



## Letters to the Editor for Tuesday, April 22

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### **Minimum logic**

With the slowest recovery since the Great Depression and the lowest labor participation rate in 35 years, I'm responding to Barack Obama's March 31 op-ed regarding the minimum wage.

Obama's implication that minimum-wage workers are poor adults working full-time and raising a family is misleading. According to Forbes and the Cato Institute, roughly 4 percent fit that category. As a whole, most are young workers (ages 16-24), part-time, and from middle-class families.

Overwhelming data, confirmed by the Congressional Budget Office, show that raising the minimum wage will cause people to lose jobs and hours of employment. President Obama favors the feel-good narrative.

I also would like to address the larger issue raised by Mr. Obama that increasing the minimum wage or spending will grow the economy.

There is no free lunch. Suppose we raised everyone's wages. Without improving productivity, raising wages would create inflation, driving up the price of everything. As prices increase, a dollar buys less. In short, our standard of living would take a serious hit.

Consumer spending is necessary, but it's not sufficient. A liberal favorite, government spending, is arguably useless since the government must tax or borrow that money from taxpayers. Robbing the private sector to spend money back in the private sector is a net of zero.

The real driver of the economy is not spending but productivity. By decreasing consumer prices, a productivity increase improves everyone's standard of living. This is best accomplished by lowering marginal tax rates. Because of fewer taxes, businesses have incentive to increase production. This is something the president has refused to do.

Mr. Obama wants us to believe that raising the minimum wage is about helping the poor and improving the economy. Instead, it's all about the election this fall. In typical Obama fashion, he hopes to deceive people into voting Democrat.

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