sarah Carne.** 1993. Academic Economic Opinion in East Asia. *Australian Economic Review*, 3rd Quarter: 5-19.

- Autor, David, Lawrence F. Katz and Melissa S. Kearney.** 2004. Inequality in the 1990s: Revising the Revisionists. Working Paper, Department of Economics, MIT.
- Blinder, Alan S. And Alan B. Krueger.** 2004. What Does the Public Know about Economic Policy, and How Does It Know It? *Brookings Papers on Economic Activity*, 1: 327-387.
- Block, Walter, and Michael Walker.** 1988. "Entropy in the Canadian Economics Profession: Sampling Consensus on the Major Issues." *Canadian Public Policy*, April: 137-50.
- Caplan, Bryan.** 2007. *The Myth of the Rational Voter: Why Democracies Choose Bad Policies*. Princeton, NJ. Princeton University Press.
- Card, David.** 1992a. Using Regional Variation in Wages to Measure the Effects of the Federal Minimum Wage. *Industrial and Labor Relations Review*. Vol. 46, No. 1 (October): 22-37.
- Card, David.** 1992b. Do Minimum Wages Reduce Employment? A Case Study of California, 1987-1989. *Industrial and Labor Relations Review*. Vol. 46, No. 1 (October): 38-54.
- Card, David, Lawrence F. Katz, and Alan B. Krueger.** 1994. Comment on David Neumark and William Wascher, 'Employment Effects of Minimum and Subminimum Wages: Panel Data on State Minimum Wage Laws. *Industrial and Labor Relations Review*. Vol. 47, No. 3 (April): 487-96.
- Card, David, and Alan B. Krueger.** 1994. Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey and Pennsylvania. *American Economic Review*. Vol. 84, No. 5 (December): 772-93.
- Card, David, and Alan B. Krueger.** 1995a. *Myth and Measurement: The New Economics of the Minimum Wage*. Princeton, NJ: Princeton University Press.

- Card, David, and Alan B. Krueger.** 1995b. Time-Series Minimum Wage Studies: A Meta-analysis. *American Economic Review Papers and Proceedings*. Vol. 85, no. 2 (May): 238-43.
- Card, David, and Alan B. Krueger.** 2000. Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey and Pennsylvania: Reply. *American Economic Review*. Vol. 90, No. 5 (December): 1397-1420.
- Colander, David.** 2003. The Aging of an Economist. *Journal of the History of Economic Thought* 25(2), June: 157-76. [Link](#)
- Colander, David.** 2005. "The Making of an Economist Redux." *Journal of Economic Perspectives* 19(1): 175-98.
- Colander, David and Arjo Klamer.** 1987. The Making of an Economist. *Journal of Economic Perspectives* 12, Fall: 95-111.
- Dickens, Richard, Stephen Machin, and Alan Manning.** 1998. Estimating the Effect of Minimum Wages on Employment from the Distribution of Wages: A Critical View. *Labour Economics*, Vol. 5, No. 2 (June): 109-34.
- Dickens, Richard, Stephen Machin, and Alan Manning.** 1999. The Effects of Minimum Wages on Employment: Theory and Evidence. *Journal of Labor Economics*, Vol. 17, No. 1 (January): 1-22.
- Dolado, Juan, Francis Kramarz, Stephen Machin, Alan Manning, David Margolis, Coen Teulings, Gilles Saint-Paul, and Michael Keen.** 1996. The Economic Impact of Minimum Wages in Europe. *Economic Policy*, Vol. 11, No. 23 (October): 317-72.
- DiNardo, John, Nicole M. Fortin, and Thomas Lemieux.** 1996. Labor Market Institutions and the Distribution of Wages, 1973-1992: A Semiparametric Approach. *Econometrica* 64(5): Sept.: 1001-44.
- Frey, Bruno. S., Werner W. Pommerehne, Friedrich Schneider, and Guy Gilbert.** 1984. Consensus and Dissension among Economists: An Empirical Inquiry. *American Economic Review* 74(5): 986-93.

