Genesis Paul

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Project Statement

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Minimum Wage

Minimum wage is established to ensure a livability for the lowest paid working class. There is currently a debate on whether the federal minimum wage should increase. I have yet to form a strong opinion in this debate, and to do so, I plan to analyze historical trends in both the state and federal minimum wages from 1968 to 2020. I will compare state and federal, observe how increases in minimum wage compare to the years respective inflation, draw conclusions on the correlation between wages and the financial market, as well as correlation between wages and the job market. This is the data set I intent to use: <https://www.kaggle.com/lislejoem/us-minimum-wage-by-state-from-1968-to-2017>, however, it is likely that I will have to locate additional data specific to inflation, the financial market, and the job market from 1968 to 2020. After completing the analysis, I plan to predict through modeling the impact that making the minimum wage $15.00 would have on the economy. I will predict how current inflation rates will impact, or be impacted by, the change, and what that will do to both the financial and the job market. To be as thorough as possible, I will predict and compare the impacts if the increase would occur instantly, in 1 year, 5 years, 10 years, or 15 years. Thus, allowing me to form a well thought out, educated stance regarding minimum wage.

Notes from JLC:

Interesting. You will want to use a panel regression from the python module, linearmodels. You might also include in analysis the impact of income transfers provided to zero and low income earners. I saw statistic recently that showed that benefits provided to the unemployed were equivalent to receiving ~$14 per hour for the fully unemployed.