The minimum wage cabal
Noah Smith, January 25, 2021

My colleague Tyler Cowen writes of the public debate over the minimum wage:

No matter what you think about the recent literature on the minimum wage, all economic theories imply that minimum wages should be decided at the state and local level, given the economic heterogeneity of the United States. That is the message that you as an economist should be carrying forward.

Do you think Puerto Rico should be a state? Should they have a $15 minimum wage too? Come on. Yes, it is easy enough to make an exception for them, and by the way the median manufacturing wage in Mississippi is below $15 as well. Rinse and repeat.

I am sorry to speak in such terms, but the reality is that an allied cabal of activists and left-wing economists have combined on social media to insist on a particular approach to minimum wage economics and to bully those who disagree.

First of all, let me say that it’s pretty cool that the economics profession has come to a point where people can say the phrase “left-wing economists” without thinking twice. It really speaks to the ideological balancing that has happened within the profession.

Also, the Twitter bullying of Jennifer Doleac for being against the minimum wage is truly uncalled-for. You can think she’s not heeding the empirical evidence, and you can even suspect her of being callous toward the plight of low-wage workers, but demonizing her and digging up and bashing her old papers on Twitter doesn’t help advance the cause of minimum wage or of poverty alleviation in general. It’s just jerky. Plenty of economists are still skeptical of the federal $15 minimum wage, and it’s their right to be skeptical. There is some point where minimum wage gets too high (imagine a $5000/hr. minimum wage), and it’s anyone’s right to argue that $15 is past the safe level. If their arguments are bad, we should beat them with evidence and reason, not with Twitter dunking.

OK that said: Cabal? No. Lots of people support a $15 federal minimum wage. In 2019, 43% of Republicans supported it:
Large majority of Democrats favor increasing the federal minimum wage

% who say they ___ raising the federal minimum wage to $15 an hour ...

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<tr>
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<th>Oppose</th>
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<td></td>
<td>Strongly</td>
<td>Somewhat</td>
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<tr>
<td>Total</td>
<td>33</td>
<td>15</td>
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<td>Rep/Lean Rep</td>
<td>57</td>
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<td>Dem/Lean Dem</td>
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Note: Don’t know responses not shown.

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In general, support for minimum wage hikes has grown substantially during the pandemic:
When you have an idea with support this broad, you definitely do not need a cabal of activists. Nor would you need a fringe of left-wing economists:

Opinion is fairly evenly split here.

Now that doesn’t mean a federal $15 minimum wage is the right policy, and it doesn’t mean Tyler’s objections are wrong. In fact, I’ll address substantive arguments against the $15 minimum wage in a later post. But for now, I just want to point that there no cabal here — most Americans are fans of the minimum wage, and when people are fans of something, they tend to stump for it on Twitter. It’s the inherent toxicity of Twitter, not the intentional efforts of a cabal, that results in the unnecessary bullying of people with minority opinions.