



4 Quotes From Libertarian Thinkers on Increasing the Federal Minimum Wage

Karen Ridder

April 8, 2015

Minimum wage is generally against libertarian ideas of how the economy will flourish and get people out of poverty. Libertarian thinkers point out that an increase in the federal minimum wage will not go far enough to solve the problems of wage inequality.

They also point out that federal laws on wages have many exemptions and might translate to a reduction in the number of jobs. However, some libertarians may think increasing the federal minimum wage is the best idea given our current cultural challenges.

Here are four quotes from Libertarians on the issue:

1. "The idea that legislators can help low-income workers simply by mandating a pay raise is the height of hubris. While the minimum-wage rhetoric may sound good, the reality is quite different. Forcing employers to pay low-skilled workers a higher than market wage — in the absence of any changes in productivity — will decrease the number of workers hired (the law of demand)." **Cato Institute Scholar James A Dorn**
2. "The lowest-wage workers in America disproportionately tend to be recent immigrants," says Ron Unz, former businessman and political activist. "You look at a job that pays \$7.25 an hour, you raise the value of that job to \$12 and suddenly a lot of Americans would take those jobs," **according to an article on Slate**, written by David Weigel, a reporter for Bloomberg Politics.
3. "Workers who are making the minimum legal amount are, by definition, on the margin of employment. They tend to be disproportionately young, uneducated, inexperienced, and unskilled. If you raise the cost of employing them above what market rate for their skills are, you will price them out of the labor market," says Daniel Bier, **founder of The Skeptical Libertarian**.

4. "In theory, I'm against it, because people should have the freedom to contract at whatever wage they'd like to have, but in practice, I think the alternative to higher minimum wage is that people simply end up going on welfare, says Peter Thiel in a 2014 [interview with the SFGate](#). "I actually think [a \$12 minimum wage is] a very out-of-the-box idea — but it's something one should consider seriously, given all the other distorted incentives that exist."