

THE FIRST MINIMUM WAGE LAWS

Clifford F. Thies

Introduction

From 1912 to 1923, minimum wage laws covering women and children were enacted in 15 states, the District of Columbia, and Puerto Rico.¹ Then, in 1923, the U.S. Supreme Court, in *Adkins v. Children's Hospital*, declared that the District of Columbia's minimum wage law violated the right of contract under the due process clause of the Fifth Amendment.

Unfortunately, few data were collected that would enable analysis of the effects of these first minimum wage laws. In spite of the fragmentary nature of the available data, advocates of minimum wages proclaimed that the experience with these laws proved them to be efficacious. According to Mary Elizabeth Pidgeon of the U.S. Women's Bureau, "The universal experience with minimum wage legislation . . . is that it has materially raised the wages . . . of women. . . . In regards to women's employment, the usual experience has been that it continues to increase regardless of whether or not there is minimum wage legislation" (1975, pp. 8–9; originally, U.S. Dept. of Labor, Women's Bureau 1937).

This article reconsiders the available data pertaining to the economic effects of the first minimum wage laws in light of contemporary minimum wage theory. In contrast to the above, exuberant assessment, it finds that the actual experience with these laws is that, to the extent they raised women's wages, they forced offsetting increases in the productivity of low-wage women, or else they lowered women's employment. That is, these laws restricted the choices available to

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¹These minimum wage laws are described in detail in U.S. Dept. of Labor, Women's Bureau (1928).

less productive women and their employers, removing the option of low-wage work.

The First Minimum Wage Laws: Historical Overview

The first minimum wage law was enacted in 1912 by Massachusetts. Like most of the other early minimum wage laws, this law provided for the establishment of regulatory boards that set minimum wages for women equal to the cost of living as determined by the board.² Also like most of the other early minimum wage laws, the Massachusetts law allowed for subminimum wages for learners and children, and granted exemptions for “slow” workers. The Massachusetts minimum wage law was unique, however, in that it was practically voluntary since the only penalty for noncompliance was publicity.

While Massachusetts passed a minimum wage law in 1912, it was in Oregon that minimum wage decrees were first issued. The Oregon decrees of 1914 set a minimum wage of \$8.25 per week for most of the women employed in that state. These decrees are interesting for two reasons: First, the U.S. Department of Labor conducted a survey of 40 retail establishments in Portland and Salem in order to determine the decrees’ economic effects (U.S. Dept. of Labor, Bureau of Labor Statistics 1915). Second, in 1917, *Settler v. O’Hara*, a case arising from the enforcement of these decrees, made its way to the U.S. Supreme Court. On a 4-4 vote, the Supreme Court let stand the Oregon supreme court’s ruling upholding the law and, presumably, affirmed the constitutionality of minimum wage laws.

In 1923, however, in *Adkins v. Children’s Hospital*, on a 5-3 vote, the Supreme Court struck down the District of Columbia’s minimum wage law, on the basis that it violated the right of contract under the due process clause of the Fifth Amendment.³ Notwithstanding the ruling of the Court in *Muller v. Oregon*, in 1908, upholding Oregon’s first in the nation maximum hour law for women on the basis that women were not the equals of men, women—no less than men—had their right of contract under the Fifth Amendment protected:

²Arizona, Puerto Rico, and South Dakota, in contrast, set minimum wages by statute, similar to the way minimum wages are set under the present federal minimum wage law.

³While it could be argued that the Supreme Court attached a freedom of contract clause to the due process clause of the Fifth Amendment, it could also be argued that the Court could have based its decision on Article I, Section 10, the obligations of contracts clause.

But the ancient inequality of the sexes, otherwise than physical as suggested in the Muller case, has continued "with diminished intensity." In view of the great—not to say revolutionary—changes which have taken place since that utterance, in the contractual, political and civil status of women, culminating in the 19th Amendment, it is not unreasonable to say that these differences have now come almost, if not quite, to the vanishing point.

Chief Justice William Howard Taft, dissenting in *Adkins*, stated: "Legislatures, in limiting freedom of contract between employer and employee by a minimum wage proceed on the assumption that employees, in the class receiving the least pay, are not upon a full level of equality with their employer and in their necessitous circumstance are prone to accept pretty much anything that is offered. They are peculiarly subject to the overreacting of the harsh and greedy employer."

In spite of the closeness of the vote and the forcefulness of the dissenting opinion, the *Adkins* decision led to the striking down of most of the other minimum wage laws. In 1924, in *Folding Furniture Co. v. Industrial Commission*, a federal district court overturned the Wisconsin law; and, in *People v. Lournage & Co.*, the Puerto Rico supreme court overturned that commonwealth's law. Also in 1924, in *Commonwealth v. Boston Transcript Co.*, the Massachusetts supreme court, while not overturning that state's practically voluntary minimum wage law, made clear that newspapers were not required to publish the names of companies not complying with it.

In 1925, in *Murphy v. Sardell*, and on the basis of the Fourteenth Amendment, the U.S. Supreme Court overturned the Arizona law. Also in 1925, in *Topeka Laundry Co. v. Court of Industrial Relations*, the Kansas supreme court overturned that state's law; and the Minnesota attorney general ruled that state's law unconstitutional as applied to adult females. In 1927, in *Donham v. West Nelson Manufacturing Co.*, and in striking down the Arkansas law, the U.S. Supreme Court ruled for the third time in succession that minimum wage laws were unconstitutional.

As of the end of the 1920s, of the 17 original minimum wage laws, five were either never enforced or were repealed, and seven were found unconstitutional (see Table 1). The remaining laws were enforced with discretion, since wage boards knew that if they "pressed too hard they would be taken to court" (Levitan and Belous 1979, p. 34). This discretion included liberal granting of exemptions to "slow" workers and targeting prosecution against small firms that could not easily afford appeals to the courts.

While the Supreme Court made it clear that minimum wages were unconstitutional, social reformers continued their advocacy of them.

TABLE 1
EARLY MINIMUM WAGE LAWS

Location	Date	Disposition
Arizona	1917	Overtured by Supreme Court in 1925 in <i>Murphy v. Sardell</i> , following <i>Adkins</i> .
Arkansas	1915	Overtured by Supreme Court in 1927 in <i>Donham v. West Nelson Manuf. Co.</i> , following <i>Adkins</i> .
California	1913	Waited until Supreme Court upheld Oregon law in 1917 before issuing minimums. Withdrawn by state in <i>Gainer v. A. B. C. Dorhrman</i> in 1925, following <i>Adkins</i> .
Colorado	1913	Never enforced.
D.C.	1918	Overtured by Supreme Court on a 5-3 vote in <i>Adkins v. Children's Hospital</i> in 1923.
Kansas	1915	Overtured by Kansas supreme court in <i>Topeka Laundry Co. v. Court of Industrial Relations</i> in 1925, following <i>Adkins</i> .
Massachusetts	1912	Punishment only by publicity. Upheld by Massachusetts supreme court in <i>Commonwealth v. Boston Transcript Co.</i> in 1924, although papers could not be forced to print violators, following <i>Adkins</i> .
Minnesota	1913	Enjoined until 1918. Upheld by Minnesota supreme court as applied to minors in <i>Stevenson v. St. Clair</i> in 1925, although state attorney general ruled the law unenforceable as applied to adults, following <i>Adkins</i> .
Nebraska	1913	Never enforced, repealed in 1919.
North Dakota	1919	Enjoined until 1921.
Oregon	1913	Upheld by Supreme Court on a 4-4 vote in <i>Settler v. O'Hara</i> in 1917.
Puerto Rico	1919	Overtured by Puerto Rico supreme court in <i>People v. Lournage & Co.</i> in 1924, following <i>Adkins</i> .

