

Minimum Wage Rough-Draft Summary

Definitions:

1. "Transmission of knowledge of labor available at costs"
 - a. Example 1: incremental costs ("marginal costs") calculable or not?
 - i. [Two CBA shops slip through Sunday-closing loophole](#). "... The designation allows those stores to stay open on Sundays, when their competition must close. ..."
1. Every business will try to position itself to have advantages over others; this is called competition. Some people and businesses will start off with a better position than others, and others may outpace others; this is called "No one said life was fair." But when life is made "fair" with price-fixing laws that distort those natural advantages "in an attempt to equal the playing field" in an artificial way when the playing field is never equal, and can never be equal, such maneuvers only force the advantage from one to another. **Government sponsored and enforced (= Taxpayer sponsored and enforced):** Giving poorer students access to colleges through subsidies (Robbing Peter to pay for Paul), setting lower achievement scores so that those with poorer grades have more "chances" to obtain the end-goal of a diploma, enacting laws that allow employees to sue their employers through "exploitation" rationale (i.e. discrimination laws that are virtually impossible to prove, and even when "proved" in a court of law to be "true", the "facts" are seldom more than distortions of actual facts; Microsoft Explorer vs. Netscape Navigator antitrust case; employees who sue their employers for discrimination, or because they feel their pay is not commensurate to their worth compared to others [perhaps their negotiation skills weren't attuned, or their personal life's position was more desperate, or any other number of conditions could have transpired]), closing certain stores on Sundays (or forcing the closure of any store would have a similarly negative economic impact in a different way) and allowing others to remain open, are such examples.
 - i. The questions then become who is scheming against who? Who is exploiting who? Taken on the whole, the game of balancing the competitive edge of certain groups is actually an unbalancing act by an authority that has no business being in the 'fairness' business, and of which can only exacerbate instability in real people's individual lives, and in the markets as a whole.
 - ii. No matter what kind of system one works in, whether it be a strong-arm government or a much freer market, individuals will compete and maneuver their positions, or even capitulate their efforts based on the ways they themselves play the game, and based on the rules set up for them in a government, often a government that "attempts" to make an imperfect world perfect, fair or unfair, distorted or not. Whether those rules are controlled by the strong-arm of a government, or rely on "the invisible hand", units of individuals will absolutely compete for resources, and they will try to get an advantage over others, ethically or not.
 - iii. And then the questions of ethics themselves become distorted; that is to say, to question who is cheating who (i.e. a government that anoints itself to distort facts and counter natural trends of individuals making decisions for themselves). Artificial distortions vs. natural tendencies.

- b. We as lawyers feel special because we understand the laws and the loopholes, but are these functions useful or fair to society as a whole? And should we care? If not us, then who? This lends us to the questions of what is good governance? What should be the principles behind a healthy economy? And what should be the principles of laws that should be protecting that economy (discussion to come soon enough)?
- b. Example 2: Government-forced maternity leave. (The education and nurturing of children, and the entrapping of the unwitting of the effects of such policies that induce a central government to be authorized in the decision-making processes [that a family would do better in making], regarding when and how children and adults are to be educated [i.e. from the ages of 3.5 years old through the college years, and the curriculum set for each age group, including for college] will be discussed as time goes on.) This action distorts the value of a woman's worth, and the worth of the family as a whole to themselves and to society. It pits a mother's worth, and by extension a woman's worth, and thus a family's worth, directly against society: families vs. the elderly, and families vs. the single persons of the community, and families vs. businesses – small, medium and large ones. By stealing from one group to give to another is never ethical or economical. Who should manage this theft? How much should it be? And so on.
 - i. Some argue that “family is more important”, and show little regard to a single person's or business' private motivations to move their personal goals forward: efforts to attract a mate, or to move business ventures in one direction or another, or any other goal-driven dreams. In other words, it directly forces one party to pick up the tab for another party (i.e. a family, and now a family of three, is especially privileged to resources and monies in **the taxing pool**), reducing the wealth, motivations, potentials, and goals of others to supplement others (i.e. single people vs. family people). Forced theft is a difficult and unethical task to manage. Thus, society as a whole must learn to manage unethical standards: the government “cheats”, and the people “cheat”.
 - ii. The money received from such a hostile program is actually minute (a pittance) to the actual expenditures forked out by taxpayers, and delivered into the hands of the bureaucracy that in turn will redeliver the subsidy back to a private family unit. It simply spells TROUBLESOME.
 - iii. No empirical evidence supporting this policy to be beneficial to families or employment or employers. If taxes were low (discussions to come), more choices would be had (would be available), and both the employer and employee would have more flexibility on the arrangements they make with each other.
 - iv. “Some who might not support the general proposition that people are made better off by reducing their options, may nevertheless believe that one party to a transaction or negotiation can be made better off by eliminating his worst options, that is, low wages for a worker, high rents for a tenant, or sales at a loss for a business firm.”
 - 1. Another example of this distortion is the price-fixing of a family's family status worth for their objectives and for the objectives of the community as a whole.
 - a. Just about every oligarch has tried such a program: the Soviets and the Communists in general wherever they get a foothold in the country, and the Nazis.
 - 2. “Unless price-fixing laws are to be judged as **moral consumer goods for observers**, the revealed preference of the transactor is empirically decisive.”
 - a. **“moral consumer goods for observers”**

