

# Massive minimum wage study finds significant gains for low-income workers and few downsides

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(Getty/Matt\_Brown)

This research builds on previous studies that have chipped away at opposition to the policy.

Cody Fenwick

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A new study on the minimum wage confirms previous research that found the policy raises wages for low-income workers without reducing total employment. The paper may even finally start to convince conservative critics of the minimum wage to reconsider their views.

Economist and blogger Tyler Cowen was one of the first to write about the study. As a libertarian, he's long been critical of policies like the minimum wage, and the new study hasn't made him a believer. But he does acknowledge that the new research is "thorough and detailed." He writes:

"...[O]n the pro-minimum wage side, you should consider that those immediately affected by the wage hike do seem better off, and their higher income in the meantime may itself bring some efficiency-enhancing gains."

The study is indeed impressive. Census researchers Kevin Rinz and John Voorheis used data from the bureau's Annual Social and Economic Supplement, which surveys more than 75,000 households. The authors then link this data with administrative filings from the

Social Security Administration on wages and track the changes between 1991 and 2013. The study stands out for covering such a large number of people over such an extended period.

"[R]aising the minimum wage increases earnings growth at the bottom of the distribution, and those effects persist and indeed grow in magnitude over several years," the authors write. At the same time, there's little indication that other people lose their jobs as a result of the minimum wage — the outcome conservatives always warn about.

The authors go on to note that "a large increase in minimum wages would blunt the worst of the income losses during the Great Recession," though it would not have completely reversed the crisis's effects.

While this research supports the case for more aggressive minimum wage policies, it also speaks to major distortions in the economy. As columnist [Noah Smith](#) points out, these findings, combined with others, indicate that workers are particularly vulnerable in the present economy.

This means an increased minimum wage is almost certainly not enough. Workers will need a range of new protections, like labor union protections and a greater ability to sue their employers, to dampen the power that businesses wield over them.

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