TABLE 1 (cont.)
EARLY MINIMUM WAGE LAWS

Location	Date	Disposition
South Dakota	1923	Never enforced.
Texas	1919	Never enforced, repealed in 1921.
Utah	1913	Set low minimums, believed not effective in raising wages, repealed in 1929.
Washington	1913	Upheld by Supreme Court on a 5-4 vote in <i>West Coast Hotel Co. v. Parrish</i> in 1937, reversing a series of rulings finding minimum wage laws to be unconstitutional.
Wisconsin	1913	Waited until Supreme Court upheld Oregon law in 1917 before issuing minimums. Overturned by federal district court in 1924, following <i>Adkins</i> .

As just discussed, some states attempted to enforce their decrees in ways that avoided appeals to the courts. Wisconsin, after its original minimum wage law was declared unconstitutional, passed a new, so-called new design, minimum wage law. The original Wisconsin minimum wage law, similar to most of the others, provided for a minimum wage "sufficient [for a worker] to maintain himself or herself under conditions consistent with his or her welfare," defined to be "reasonable comfort, reasonable physical well-being, decency and moral well-being." The new Wisconsin law provided for a minimum wage that was only "not oppressive" (Levitan and Belous 1979, p. 37).

In 1936, in *Morehead v. Tipaldo*, and under pressure because of the Great Depression, the U.S. Supreme Court considered one of the "new design" minimum wage laws, namely, a 1933 New York State law that provided for a minimum wage that was "fairly and reasonably commensurate with the value of the service or class of service rendered" (Levitan and Belous 1979, p. 38). On a 5-4 vote, the Supreme Court struck down the New York State law on the ground that it was not substantially different from the previously considered minimum wage laws.

This was the fourth consecutive time that the Supreme Court found minimum wage laws to be unconstitutional.⁴ Nevertheless, the swing

⁴In addition, the court's decision in *Schechter Corp. v. U.S.*, in 1935, could be cited.

vote in *Morehead v. Tipaldo*, that of Justice Robert Owens, turned on a technical matter. The only issue the court considered in this case was whether New York State's "new design" minimum wage law was substantively different from the District of Columbia's minimum wage law struck down in *Adkins*. While Justice Roberts did not believe the "new design" law to be substantively different, he believed that the *Adkins* decision was itself wrong (Levitan and Belous 1979, p. 30). Accordingly, the next year, the Supreme Court called up another minimum wage case, this one dealing with Washington's longstanding minimum wage law. In this case, *West Coast Hotel Co. v. Parrish*, the Supreme Court, on another 5-4 vote, upheld minimum wage laws *as such* as constitutional. Wrote Chief Justice Charles E. Hughes, in the majority opinion, "What is this freedom? The Constitution does not speak of a freedom of contract."

Also in 1937, just after the Supreme Court ruling in *West Coast Hotel*, President Roosevelt called for a national minimum wage law saying, "All but the hopeless reactionary will agree that to conserve our primary resources of manpower, government must have some control over maximum hours, minimum wages, the evil of child labor, and the exploitation of unorganized labor." The next year, Congress passed the Fair Labor Standards Act. In 1941, in *United States v. F.W. Darby Lumber Co.*, the Supreme Court upheld the act on a 9-0 vote. Stated Justice Harlan Stone, in the court's unanimous opinion, the constitutionality of minimum wages "is no longer open to discussion."

Minimum Wages and Justice

Underpinning the minimum wage movement was an attack on the just wage theory that had prevailed from the middle ages through the enlightenment. During this period, it was thought that the just wage was determined by the consent of the parties involved. But, toward the end of the 19th century, Marxists, Fabian socialists, progressives, and Catholic and pietist Christian social reformers increasingly questioned the ability of ordinary men and women to consent to contracts, or, as they would put it, to bargain. As John R. Commons and J.B. Andrews (1920, p. 163) stated, "large numbers of unorganized workers are found . . . bargaining individually, employed at low wages and apparently unable to . . . improve their condition." Social

In this decision, the court struck down the National Industrial Recovery Act, which provided for industry cartels to establish codes of "fair competition," including maximum hours and minimum wages, prohibition of child labor, health and safety regulations, and collective bargaining.

justice, as determined by government, was to replace justice, as determined by consenting individuals.

In his review of Catholic opinion on the subject of just wage theory prior to Pope Leo XIII's 1891 encyclical *Rerum Novarum*, James Healey finds unanimous support that freely entered into contracts determined the just wage. Among those who considered whether people could freely enter into onerous contracts, all agreed that the "use of physical force against a worker to elicit consent to a particular wage was condemned." Nevertheless, some held that it was not unjust "to profit by the inner compulsion of a worker's hunger" (Healey 1966, pp. 466–67).

But, in *Rerum Novarum*, the Catholic Church abandoned its support of the just wage being determined by the consent of the parties involved and supported establishment of legal minimum wages:

Let it be granted then that as a rule, workman and employer should make free agreements and in particular should freely agree as to wages; nevertheless, there is a dictate of nature more imperious and more ancient than any bargain between man and man, that the remuneration must be enough to support the wage earner in reasonable and frugal comfort. If through necessity or the fear of a worse evil the workman accepts harder conditions because an employer or contractor will give him no better, he is the victim of force and injustice.

Father (later Monsignor) John A. Ryan, considered the leading American Catholic commentator on economic issues during the first part of the 20th century, argued, in *A Living Wage*, that employers were morally obligated to pay workers at least a living wage, and advocated state coercion of the same through laws providing for minimum wages and maximum hours, old-age pensions, low-cost housing, and prohibition of child labor.⁵

According to Ryan, some rights—for example, liberty—are natural and absolute. Others—for example, a living wage—are derived from existing social and industrial conditions. Indeed, even the level of the living wage varied according to social and industrial conditions. But, as the eventual outcome in the United States court system demonstrates, the right to set legal minimum wages contradicts, and cannot coexist with, the right to liberty.

Again, according to Ryan, the right to a living wage derives from the private ownership of property as distinct from the original

⁵To be precise, Ryan argued that men had a right to a wage sufficient to maintain themselves and raise a family—i.e., a family living wage—and women a right to a wage sufficient only to maintain themselves; but, to the extent that women did the same work as men they had the right to the same, higher minimum wage.

“communal” ownership of nature. Ryan accepted the socialist folklore that the industrial revolution impoverished the common people, that with the advent of the factory system starvation wages forced the men of those times to send their wives and children into the mills. According to Ryan (1909, pp. 16–17), the industrial revolution was “a period of horror,” characterized by “wage slavery.” If this analysis is to be believed, common people lived well in pre-capitalist times, and capitalists were morally obliged to pay workers at least what they would have earned if capitalism had not arrived on the scene.⁶

The obvious fact is that workers cannot be long employed at less than a living wage if a living wage is defined, in an absolute sense, as a subsistence wage. Thus, Adam Smith, in *The Wealth of Nations* (1937, pp. 67–68), argued that there was a floor under wages at the subsistence level since a worker’s “wages must at least be sufficient to maintain him,” and over time, “to bring up a family.” While Smith’s was a scientific—not a normative—evaluation of market process, he showed there could be no systematic violation of a right to a living wage defined as a subsistence wage.

Ryan (1909, p. 36) essentially admitted that workers would at least be paid a subsistence wage, saying “the worker agrees to the harsh conditions because they mean for him the preservation of life.” Proponents of minimum wages, however, shifted from advocating a right to a living wage defined as a subsistence wage to advocating a right to a decent wage. In his own political activity, Ryan advocated state coercion of such a decent wage. In a 1912 speech, for example, he stated that three-fifths of working women earn less than \$6.25 per week, “much less than enough to maintain them[selves] *decently*” (Ryan 1912, p. 170; emphasis added).