- i. Maternity leave – I have decisive empirical evidence that government-forced maternity leave is anti-family (against the family unit). Do you have otherwise?
 - 1. A young woman's or man's future and motivations that can be calculated as well as a five year weather forecast, is faced with inevitable and artificial risks to potential employers, for fear of forced maternity leave compliance laws. The calculations for this one policy alone are innumerable.
 - a. It is said that women typically make less than men for a similar workload and similar skill level. I've heard that the difference can be as much as 30%.
 - i. However, this defies all logic. The fact is that women are built differently for a reason, and bearing children is one of those reasons. Thus, one of their duties in the biological scheme of these is to nurture the family, which means they typically have less time for their careers.
 - ii. Another possibility is the burden on the employer to calculate the extreme conditions of forced-maternity-leave policies that could cause an employer to compensate this discrepancy in the form of wage reduction.
 - iii. In a word, if I could make 30% extra profit as an employer by hiring women, that would be a no-brainer.
- ii. Minimum wage laws (a.k.a. a type of price-fixing laws) – are against low paid, low skilled workers.
 - 1. By the way, Vietnam was used as an example by a student as to why minimum wage laws are important. That's the best empirical evidence you can provide? Vietnam exposed:
 - a. Government - Marxist-Leninist (We'll talk about Marxism soon enough if time-constraints permit.) one-party socialist republic
 - b. Religion
 - i. 73.2% Folk or Irreligious
 - ii. 12.2% Buddhism
 - iii. 8.3% Christianity
 - iv. 4.8% Caodaism
 - v. 1.4% Hoahaoism
 - c. The risk to employer = extreme.
- iii. Welfare to minority groups (i.e. Gypsies and other supposed groups who "need our help", and some of who will grow violent if they don't get it.)
 - 1. Mountains of evidence clearly show that this artificial / superficial support is actually the antithesis of the supposed "intent", which is to provide forced-taxpayer-subsidies to a few who are too irresponsible to work, and too violent that we need to concede by paying them appeasements to avoid such conflicts, a sort of mafia-style protection money.)
- iv. Subsidized college tuition fees
 - 1. In general, lowers the standards of the society as a whole by forcing money out of some groups of taxpayers to supplement others in an effort to be generous – forced-generosity, by-forced-taxation on others not directly involved, so that this group can pursue dreams unmet.
 - 2. Guarantees government controlled regulations of the school system: salaries, and operational costs of the schools, and the government sponsored education of the society in general.
 - a. "Is there an idea more radical in the history of the human race that turning your children over to total strangers who you know nothing about, and having those strangers work on your child's mind out of your sight for a period of 12 years (or longer). Could there be a more radical idea than that? Back in Colonial Days in America, if you'd proposed that as an idea, they'd burn

you at the stake.” – [GET YOUR KIDS OUT OF PUBLIC SCHOOL NOW!!!! John Taylor Gatto "The Scientific Management of Children"deliberately\)](#)