- Fuchs, Victor R., Alan B. Krueger, and James M. Poterba.** 1998. Economists' Views about Parameters, Values, and Policies: Survey Results in Labor and Public Economics. *Journal of Economic Literature* 36(3): 1387-1425.
- Fuller, D. A., R. M. Alston, and M. B. Vaughan.** 1995. The Split between Political Parties on Economic Issues: A Survey of Republicans, Democrats, and Economists. *Eastern Economic Journal* 21(2): 227-37.
- Fuller, D. A., and D. Geide-Stevenson.** 2003. Consensus among Economists: Revisited. *Journal of Economic Education* 34 (4): 369-87.
- Katz, Lawrence F., and Alan B. Krueger.** 1992. The Effect of the Minimum Wage on the Fast Food Industry. *Industrial and Labor Relations Review*, Vol. 46, No. 1 (October): 6-21.
- Kearl, J. R., Clayne L. Pope, Gordon C. Whiting, and Larry T. Wimmer.** 1979. A Confusion of Economists? *American Economic Review, Papers and Proceedings* 69 (May): 28-37.
- Klein, Daniel B.** 2006. Sense and Sensibilities: Myrdal's Plea for Self-Disclosure and Some Disclosures About AEA Members. *Econ Journal Watch* 3(1): 180-205. [Link](#)
- Klein, Daniel B. and Charlotta Stern.** 2005. Professors and Their Politics: The Policy Views of Social Scientists. *Critical Review* 17(3-4): 257-303. [Link](#)
- Klein, Daniel B. and Charlotta Stern.** 2006. Economists' Policy Views and Voting. *Public Choice* 126: 331-342.
- Klein, Daniel B. and Charlotta Stern.** 2007. Is There a Free-Market Economist in the House? The Policy Views of American Economics Association Members. *American Journal of Economics and Sociology*, forthcoming. [Link](#)
- Krueger, Alan B.** 1995. "The Effect of the Minimum Wage When It Really Bites: A Reexamination of the Evidence from Puerto Rico." In

Solomon Polachek, ed. *Research in Labor Economics*. Vol. 14. pp. 1-22. Greenwich, Conn.: JAI Press.

Machin, Stephen, and Alan Manning. 1994. Minimum Wages, Wage Dispersion and Employment: Evidence from the UK Wages Councils. *Industrial and Labor Relations Review*, Vol. 47, No. 2 (January): 319-29.

Machin, Stephen, and Alan Manning. 1997. Minimum Wages and Economic Outcomes in Europe. *European Economic Review*. Vol. 41, Nos. 3-5 (April): 733-42.

Machin, Stephen, Alan Manning, and Lupin Rahman. 2003. Where the Minimum Wage Bites Hard: Introduction of Minimum Wages to a Low Wage Sector. *Journal of the European Economic Association*, Vol. 1, No. 1 (March): 154-80.

Machin, Stephen, and Joan Wilson. 2004. Minimum Wages in a Low-Wage Labour Market: Care Homes in the UK. *Economic Journal*. Vol. 114 (March): C102-09.

Manning, Alan. 2003. *Monopsony in Motion: Imperfect Competition in Labor Markets*. Princeton, NJ: Princeton University Press.

McEachern, William. 2006. AEA Ideology: Campaign Contributions of American Economic Association Members, Committee Members, Officers, Editors, Referees, Authors and Acknowledgees. *Econ Journal Watch* 3(1): 148-179. [Link](#)

McKenzie, Richard B. 1980. "The Labor Market Effects of the Minimum Wage: A New Perspective," *Journal of Labor Research* (Fall): 255-264.

Moorhouse, J., A. Morris, and R. Whaples. 1999. Economics and the Law: Where Is There Consensus? *The American Economist* 43(2): 81-88.

Neumark, David. 2001. The Employment Effects of Minimum Wages: Evidence from a Prespecified Research Design. *Industrial Relations*, Vol. 40, No. 1, January: 121-44.

Neumark, David, Wendy Cunningham, and Lucas Siga. 2006. The Effects of the Minimum Wage in Brazil on the Distribution of Family

Incomes: 1996-2001. *Journal of Development Economics*. Vol. 80, No. 1 (June): 136-59.

Neumark, David, Mark Schweitzer, and William Wascher. 2004. Minimum Wage Effects Throughout the Wage Distribution. *Journal of Human Resources*, Vol. 39, No. 2: 425-50.