Criticism of wages above the subsistence level, but below what was then considered decent, is found in many of the prominent reform publications of the time. The report of the New York State Factory Commission (1915, pp. 1679–80), in addition to containing a wealth of statistical data, described some of the conditions of low wage working women in vivid detail: “No privacy—no pleasure—simply a dull, monotonous routine of work and then more work.” And, “Many girls who have the ability make their own clothes in the evening. . . . But this means of economizing means no free time in which to enjoy one’s self” (pp. 1682–83). It is instructive to quote another description at length:

From nine until six Mrs. N. [a young widow] stands waiting on customers. At six o’clock she walks home through unpleasant streets

⁶See Hayek (1954) for a revisionist history of the industrial revolution.

to her solitary room, cooks her dinner on the two burner gas stove, washes up the few dishes, sweeps the floor, washes and irons her shirtwaist and underwear, mends her clothes and then goes to bed. In the morning she rises early to cook her cereal and coffee, washes the dishes again, straightens the little room and then hastens to the store to report for work at 9 a.m. Such is her round—her life bounded by the jewelry counter in the store and the crowded room in the questionable section of the city [pp. 1678–79].

These are not descriptions of below subsistence wages. They are descriptions of low, but still above subsistence, wages and of standards of living below the expectations of the middle-class social reformers in the progressive movement.

Louise M. Bosworth, in *The Living Wage of Women Workers* (1911, p. 52) states: "Roommates are another form of economizing in rent. . . . If a fair-priced room is divided among two or more occupants, the cost to the individual immediately drops. . . . But this is at a cost of privacy and independence."

The report of the U.S. Department of Labor (1911, pp. 73–74) on the conditions of working women states, "Of the 1,568 women who reported on this question 62 percent said that they spent no money for pleasure." Of those who reported expenditures on "pleasure," the average spent was 37 cents per week. In comparison, an average of 44 cents per week was contributed to (presumably more needy) relatives. These women's modest expenditures on "pleasure" may have disappointed the social reformers of the day, but they arguably had more caring priorities.

While, in the view of some social reformers, working women did not spend enough on "pleasure," in the view of other social reformers, they spent too much. Observing that "women adrift" spent more on "recreation and vacation" than women "at home," the Consumers League of Oregon (1913, pp. 66–67) stated, "There is not the same temptation for the girl at home to seek fun outside as there is the girl adrift, whose lonesomeness in her one room drives her innocently to seek diversion that eventually ends disastrously for her."

Regarding a living wage defined as a decent wage, there can only be two rules: either decency is to be determined by the parties involved, or it is to be determined by the state. The former rule is tolerant of differences of opinion about what is decent, while the latter rule is prejudicial, inviting each person to sit in judgment of others. Ryan and the other religious leaders in the minimum wage movement, by covering their appeal to people's prejudices with a veneer of religiosity, succeeded in replacing justice as it was originally understood with social justice, and succeeded in undermining liberty and the right of contract.

It should be noted that the inherent subjectivity of governmentally set minimum wages was not lost on the Supreme Court in its *Adkins* decision: "What is sufficient to supply the necessary cost of living for a woman worker and maintain her in good health and protect her morals is obviously not a precise or unvarying sum—not even approximately so." In addition to differences in the cost of living due to "economies" workers can make in their own living expenses, the court further noted that workers can make "cooperative economies" by living in family groups.

Minimum Wages and the Distribution of Wages

In most states, agitation for minimum wage legislation began with surveys of the wages of women workers and the observation that many women worked for low wages. The 1st Biennial Report of the Kansas Industrial Welfare Commission (1918) reports the findings of nine surveys covering a total of 5,436 women workers. Thirty-one percent of these women earned less than \$6 per week. The commission exclaimed "they hardly have enough to sustain life. Commercialism is placed at a higher value than humanity" (p. 24). Yet, in the six surveys for which data are available, only 2 percent of these women lived "away from home"; the overwhelming majority enjoyed the "cooperative economies" of family life.

For some other examples: In Oregon, in 1912, 9 percent of the 2,078 women workers in mercantile establishments surveyed were found to work for less than \$6 per week (Consumers League of Oregon 1913). In Ohio, in 1913, 21 percent of the 14,635 women workers in mercantile establishments surveyed were found to work for less than \$6 per week (Ohio Industrial Commission 1914). In Michigan, also in 1913, 22 percent of 50,351 women workers at 1,348 establishments were found to work for less than \$6 per week. A concurrent survey of 8,512 women workers indicated that 24 percent earned less than \$6 per week (Michigan State Commission 1915).

Variation in wages observed in surveys of women workers, especially within the same occupation, industry, and geographic area, very much concerned social reformers. Representative statements include: "There appears to be no wage standard throughout these trades" (New York State Factory Commission 1915, pp. 39–40). "Apparently, the wages of women in factory industries are very largely unstandardized" (U.S. Department of Labor 1911, p. 24). "Wages among the unorganized and lower grades of labor are mainly the result of tradition and of slight competition" (Massachusetts Minimum Wage Boards 1912, p. 18). "The fixing of wages seems to be a

matter of chance" (Van Kleeck 1913, p. 67). "There are absolutely no standards of wages among them. Their wages are determined for the most part by the will of the employer without reference to efficiency or length of service on the part of the worker" (Consumers League of Oregon 1913, p. 6).

Due to limitations in the gathering, processing, and reporting of these data, it is not clear who exactly were low-wage women workers. Often, only the overall distribution of wages are reported, so that it is impossible to tell if low wages were due to part-time work, to inexperienced, aged, or handicapped workers, to nonwage benefits such as employer-provision of meals and lodging, or to other considerations such as tip income. Some details are reported for the 1913 Michigan survey. It is suggestive that of the 112 women in the candy industry earning less than \$6 per week, 71 or 63 percent had less than one year's experience (Michigan State Commission 1915, Table 8).

During 1922 and 1923, three surveys of women's wages were conducted in Ohio. The U.S. Women's Bureau estimated that 36 percent of working women received less than \$16 per week.⁷ The Ohio Industrial Commission estimated that 53 percent of working women, exclusive of stenographers, bookkeepers, and clerks, received less than \$16 per week. And the Ohio Minimum Wage Commission estimated that 36 percent of working women in large cities received less than \$16 per week. Interestingly, the commission found that low-wage women workers were, almost exclusively, beginners, part-timers, juveniles, and handicapped individuals (Consumers League of Ohio, 1915).

In 1915, the Massachusetts Minimum Wage Commission conducted a survey of 24 establishments in the paper box industry that, together, employed 2,178 women. While wages were low, as Table 2 shows, they were highly correlated with experience. And, as the commission attested, wages were also highly correlated with the skill level of the occupation: "The lowest paid occupations . . . are gluing off, helping, hand folding and turning in. Gluing off is a simple operation requiring little skill; turning in is practically a 'helping' operation connected with stripping; hand folding is unskilled work; and helping may be one of several kinds of general or errand work through which most workers gain an introduction to the trade" (Massachusetts Minimum Wage Commission 1916, p. 50). In spite of the

⁷This shift from a minimum wage of \$6 to \$16 per week partially reflects a lower purchasing power of the dollar, and partially reflects a rise in standards of living generally and in the middle-class social reformers' view of "decency."

TABLE 2
EXPERIENCE AND WOMEN'S WEEKLY WAGES

Experience	Massachusetts Paper Box Industry 1915 ^a	Philadelphia Candy Industry 1919 ^b	Kansas 1921 ^c	Ohio 1923 ^d
0-3 mos.	\$4.98	\$ 8.67	\$ 9.65	\$11.95
3-6 mos.	4.98	8.67	10.05	11.95
6-12 mos.	4.98	10.23	10.45	13.15
1-2 yrs.	5.69	10.52	11.10	13.75
2-3 yrs.	6.59	12.42	12.85	15.05
3-4 yrs.	7.18	12.42	13.70	15.20
4-5 yrs.	7.75	12.42	14.50	15.75
5-6 yrs.	8.12	14.21	14.60	16.05
6-7 yrs.	8.24	14.21	14.60	16.05
7-8 yrs.	8.07	14.21	14.60	16.05
8-9 yrs.	8.88	14.21	14.60	16.05
9-10 yrs.	8.67	14.21	14.60	16.05
10-11 yrs.	8.30	14.31	16.05	17.10
11-12 yrs.	8.00	14.31	16.05	17.10
12-13 yrs.	8.50	14.31	16.05	17.10
13-15 yrs.	9.07	14.31	16.05	17.10
15-16 yrs.	8.47	16.41	15.95	17.60
16-17 yrs.	8.47	16.41	15.95	17.60
17-18 yrs.	8.47	16.41	15.95	17.60
18-19 yrs.	8.47	16.41	15.95	17.60
19-20 yrs.	8.47	16.41	15.95	17.60
20 or more yrs.	8.47	16.12	15.95	17.60

^aMeans inferred from grouped data, "3rd Annual Report of the Massachusetts Minimum Wage Commission for the Year Ending December 31, 1915," p. 98.

