

Breaking Down Another Democrat Campaign Lie

“No one in America should be working 40 hours a week and living below the poverty level,” said Joe Biden last year, “No one. No one.”

That’s a sentiment I share with the vice president. And the good news is that almost no one who works 40 hours a week lives below the poverty level.

That’s the finding of the latest report on income and poverty from the Census Bureau. For those aged 18 to 64 who work full time year round, the poverty rate is a mere 2.4 percent. Those who did not work full-time had a poverty rate that was more than 10 times higher—31.8 percent.

But as Preston Cooper points out, the number of full-time workers in poverty may be even less since the definition of poverty used by the Census Bureau does not take into account taxes and transfers such as the Earned Income Tax Credit, which tops up the wages of low-income workers.

Since jobs lift people out of poverty, shouldn’t we support Biden’s proposal to increase the minimum wage? No, because as Cooper notes, “If the goal is poverty alleviation, the tradeoff inherent in raising the minimum wage is not worth it.”

Antipoverty policy should focus on helping the nine-tenths of working age people in poverty who do not work 40 hours a week and year round. Raising the minimum wage would aid just a small share of those in poverty—while creating even higher barriers to entering the workforce for everyone else.

After decades of empirical evidence, this connection should be obvious. And yet many Americans still are shocked when raising

the minimum wage merely increases the poverty rate. Instead of rethinking their support they double-down, calling for even *greater* increases in wages which only have the effect of reducing the number jobs available, making it even more difficult for people to escape poverty.

If we truly want to end the cycle of poverty in America we first need to break the cycle of fallacious economic thinking about the minimum wage. {eoa}

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