Neumark, David, Mark Schweitzer, and William Wascher. 2005. The Effects of Minimum Wages on the Distribution of Family Incomes: A Non-parametric Analysis. *Journal of Human Resources*, Vol. 40, No. 4: 867-917.

Neumark, David, and William Wascher. 1992. Employment Effects of Minimum and Subminimum Wages: Panel Data on State Minimum Wage Laws. *Industrial and Labor Relations Review*. Vol. 46, No. 1 (October): 55-81.

Neumark, David, and William Wascher. 1994. Employment Effects of Minimum and Subminimum Wages: Reply to Card, Katz, and Krueger. *Industrial and Labor Relations Review*. Vol. 47, No. 3 (April): 497-512.

Neumark, David, and William Wascher. 1995a. Minimum Wage Effects on Employment and School Enrollment. *Journal of Business and Economic Statistics*. Vol. 13, No. 2 (April): 199-206.

Neumark, David, and William Wascher. 1995b. Minimum Wage Effects on School and Work Transitions of Teenagers. *American Economic Review Papers and Proceedings*. Vol. 85, no. 2 (May): 244-49.

Neumark, David, and William Wascher. 1996a. Minimum Wage Effects on Employment and School Enrollment: Reply to Evans and Turner. FEDS Working Paper 1996-28. Board of Governors of the Federal Reserve System.

Neumark, David, and William Wascher. 1996b. The Effects of Minimum Wages on Teenage Employment and Enrollment: Evidence from Matched CPS Surveys. In Solomon Polachek, ed. *Research in Labor Economics* Vol. 15. Greenwich, Conn.: JAI Press.

- Neumark, David, and William Wascher.** 1998. Is the Time-Series Evidence on Minimum Wage Effects Contaminated by Publication Bias? *Economic Inquiry*. Vol. 36, No. 3 (July): 458-470.
- Neumark, David, and William Wascher.** 2000. The Effect of New Jersey's Minimum Wage Increase on Fast-Food Employment: A Reevaluation Using Payroll Records. *American Economic Review*. Vol. 90, No. 5 (December): 1362-96.
- Neumark, David, and William Wascher.** 2002. State-Level Estimates of Minimum Wage Effects: New Evidence and Interpretations from Disequilibrium Models. *Journal of Human Resources*. Vol. 37, No. 1 (Winter): 35-62.
- Neumark, David, and William L. Wascher.** 2003. Minimum Wages and Skill Acquisition: Another Look at Schooling Effects. *Economics of Education Review*. Vol. 22, No. 1 (February): 1-10.
- Neumark, David, and William Wascher.** 2004. Minimum Wages, Labor Market Institutions, and Youth Employment: A Cross-National Analysis. *Industrial and Labor Relations Review*, Vol. 57, No. 2 (January): 223-48.
- Neumark, David, and William Wascher.** 2006. Minimum Wages and Employment: A Review of Evidence from the New Minimum Wage Research. NBER Working Paper 12663, November.
- Ricketts, Martin and Edward Shoemith.** 1990. *British Economic Opinion: A Survey of a Thousand Economists*. London: Institute of Economic Affairs.
- Sen, Amartya.** 1999. *Development as Freedom*. New York: Oxford University Press.
- Welch, Finis R.** 1978. *Minimum Wages: Issues and Evidence*. Washington, D.C.: The American Enterprise Institute (November/December).
- Whaples, Robert.** 1996. Is There Consensus among American Labor Economists? Survey Results on Forty Propositions. *Journal of Labor Research* 17(4): 725-34.

Whaples, Robert. 2006. Do Economists Agree on Anything? Yes! *Economists' Voice*, November. [Link](#)

Whaples, Robert and Jac C. Heckelman. Public Choice Economics: Where Is There Concensus? 2005. *The American Economist* 49(1), Spring: 66-78. [Link](#)

ABOUT THE AUTHORS



Daniel Klein is professor of economics at George Mason University and chief editor of *Econ Journal Watch*. When he teaches the minimum wage, first he explains the “science fiction” blackboard story, and then turns to about six real-life consequences not captured or even eclipsed by that story. His email address is dklein@gmu.edu.



Stewart Dompe received his bachelor’s degrees in economics and finance from Santa Clara University and is now a graduate student in economics at George Mason University. His email address is sdompe@gmu.edu.