^bMedians, "Wages of Candy Makers in Philadelphia." U.S. Dept. of Labor, Women's Bureau (1919, p. 21).

^cMedians, "Women's Wages in Kansas." U.S. Dept. of Labor, Women's Bureau (1921, p. 34).

^dMedians, "Women in Ohio Industries." U.S. Dept. of Labor, Women's Bureau (1925, p. 51).

evident relationships among wages, experience, and occupational skills, the commission nevertheless concluded that "widely different scales of pay [demonstrate] the slight basis upon which the ordinary competition arguments rest" (p. 52).

The first survey conducted by the U.S. Women's Bureau was of the low-wage Philadelphia candy manufacturing industry (U.S. Dept. of Labor, Women's Bureau 1919). Twenty-five factories, employing a total of 1,505 women, were canvassed. While wages were low, as

Table 2 shows, they were highly correlated with experience. It appears that women in this industry moved up from the least skilled, lowest paying occupations such as packing into the more skilled, higher paying occupations such as dipping as they gained experience (p. 22).

In spite of the high correlation of wages with experience and occupational skill level, the Women's Bureau asserted, "Wage setting seems to be more or less a matter of chance" (p. 20). Furthermore, without identifying why productivity should be correlated with age or familial responsibilities, the Women's Bureau went on to state that it found "no logical relation between ages and weekly earnings," and that "earnings are not affected by the fact that a girl is living alone away from her family, nor are they affected by the supposed support which family life gives to women workers" (pp. 23-24).

Even though the Women's Bureau stated that "perhaps it is hardly reasonable to expect that girls of 15 and 16 who have just begun to earn should be able to make living wages," it nevertheless argued that many women workers earned less than its estimate of the living wage (pp. 28-29).

The Women's Bureau conducted a number of other, statewide surveys of women's wages. Among these was a survey in Kansas that examined the effectiveness of one of the early minimum wage laws. At the time, there was an \$11 per week minimum wage in manufacturing. Nevertheless, the Women's Bureau found that 20 percent of women employed in manufacturing earned less than \$9 per week, and 50 percent earned less than \$12 per week (U.S. Dept. of Labor, Women's Bureau 1921). Obviously, the minimum wage was not effective. However, as Table 2 shows, and as with women's wages in the Massachusetts paper box and the Philadelphia candy industries, a high correlation was found between wages and experience.

Over time, wage gains due to experience (as well as overall real wage progression in a free economy) lifted the vast majority of working women well above their original earning ability. For these women, low wages were the start of a journey leading to higher, more "decent" wages. To the extent that minimum wage laws made the start of this journey more difficult, they inhibited rather than provided the middle-class social reformers' living wage. Of course, others—including the aged and infirm—would remain in need of charity to supplement their meager earning ability. Minimum wages, by forcing these people out of work, increased their need of charity.

Effects of Minimum Wages

Economists have only recently attempted to take into account the fact that, in the absence of minimum wage laws, wages would

naturally exhibit wide variation. Indeed, by reason of a generalized central limit theorem, if wages are the result of many, individually random factors contributing to each person's productivity, then they would be expected to be approximately normally distributed.⁸ This section analyzes the effects of minimum wage laws when wages are so distributed. It begins by examining the distribution of wages in Massachusetts using that state's annual census of manufacturing.

The annual census of manufacturing conducted by the state of Massachusetts is a unique data source. During the time period under investigation, Massachusetts conducted its own census of manufacturing in those years in which the federal government did not conduct its quinquennial census of manufacturing.⁹ Figures 1A through 1D present the distributions of weekly wages of women employed in all Massachusetts manufacturing industries during the years 1911 through 1914. It is evident that, without the intervention of minimum wage legislation, the distribution of women's wages approximated a bell-shaped, normal distribution.

Figures 2A through 2D present the distributions of weekly wages of women employed in the Massachusetts brush industry during the years 1911 through 1914. The distributions during 1911 and 1912 were approximately bell shaped and, therefore, similar to the overall pattern. To be sure, women's wages were lower in the brush industry, the mean weekly wage in these two years being only 65 and 66 percent of the mean weekly wage of women employed in all manufacturing industries.

The shape of the distributions during 1913 and 1914 is considerably different. The shape of these distributions reflects truncation, or the cutting off of the lower tail of the distribution. Truncation, sometimes referred to as the "bunching" of workers at the minimum

⁸To be precise, the distribution would be expected to be log-stable, which, relative to the normal, is skewed and fat-tailed. Pettengill approximates such a distribution by splicing together three segments of a log-normal distribution (see Pettengill 1980, Technical Appendix, p. 32).

⁹Figures 1A–1D, 2A–2D, 3, and 4 are based on data from the *Annual Report of Statistics of Manufacturers*, published by the Massachusetts Department of Labor and Industry. The Massachusetts census obtained the number of workers by sex, while the federal census obtained only the total number of workers. Therefore, in order to form a continuous series—see Figures 3 and 4—in 1909 and 1914 for employment in all industries, and in 1909 for employment in the brush industry, the total number of workers reported in the federal census is apportioned by sex according to the average proportion of male and female workers reported in the adjoining year's Massachusetts census; and in 1914 for employment in the brush industry, the total number of workers reported by the federal census is apportioned by sex according to the proportion of male and female workers reported in that year's survey of the brush industry conducted by the Massachusetts Minimum Wage Commission.

