

# The BLACK C o M M e n t a t o r

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## **With Collapse in Sight, Why Not A Raise in the Minimum Wage?**

**Solidarity America**

**By John Funicello**

**BC Columnist**

It's that time again. Time to have a small, but meaningless national discussion about a raise in the minimum wage and, by extension, about the millions of American families who are at the bottom of the train wreck that is the U.S. economy.

Considering the state of the economy and considering that we are in the heat of a presidential election, it seems that providing a little more bread money for the people at the bottom of the economic heap is, for the rulers of the empire, small potatoes and the last thing they want to discuss in public.

But talk to the people who are working at the minimum wage or just above it and they can tell you how important a few bucks an hour in the paycheck means to them and their families. It means something to their communities, as well. In fact, it's probably the greatest stimulus to the economy than anything the self-serving banksters and money manipulators could ever dream. They would not ever consider that to be economic stimulus, because there isn't any profit in it for them.

An organization that has sprung up through the wonders of the Internet, [MomsRising](#), has as clear a picture of the benefits of a raise in the minimum wage as anyone's. When they put out the word that they wanted to hear from mothers who might be raising children on low-wage incomes, they heard from Margaret Lewis, a passenger transporter from Chicago, who often works more than 65-70 hours a week.

Here's what Ms. Lewis said: "I have been on my job 11 years and I still make minimum wage... It's really hard to survive on Chicago's minimum wage (\$8.25 per hour). As a mom, you can't make ends meet."

The group has asked its considerable on-line constituency to urge their lawmakers to support the Fair Minimum Wage Act of 2012, which would raise the federal minimum wage from \$7.25, to \$9.80 an hour, increase the tipped minimum cash wage from \$2.13 an hour to 70 percent of the minimum wage, and index the minimum wage to keep pace with inflation. Sounds like a sound plan to both raise families' ability to pay their bills, along with providing a boost to the stores and shops in their neighborhoods.

Be certain that this simple plan will be vehemently opposed by the American right wing, including the Republican presidential ticket, Mitt Romney and Rep. Paul Ryan, who are bringing their vision of the national economy on the campaign trail and it is full of top-loaded goods for the 1 percent at the top (more particularly, the top 10 percent of that 1 percent). Romney said earlier this year that he didn't see a need to raise the minimum wage at this time. But then, it is unlikely that Romney has ever in his life seen a need to raise the minimum wage, as unconnected to the real world as he appears to be.

Romney considers the minimum wage as trivial, perhaps because he has the biggest fish to fry: the possible collapse of the too-big-to-fail banks, which received such a huge amount of money from those trivial money earners. He and his vice presidential candidate must be very concerned about this, because it has everything to do with their wealth and power and, in this case, these are one and the same.

A few weeks ago, in a *Reuters* report, it was noted that U.S. regulators have directed five of the country's biggest banks to prepare contingencies for their collapse (that is, just in case that happens... they're not saying that it will). The British-based news agency noted that this program is two years old, but has just now been revealed. It's very hard to keep that sort of thing secret indefinitely.

Not much of this prep-time-for-collapse will be discussed on the campaign trail, you can be sure. President Obama will not want to discuss it, because it may happen on his watch and he has not been in the habit of discussing such issues. Romney and Ryan certainly will not want to discuss it, because it is in all that money manipulation that the

GOP presidential candidate has taken his wealth and Ryan is an ideological proponent of rugged individualism for social programs (make it on your own, or not) and socializing (meaning we all pay) programs that benefit Corporate America and the rich.

The reality of our situation is not discussed, because the response of the people might not be a pretty thing and politicians of every stripe and at every level of government know it. Usually, they say that "the American people can't take it," and that's the end of any discussion. But the American people *can* take it. What they cannot take is the hypocrisy, the lies, the dissembling, and the fleecing. As the Founding Fathers said of King George, when they drafted the Declaration of Independence, "...He (the king) has erected a multitude of New Offices, and sent hither swarms of Officers to harass our people, and eat out their substance..."

Keep in mind that much of the fleecing (eating out the substance) of the people today is done by politicians at the behest of their benefactors in Corporate America, who, in fact, write most of the laws used to do the fleecing. Who needs politicians, when the people could be fleeced directly by Corporate America and cut out the middleman?

And that's the problem for the rich and powerful with such things as the minimum wage, and it's why a Mitt Romney could say that he "doesn't see a need" to raise the wage at this time. As in many other things, he just doesn't get it, nor does his running mate, both being genetically inclined to protect the rich and their political, economic, and social structures. A minimum wage should be a livable wage, and it would indeed keep a considerable amount of money out of the coffers of Wall Street and in the neighborhood stores and shops, where it belongs. Romney and his ilk are protecting their own interests.

As [MomsRising](#) has pointed out, the federal minimum wage has not been raised in three years and the minimum wage for "tipped" workers, such as waitresses, stands at \$2.13 an hour and has not been raised in 20 years. Women are nearly two-thirds of workers in tipped occupations, the group noted. Raising the minimum wage to \$9.80 per hour would boost earnings for more than 28 million workers, nearly 55 percent of them women, and help close the wage gap between women and men. That's a lot of workers and that's a lot of money to pour into small communities, urban or rural.

There are many CEOs who are paid many thousands of dollars an hour who will oppose an increase in the minimum wage to as soaringly high

a wage as \$9.80 an hour, claiming that they are the “job creators,” and such a high wage will keep them from their job creation. Besides, the mantra goes, “it will just hurt the people it intends to help.” Studies over the years have shown that this is not true.

But what these same CEOs want to keep from the people is the knowledge that they are not, in fact, the job creators. The people who spend the money are the real ones who create jobs. When there is money to spend and it is spent in local communities, that’s the key to job creation. In other words, we are the job creators. The proof of that is what Corporate America says about itself: What makes the difference in a company’s bottom line in this U.S. retail-and-service economy, the determining factor in its survival or failure? It’s Black Friday, the day after Thanksgiving and the rest of the season, right up until Christmas.

It is consumer spending (unfortunate, it may be, but it’s true) that makes the difference. Politicians and Corporate America are so ideologically driven against any programs that benefit the people, including the minimum wage, that they are willing to forgo the tremendous infusion of money (billions of dollars) into the economy every year, by opposing any increase in the minimum wage. This makes no sense to a person who looks at this rationally, but to an ideologue, it makes perfect sense.

Those who are in favor of this kind of real stimulus to the economy should urge their senators and representatives to support the Fair Minimum Wage Act of 2012. A raise in the minimum wage is, in fact, so important that working Americans should demand that their representatives vote for a raise. And that means that they don’t just say we’ll vote for it if it comes up for a vote, but that they will organize among other members and *fight* for a raise.

Remind them that we don’t have a lot of time, regardless of the condition of the economy at large. Remind them that they should not want to be seen as the cause of the collapse and that a raise in the minimum wage is likely to be seen as a sign of good faith in support of the people. And, remind them that, should we get a raise, \$9.80 (a couple of years from now) is a drop in the bucket, compared with what is necessary for a living wage.

***BlackCommentator.com*** Columnist, John Funciello, is a labor organizer and former union organizer. His union work started when he became a local president of The Newspaper Guild in the early 1970s.

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