

Nickel and dimed - db3 (min wage) creative writing

[Literature](#), [Russian Literature](#)



Hernderson's article is different from Sherk's in the way Hernderson views the effects of increasing the minimum wage. Sherk argues that the effect of increasing minimum wage is the reduction of people in full-time minimum wage jobs and increased difficulty in landing these jobs for those seeking them. According to Hernderson, the effect is increase in teenage dropouts, reduced competition, and reduction in benefits for those who remain in their positions, as well as unemployment and reduced job opportunities.

Hernderson explains that economic studies indicate that increase in minimum wage entices teenage students to drop out of school in favour of minimum wage jobs. This, he states, has a negative effect on these young people's later working life according to economist David Neumark. He goes further to point out that increase in minimum wages will force employers to cut down on benefits for those that retain their positions. Hernderson illustrates this through David Neumark and William Wascher's research which shows a reduction in training to improve workers skills as a result of employers cutting on-the-job -training. Reduction of competition according to Henderson, results from the proponents of minimum wage increase ulterior motive. Union members seek to reduce competition from less-skilled, lower-paid workers, politicians aim at reducing competition for certain groups of people as firms such as Wal-Mart aim at reducing competition from firms similar to them that pay workers lower wages. A major difference is that, Sherk indicates that most of those on minimum wage jobs are the young and thus they stand to benefit from higher wages over the poor while Henderson categorically illustrates that the young will be disadvantaged owing to their low experience and skill set.

As much as both articles are against the increase of minimum wages as a way to reduce poverty, Henderson's article fronts a stronger argument. Sherk just discusses 3 points by which minimum wages will not reduce poverty, that is, it will increase unemployment among the poor, it is the young and not specifically the poor who will benefit and that the poor do not actually have jobs and thus higher wages will not affect them. Henderson adds on these by pointing out how increasing minimum wages will increase the suffering of the poor. First, based on the law of demand and supply, he explains how increasing the cost of labour will reduce its demand thus causing unemployment. He then explains 3 ways in which it will hurt the poor, from the breadwinners losing their jobs, redistributing the income among poor families to the adverse effects on the sole breadwinners with children. Henderson brings to perspective how the remaining minimum wage workers will lose their benefits owing to increased wages as well as the issue of increased high school drop-outs. Finally, he unearths the ulterior motives of the minimum wage increase proponents as he indicates how higher minimum wages impose on the employer in an unfair and negative manner.

Works Cited

Henderson, D. R., "Raising the Minimum Wage Will Not Reduce Poverty". (n.d.).