FIGURE 1A
WOMEN'S WAGE DISTRIBUTION
MASS. MFG. INDUSTRIES, 1911

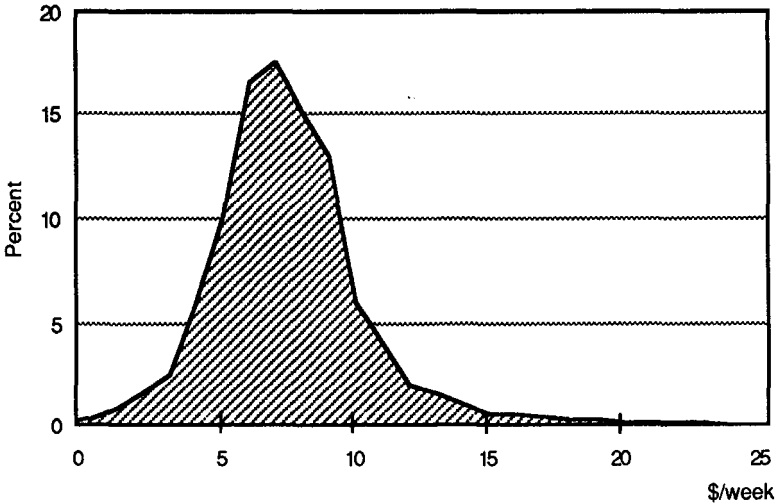


FIGURE 1B
WOMEN'S WAGE DISTRIBUTION
MASS. MFG. INDUSTRIES, 1912

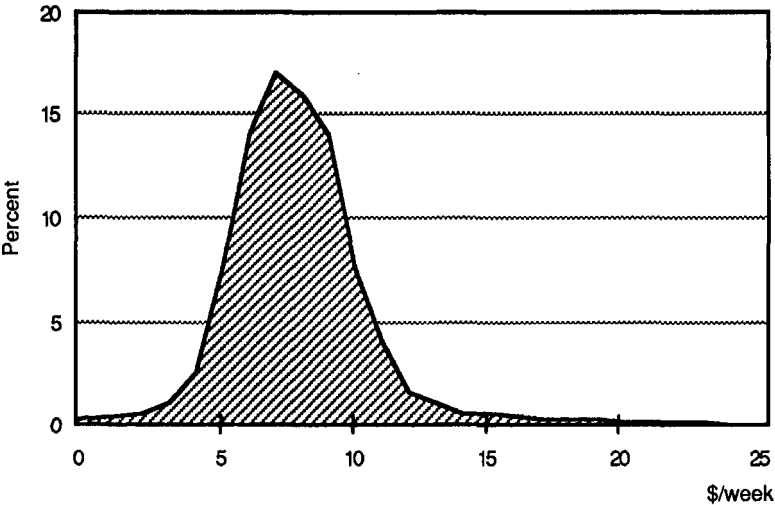


FIGURE 1C
WOMEN'S WAGE DISTRIBUTION
MASS. MFG. INDUSTRIES, 1913

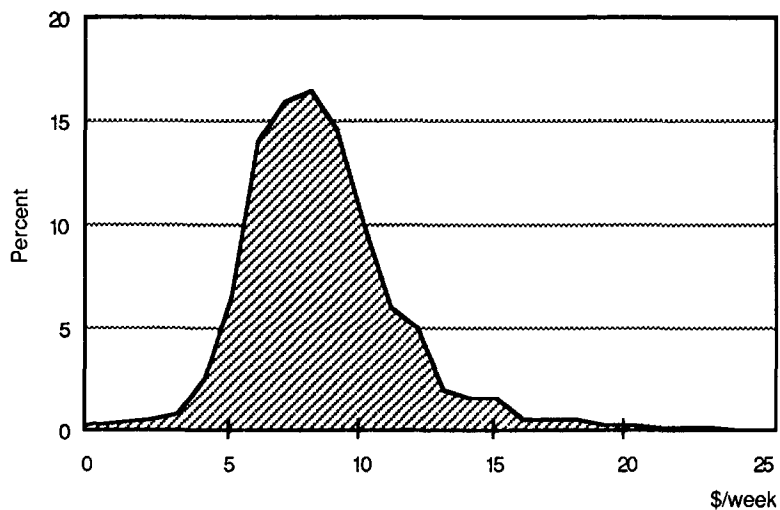


FIGURE 1D
WOMEN'S WAGE DISTRIBUTION
MASS. MFG. INDUSTRIES, 1914

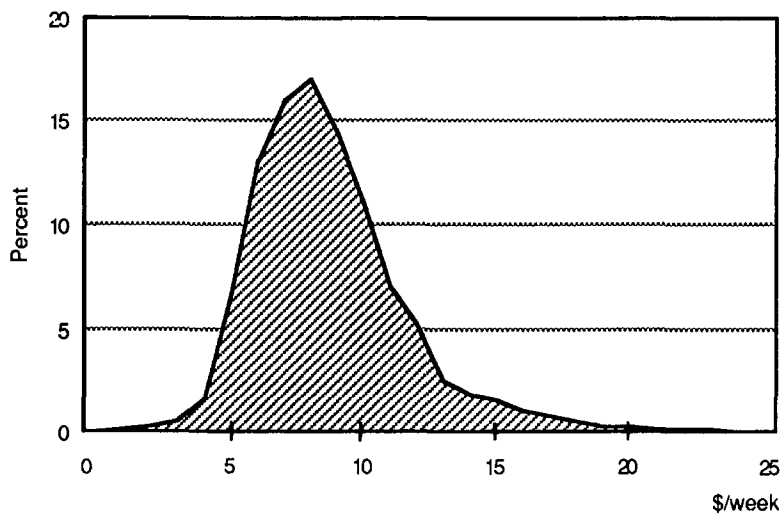


FIGURE 2A
WOMEN'S WAGE DISTRIBUTION
MASS. BRUSH INDUSTRY, 1911



FIGURE 2B
WOMEN'S WAGE DISTRIBUTION
MASS. BRUSH INDUSTRY, 1912

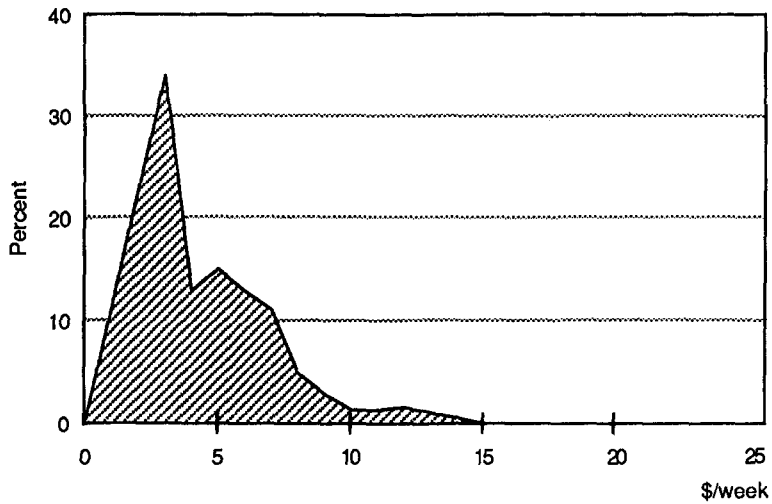


FIGURE 2C
WOMEN'S WAGE DISTRIBUTION
MASS. BRUSH INDUSTRY, 1913

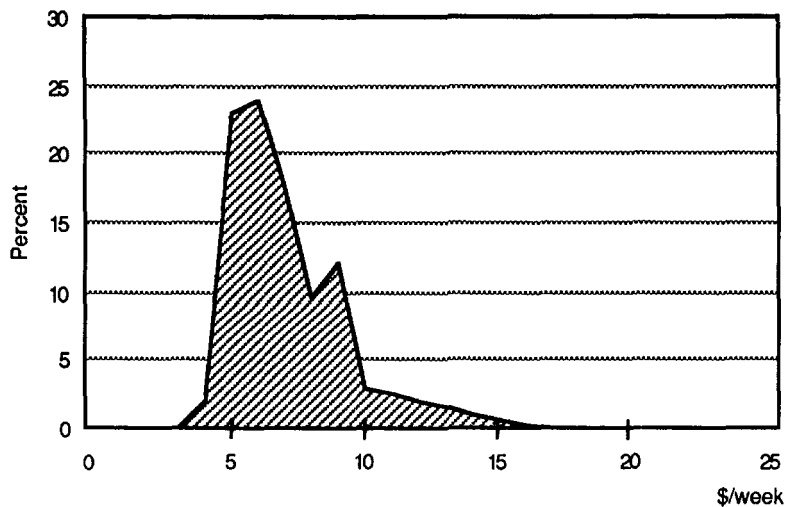
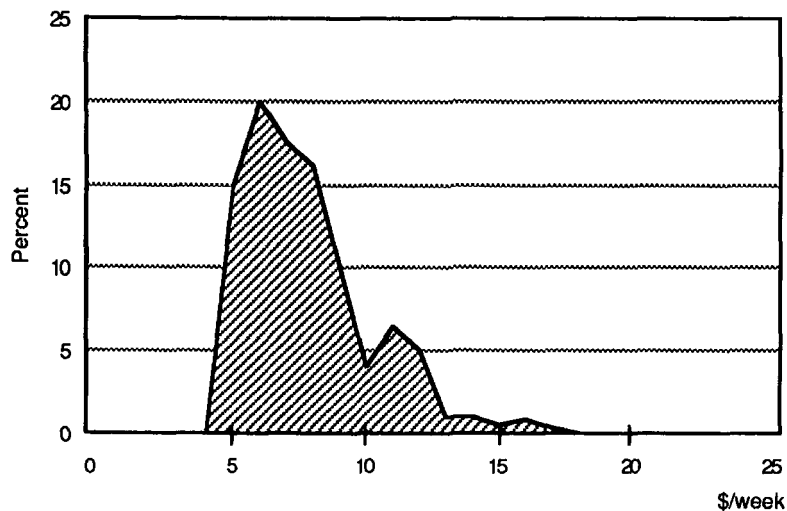


FIGURE 2D
WOMEN'S WAGE DISTRIBUTION
MASS. BRUSH INDUSTRY, 1914



wage, is a characteristic effect of minimum wage laws. Women workers in the brush industry earning below a certain amount were either given wage increases to that amount or let go. As a result, the mean weekly wage of the remaining women employed in the brush industry in these two years rose to 84 and 90 percent of the mean weekly wage of women employed in all manufacturing industries.