- b. One of my students is 26, and just finished school. This student has never had a job before, and I offered to help her to find one (which is one of my job functions). During our conversations I told her that she has many advantages (i.e. she finishes what she starts), and several disadvantages (i.e. she has never had practical work experiences), and I mentioned the fact that it is (or at least used to be) unusual for an American to never have had previous work experiences at that age. She then asked me point blank, “What good is it if you have to work and go to school at the same time?” I then asked her point blank, “What good is it if you steal other people’s money (via the government) to pay for your shit?”—her studies gave her a diploma in anthropology. The silence that succeeded was “...golden.”
3. Regardless, this policy guarantees low wages for higher education in the private sector by reducing incentive and involvement of the teachers, parents, students and interested businesses, and by creating artificially high competition among employees. It also insures a high number of employees are going to be working for public sector jobs as the private market dries up and the public market expands; those public employees may collect (The term ‘may earn’ here is a bit skewed.) very low or very high salaries, but that will all depend on the political winds. Unintended consequences?
 - a. Guarantees those with the ability to seek employment elsewhere (i.e. another country with better salaries).
4. The benefits of having schooling for a “relatively free society” are distorted (i.e. such as having an excess or deficit of personnel to fill jobs far beyond that which would normally take place in a freer society where supply and demand are the kingpins.)
 - a. Interestingly enough, there is a clear distinction between having schooling and having an education.
 - i. [schooling vs. education](#)
3. “Third parties may be morally uplifted”
 - a. But there is NO empirical evidence to support the claim that such a rule is beneficial to the individual or society.
 - i. There are reasons far beyond resource availability in countries as to why some countries are poor with lots of resources and some are rich with far scarcer resources.
 - ii. Follow the evidence.
 1. It will show that minimum wage laws increase unemployment, increase despair, and increase the burden on society incrementally.
 - a. Records show that less than 1/3 of the Hungarian nation financially supports 100% of its population, a population which is quickly becoming less Hungarian by ancestry day by day.
 2. Empirical evidence clearly shows that the black market tends to increase with price-fixing policies.
 - a. [Minimum wage 'fuels the black economy' - CBI](#)
 - b. Higher taxes, which minimum wage laws are, can be viewed as price-fixing laws, and also implemented as a pseudo-fix as a result of other price-fixing laws.
4. “The exploitation explanation of low wages tends to emphasize the intentional morality of the employer, unconscionable, rather than the systemic effects of competition. Nothing is more common in economics than the attraction of new competitors whenever and wherever there’s a profit above the ordinary.”

- a. This exploitation explanation doesn't hold water.
- 5. "The facts can be changed by changing the level of skills required for a job", but that would create another set of problems.
 - a. For example, are those "required skills" really required, or is the employer just giving a hard time and trying to raise standards in some superficial way to compete with the government's superficial standards?
- 6. "There is NO inherent reason why low skill or high risk employees are any less employable than high skill, low risk employees. Someone who is five times as valuable to an employer is no more or less employable than someone who is one fifth as valuable when the pay differences reflect their differences in benefits to the employer." And also:
 - a. = choices for all parties directly involved.
 - b. = more options.
- 7. Historical evidence is clear.
 - a. Dr. Thomas Sowell, a black man who grew up in Harlem, and whose family members never graduated past low education, has the following credentials, experiences, and works under his belt (For a list of his numerous books and writings, please Google for them.):

8.	9. Hoover Institution (1980–present)
Institution	10. UCLA (1970–72, 1974–80)
	11. Urban Institute (1972–74)
	12. Brandeis University (1969–70)
	13. Cornell University (1965–69)
14. Field	15. Economics
	16. Welfare economics
	17. Education
	18. Politics
	19. History
	20. Race relations
	21. Child development
22. School or tradition	23. Chicago School of Economics
24. Alma mater	25. Harvard University (B.A., 1958)
	26. Columbia University (M.A., 1959)
	27. University of Chicago (Ph.D., 1968)
28. Influences	29. Friedrich Hayek
	30. Milton Friedman
	31. Adam Smith
	32. John Maynard Keynes
	33. Edmund Burke

34. Awards

35. [Francis Boyer Award](#)

36. [National Humanities Medal](#)

37. [Bradley Prize](#)

38. [getAbstract Int'l Book Award](#)

- i. gives a cursory, but accurate historical account summary of black history, as well as the history of other groups, that directly counters the notion that “minimum wage” laws are to support low wage workers. In fact, he shows that they often do exactly the opposite; he also shows that unions, for example, encourage minimum wage laws, and other discriminatory laws, to specifically destroy competition, that are often intentionally discriminatory, that deliberately reduce competitive threats, if not current threats, then speculative.
- ii. In summary, the “**minimum wage**” **exploitation assumption paradigm** explanation can be virtually transferred to every other kind of **entitlement program and tax break incentive program** as well – the stealing of resources from one to give to another is wrongful and degrades society as a whole, and thus, **IT IS THE “MINIMUM WAGE LAWS” THEMSELVES THAT ARE DISCRIMINATORY BY NATURE. “This is more than a theoretical point.”** The bottom line is that **ALL** of these programs are **Malfeasant in Nature**, **All** of them are **HIDDEN TAXES** on target groups for other target groups, creating uncertainty for all parties involved, and the economy as a whole. The unreliability of policy and the growth of the nature of the beast are worrisome to all parties involved: persons directly and indirectly involved, and investors, and their costs, not just their financial costs, are **exponentially lopsided by nature to society** as a whole.
- iii. “There are **NO FREE LUNCHES!**” Everyone should be **Free to Choose** (a series hosted by Milton Freeman), but no one is free to choose to be equal, no matter how much we wish it to be so.