Presuming that minimum wages truncate a normal distribution of wages, Meyer and Wise (1983) analyze a sample of 4,000 16–24 year old non-students drawn from the May 1978 Current Population Survey. They estimate that 23 percent of people who would be below-minimum-wage workers in the absence of a minimum wage law continue to be employed at less than minimum wages (due to limited coverage and noncompliance), 34 percent are raised to the minimum, and 43 percent are unemployed. Indeed, the lower a person's earning ability, the higher is the probability that he or she will be unemployed by a minimum wage.¹⁰

Obviously, those low-wage workers who lose jobs do not benefit from minimum wage laws. Those whose wages are not increased to the minimum do not benefit either. Indeed, their wages may actually decrease due to the “crowding” of low-wage workers into the non-covered sector.¹¹ And, even those whose wages are raised to the minimum by the minimum wage law are not necessarily better off. Suppose employers can, at least to some extent, offset mandated increases in wages with reductions in fringe benefits and the quality of working conditions, and—as minimum wage advocates have long argued—that minimum wages put pressure on employers to increase worker productivity. In the face of minimum wage laws, low-wage workers can themselves increase their productivity by investing in additional general or vocational education, or in additional job search.

It is not clear that it is better to force workers to accept higher wages and less in the way of fringes and working conditions, or higher wages and a faster work pace, or higher wages and greater investment in education or job search. Those who respect the decisionmaking ability of low-wage workers would presume—since they could have chosen higher wages and some combination of lower fringes and working conditions, a faster work pace, and greater

¹⁰Linneman (1982), using a similar model, also finds that minimum wage laws cause significant disemployment of low-wage workers.

¹¹See Mincer (1976) and Welch (1974) for analysis of the effects of minimum wages when there exists a non-covered sector.

investment in education and job search and did not—that they are worse off.

In conjunction with its 1957 minimum wage order, New York State conducted a mail survey of retail stores (New York State Dept. of Labor 1964). Of 7,757 respondents, 6,758 or 87 percent reported some kind of offset to the wages raised by the law. Among these offsets were reductions in daily wage guarantees and other wage premiums, and reductions in fringe benefits. Also, there were reductions in workers' hours, the employment of extras, and meal and rest periods, and changes in work assignments. These offsets are discussed by Wessels (1980, pp. 6–8), who reports a significant positive correlation across stores between the impact of the minimum wage and the number of offsets.

By far, the most frequently reported offset was reduction of employee hours. This was accomplished mostly by eliminating coffee breaks and making sure that work began at starting time and continued through quitting time. Employers were less inclined to pay workers for "slack time" through the day.

Marian Stever (Tolles 1960) monitored the effect of the New York State wage order in 42 retail stores in the cities of Syracuse and Auburn. She found that much of the impact was "avoided" by productivity increases including adjusting hours, revising work assignments, and better selection and training of workers. Those laid off were usually the most relatively inefficient, i.e., the elderly, part-timers, and the handicapped.

Analyzing a theoretical model in which minimum wages force low-wage workers to increase their productivity or be unemployed, Pettengill (1980, p. 1.8) concludes that "virtually all [low-wage workers] are worse off in the long run because of the minimum wage. . . . Moreover, the worst burden is borne by the least able workers, who are already working as hard as they can and cannot upgrade themselves further."

As economists now view them, minimum wages raise wages by truncating the wage distribution, forcing productivity increases from some—those raised from below minimum wages to the minimum—and unemploying others. The observed increase in mean or median wages following a minimum wage is mostly an illusory benefit. In part, it is a statistical artifact resulting from the unemployment of the lowest paid, the average of those remaining employed being necessarily higher. In part, it is due to the fact that wages are the most tangible and most easily tabulated component of a job. Other components, such as fringes and working conditions, are more difficult to take into account. And their subjective worth to low-wage

workers may be totally discounted by middle-class social reformers far removed from the scene.

Effects of the First Minimum Wage Laws

Data pertaining to the economic effects of the first minimum wage laws are fragmentary. In spite of the lack of data, advocates of minimum wages were quick to proclaim their success. Generally, if wages rose following the issuance of a minimum wage decree, this was attributed to the decree; and, if wages remained the same or fell, this was attributed to a lack of enforcement. Also, if few women were unemployed following the issuance of a minimum wage decree, this was taken as proof that minimum wages do not cause unemployment; and, if many women were unemployed following the issuance of a minimum wage decree, this was attributed to overall economic trends.

In some cases, minimum wage boards—having no data at all—proclaimed their decrees successful. The Industrial Commission of Wisconsin (1921, p. 65), for example, without *any* data argued that many women were given raises by reason of its wage order and that “there has also been no reduction of opportunities for employment of women.” In other cases, minimum wage boards discounted data suggesting there were employment tradeoffs.

In 1913, Oregon issued the nation’s first minimum wage decrees. These provided for minimum wages of \$9.25 per week for women in Portland, \$8.25 outside, and other, lower minimums for learners and girls under 18. The Oregon Industrial Welfare Commission, in its 2nd Biennial Report, stated that its wage decrees raised women’s wages and did not result in men taking women’s places (*Monthly Review*, May 1917, p. 797). While female employment actually went down, according to O’Hara (1916, p. xv), head of the commission, “when proper deductions are made for the financial depression . . . the general tendencies of the legislation should be apparent.”

In 1914, Massachusetts issued a wage decree establishing 16 cents per hour as the minimum wage in the tiny brush industry. The state’s Minimum Wage Commission stated that “the decree has been complied with. . . . [T]he increase in wages has been large. . . . The employment of women and minors has not given way to . . . men” (*Monthly Review*, December 1915, pp. 33–36). However, regarding a fall in women’s employment, the commission in its 2nd Annual Report (1915, p. 12) said, “The Commission is of the opinion, however, that the unemployment is mainly due to the general business depression rather than to the . . . minimum wage.”

Also in 1914, Washington issued minimum wage decrees covering about 75 percent of women employed in that state. These decrees set minimums of \$8.90 per week in manufacturing, \$9 in laundry and telephone and telegraph, and \$10 in mercantile establishments. In its 2nd Biennial Report, the Washington Industrial Welfare Commission claimed there was “abundant evidence . . . that it has worked to increase the wage level and that . . . the minimum wage has not led to any general or widespread discharge of women” (*Monthly Review*, April 1917, p. 566).

In order to determine the economic effects of these wage decrees, the state conducted a mail survey. Responses were received from 107 employers of 3,358 women. The responses indicated that women’s wages increased from an average of \$11.64 per week during 1913 to an average of \$12.17 during 1914–1915 (*Monthly Review*, April 1917, p. 564). But, while only 21 women were indicated as specifically discharged because of the decrees, employment of women relative to men fell from an average of 59.7 percent during 1913 to an average of 58.1 percent during 1914–1915 (p. 565).

In 1919, a minimum wage decree of \$16.50 per week was issued for women working in the mercantile industry in the District of Columbia. The District of Columbia Minimum Wage Commission, in its 2nd Annual Report, stated that its wage decree resulted in “a definite increase” in women’s wages “without any considerable replacement of women by men” (*Monthly Review*, April 1920, p. 115). However, a survey of the payroll records of 102 mercantile establishments, employing 68 percent of the women covered by the decree, showed that the number of women employed by these establishments fell from 4,557 before the wage decree to 4,347 after (*Monthly Review*, June 1923, pp. 100–101).

As Table 3 summarizes, retrospective assessments of the first minimum wage laws—two of the three being by writers sympathetic to minimum wages—found many of these laws to have been ineffective in raising women’s wages. Even some of these assessments may have been overly generous. Take the case of California. While all three writers state that its minimum wage law was effective, this may not be conclusive.

Elizabeth Braindeis (1935) acknowledges there was no “bunching” of wages at the minimum. As the median (50th percentile) woman’s wage rose from \$12.35 to \$14.35 per week from 1919 to 1925, or by 16.2 percent; the 75th percentile wage rose from \$18.20 to \$21.25, or by a slightly higher 16.8 percent. Thus, general wage trends, and not so much the minimum wage decrees, may have been responsible.

TABLE 3

ASSESSMENTS OF THE EFFECTIVENESS OF EARLY MINIMUM
WAGE LAWS IN RAISING WOMEN'S WAGES

Location	Braindeis ^a	Women's Bureau ^b	Stecker ^c
Arizona	Ineffective		
Arkansas	Effective	Effective	
California	Effective	Effective	Effective
Colorado	Never Enforced		
D.C.	Effective	Effective	
Kansas	Not Clear	Negligible	
Massachusetts	Not Clear	Not Clear	Not Clear
Minnesota		Not Clear	
Nebraska	Never Enforced		
North Dakota		Not Clear	Effective
Oregon		Not Clear	Effective
Puerto Rico	Ineffective		
South Dakota	Never Enforced		
Texas	Never Enforced		
Utah	Ineffective		
Washington			Effective
Wisconsin		Not Clear	

^aElizabeth Braindeis, "Labor Legislation" (1935).

^b"The Development of Minimum Wage Laws in the United States, 1912-1927." U.S. Dept. of Labor, Women's Bureau (1928).

^cM. L. Stecker, *Minimum Wage Legislation in Massachusetts* (1927).

Louis Bloch (1924) of the California Bureau of Labor Statistics states that women's wages rose as a result of his state's minimum wage decrees. Nevertheless, his own figures show many women receiving less than the minimum. For example, in the manufacturing industry, 19 percent in August 1920 and 16 percent in March 1922 were receiving less than \$16 per week, which was the minimum.

The most significant statistical study of the economic effects of any of the first minimum wage laws was conducted by the Department of Labor. In that study, Marie L. Obenauer and Bertha Von Der Nienburg examined the payroll records of 40 stores in Portland and Salem before and after the Oregon 1913 minimum wage decrees. They found that women's wages rose, but downplayed any effect on women's employment. While admitting that "the dismissal of some women" can be attributed to the minimum wage law, they nevertheless asserted that the law had "not put men in positions vacated by women" (U.S. Department of Labor 1915, p. 9).

In reexamining these data, Peterson (1959, see also Peterson and Stewart 1969, pp. 86–88) identifies five economic effects: (1) About 21 percent of women were given raises. Average female weekly wages increased by 4 percent while male wages rose less. (2) Female employment fell by 14.9 percent compared to a 7.4 percent decline for males, and in spite of a rising trend in female employment as salespersons and clerks relative to males from the 1900 to 1910 census. (3) Female payrolls dropped relative to male, falling by 7.3 percent compared to 5.0 percent for males. (4) There was considerable substitution of girls for women. (5) Other possible causes (e.g., substitution of males for females during a recession) were dismissed.

The Massachusetts wage decrees, which eventually covered 20–25 percent of the women employed in that state, are not viewed as having been very effective. However, as is discussed above, the first Massachusetts wage decree, in 1914, appears to have raised women's wages in the brush industry.

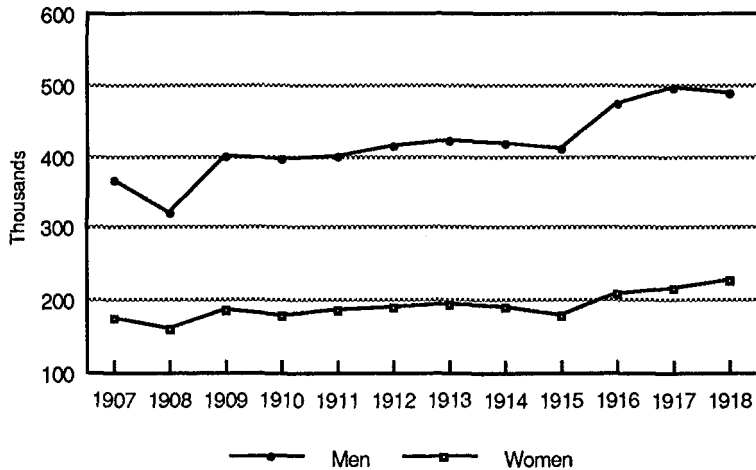
It is interesting that the Massachusetts brush industry appears to have reacted to the minimum wage law before a wage decree was actually issued. During 1912, Massachusetts passed a minimum wage law, formed a wage board for the brush industry, and conducted a survey of women's wages in this industry. These actions signaled to the industry that a minimum wage was imminent. Well before economists discovered "rational expectations," employers in the brush industry acted upon the signal and did not wait until the decree itself.¹²

Employment trends in all Massachusetts manufacturing industries and in the brush industry are presented in Figures 3 and 4. It appears that the minimum wage decree caused a significant fall in total employment and a relative fall in female versus male employment in the brush industry. Note that the most dramatic change in employment occurred in 1913. As with the wage effect, discussed above, the employment effect preceded the issuance of the minimum wage decree.

M. L. Stecker (1927, p. 139), who conducted an examination of the Massachusetts minimum wage law for the National Industrial Conference Board, notes that the decline of total and female employment that was seen in the Massachusetts brush industry was not exhibited in the New Jersey brush industry. Nor was the decline exhibited in Massachusetts manufacturing industries as a whole.

¹²The Massachusetts Division of Minimum Wages (1921, p. 20) noted other employer action in anticipation of minimum wage decrees.

FIGURE 3
EMPLOYMENT IN MASS. MFG. INDUSTRIES, 1907–1918



According to Stecker, “the minimum wage decree was the final blow to the manufacture of cheap brushes by cheap labor” (p. 140).

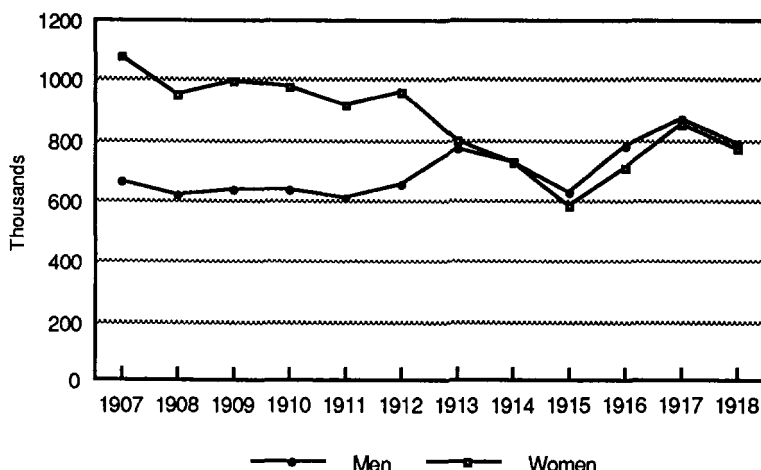
The Massachusetts minimum wage decrees, when effective, did more than just raise wages by truncating the wage distribution and unemploying the least productive women. Consistent with contemporary minimum wage theory, they also forced increased productivity from low-wage women workers through greater investment in equipment, greater supervision, training and care in hiring, and changes in hours (Stecker 1927, pp. 174–84).

The experience of the first minimum wage laws, where these laws were effective and data exist, is consistent with the contemporary theory of minimum wages. To the extent they raised wages, they forced offsetting productivity increases and left women with the lowest earning ability unemployed. These negative effects were either lost upon or explained away by social reformers, some of whom pronounced minimum wages successful without benefit of any data at all. The cumulative total of data, however, should be persuasive.

“Slow” Workers

Most of the early minimum wage laws allowed subminimums for learners and children, and exemptions for “slow” workers. In princi-

FIGURE 4
EMPLOYMENT IN MASS. BRUSH INDUSTRY, 1907–1918



ple, liberal granting of exemptions could make minimum wage laws practically voluntary. It appears that some states, notably California and Massachusetts, did liberally grant exemptions.

According to the California Minimum Wage Commission (*Monthly Review*, December 1919, pp. 261–66), that state's decree raised wages but did not reduce employment. As is argued above, that wages rose may have simply reflected a general pattern of rising wages. That few if any women were unemployed may have reflected the state's policy of issuing permits to allow "slow" workers to work for less than the minimum. In total, California issued some 2,400 licenses for substandard workers. In comparison, the District of Columbia issued only 87 and Washington only 50 (U.S. Dept. of Labor, Women's Bureau 1928, pp. 278–79). According to Broda, in his review of minimum wage laws, "Slow workers (in California) have not been unemployed because of the law as the commission is generous in meeting the demands of employers to employ women at less than the minimum wage" (U.S. Dept. of Labor, Bureau of Labor Statistics 1928, p. 56). Indeed, following *Adkins*, the California Minimum Wage Commission used permits and discretionary non-enforcement to avoid appeals to the federal courts (Miller 1936).

In Massachusetts, "slow workers" presented a problem for those employers observing that state's practically voluntary law. "Often these employees are old, or are subnormal in one way or another. For personal reasons they have been kept on at a low wage, but their employment cannot be continued if their wages must be raised. Special licenses take care of some of these, but often neither the employer nor the employee wishes them; in these cases, the commission has waived even this requirement and recorded the case as a 'special license type,' in order to prevent the discharge of older women who would find great difficulty in getting new employment" (Stecker 1927, p. 182).

However, until *Adkins*, minimum wage commissions did not in general liberally grant exemptions. The attitude of certain minimum wage advocates was decidedly utilitarian. The greatest good for the greatest number was for "slow" workers to be denied employment. To quote Sidney Webb (1912, p. 992), "The unemployable, to put it bluntly, do not and cannot under any circumstances earn their keep. . . . Of all ways of dealing with these unfortunate parasites, the most ruinous to the community is to allow them unrestrainedly to compete as wage earners for situations."

Regarding the "crippled, infirm, aged and slow workers who may not be able to earn the minimum," Victor Morris (1920, p. 18), another advocate of minimum wages, stated: "It is a highly desirable outcome that they be segregated from the regular group of employees. They are special cases and should be dealt with separately and not be included simply as a drag on the wage rate of the entire group. They constitute a group largely unable to bargain and under normal conditions without state interference are a dead weight hanging on to the wage rate of the mass of employees."

Henry Seager (1913, pp. 9-10), admitting that "undoubtedly some of the least efficient . . . will be promptly discharged," proposed that those who could not be trained so as to sufficiently increase their productivity "be sent to farm or industrial colonies." Not only would this remove these "social dependents," it would "prevent that monstrous crime against future generations involved in permitting them to become . . . fathers and mothers."

The District of Columbia Minimum Wage Commission (*Monthly Review*, April 1920, p. 115) issued special licenses to some "slow" women to enable them to work for less than the minimum wage but denied licenses to those whom it considered too old or crippled to work, saying that they "must be cared for in some other way."

In its argument defending its minimum wage law before the U.S. Supreme Court, the state of Oregon was explicit: "If Simpson [a

woman unemployed because of the law] cannot be trained to yield an output that does pay the cost of her labor, then she can either avail herself of the license conditions imposed by statute for such cases, or accept the status of a defective to be segregated for special treatment as a dependent of the state" (National Consumers League 1916, p. A34).

The state of Oregon claimed that "the 'liberty' which Simpson asserts is fictitious, theoretical and against her own interest" (p. A22). This claim assumed that Simpson would not be unemployed by minimum wage legislation, so that her appeal to the court was to protect an irrational choice to work for less. (This discounts any "psychic" value either from nonwage compensating differentials, such as pleasant working conditions, or from contracting as a free agent.) But, as is discussed above, the available evidence suggests this is a false assumption. It is not irrational and, therefore, not a fictitious liberty to choose to work for less than the minimum wage versus to not work.

As the state of Oregon itself indicated, if the state's minimum were a subsistence wage, then the difference between Simpson's wage and the minimum would have to be borne by charity (p. A33). By working for what they can earn, "slow" workers reduce their burden on others and induce voluntary support from their families, churches, and communities. It may not be a coincidence that mass dependency on government charity emerged upon the criminalization of below-minimum-wage work.¹³

Conclusion

Economists today argue that political support of minimum wage laws derives from the self-interest of unionized, high-wage workers.¹⁴ The early minimum wage movement, however, must be seen as essentially ideological and as a rather odd coalition of Christian social reformers and utilitarian socialists. On the one hand, there were those who viewed minimum wages as part of their "preferential option" for the poor, and on the other hand, there were those who viewed minimum wages as a way to separate parasites from the mass of workers. On the one hand, there were those who viewed minimum

¹³However, Charles Murray (1984) does not incorporate the 1960s' extensions of the federal minimum wage to the retail and service sectors in his analysis of "Great Society" social policy.

¹⁴Silberman and Durden (1976) find that higher unionization in a congressman's district increases his probability of voting for minimum wage legislation. Cox and Oaxaca (1981) find that higher unionization in a state increases the level of that state's minimum wage.

wages as a means to the end of "decency" for women workers and, on the other, those who viewed minimum wages as part of a policy, including prohibition of child labor and regulation of the hours and working conditions of women's labor, to reserve work for men. On the one hand, there were those who viewed minimum wages as a way of providing a living wage to low-wage workers. On the other, there were those who viewed minimum wages as part of a program of keeping the destitute, including the aged, infirm, widowed, and immigrant, segregated and offshore.¹⁵

There really can be no wonder that the glue that held this coalition together was the illusion of benefit: that the way minimum wages work is by raising average wages—something easy to observe—at a variety of hard to quantify costs including forced productivity increases and unemployment. Those least able to produce enough to earn the minimum wage would become a new category of poor, completely dependent on government charity, whereas before these were the so-called working poor, dependent instead on the merely supplemental support offered by private charity.

In 1914, in California, the Federation of Women's Clubs advocated ratification of a state constitutional amendment authorizing minimum wages with the slogan, "Let us be our sister's keeper." The slogan is an obvious reference to the Biblical passage, "Am I my brother's keeper?"

This was Cain's reply to God when asked the whereabouts of his brother Abel whom he (Cain) had murdered. While "keeper" is usually interpreted as "guardian," the original Hebrew word can also be translated as "supervisor" and as "jailor." Cain's reply can be paraphrased as "How should I know where my brother is; he's a free man. Are you accusing me of denying him his liberty?" The irony is that worse than being his brother's "keeper" in the sense of jailor, Cain was his brother's murderer.

The irony of the early minimum wage movement is that, in seeking to become "keepers" in the sense of being guardians of the less fortunate, social reformers became their "keepers" in the sense of denying them liberty.

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¹⁵Kellog (1913, p. 75) states, "It would not be the intent or result of such legislation to pay new coming foreigners \$3 a day. No corporation would hire Angela Lucca and Alexis Spivak [i.e., female immigrants of the day] when they could hire John Smith and Michael Murphy and Carl Sneider for less."

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