

Trump backs end to the federal minimum wage

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In interviews Sunday on two television networks, the presumptive Republican presidential nominee Donald Trump rejected calls for an increase in the federal minimum wage and suggested that the federal standard should be scrapped.

Trump was questioned on the subject on the NBC program “Meet the Press” and on ABC’s “This Week” and gave similar responses. NBC interviewer Chuck Todd reminded him of his statement during a Republican debate that the federal minimum wage should not be increased. This was the same debate in which Trump said flatly, “Wages are too high,” and would have to be lowered to make American companies competitive.

Trump tried to combine verbal expressions of sympathy with the plight of low-paid workers with the rejection of any federal action to improve their living standards. “I don’t know how people make it on \$7.25 an hour,” he began. “Now, with that being said, I would like to see an increase of some magnitude. But I’d rather leave it to the states. Let the states decide. Because don’t forget, the states have to compete with each other.”

Todd pressed him, asking, “Should the federal government set a floor, and then you let the states...” Trump interrupted, “No, I’d rather have the states go out and do what they have to do.”

On ABC, interviewer George Stephanopoulos raised the same issue, pointing out that on the minimum wage, “all through the primaries, you were against an increase. Now you’re saying you’re looking at it. So what’s your bottom line on this?”

Trump replied, “Well, I am looking at it and I haven’t decided in terms of numbers. But I think people have to get more.” Then he changed the subject, claiming that his economic policies would raise wages

overall to much more than the \$15 an hour minimum proposed by Democratic presidential candidate Bernie Sanders and reluctantly endorsed, with numerous qualifications, by Democratic frontrunner Hillary Clinton.

Trump’s call for the elimination of the federal minimum wage is a reactionary proposal and an attack on the living standards of the working class. It provides an indication, behind his pseudo-populist rhetoric, of the brutal assault on what remains of legal protections for workers that would be a centerpiece of a Trump administration. Posing as a friend of the coal miners in West Virginia last week, he called for the elimination of regulations on the coal companies, i.e., the gutting of health and safety rules as well as environmental restraints.

The federal minimum wage was established in 1938 as one of many social and labor reforms enacted under the New Deal administration of Democratic President Franklin Roosevelt. It was vociferously opposed by business interests, and every proposed increase over the past 78 years has been denounced by corporate lobbyists as a “job-killing” interference with the free market.

The federal minimum wage reached its highest level, in terms of 2013 dollars, in 1968, when it was the equivalent of nearly \$11 an hour, and it plateaued at the equivalent of \$9 an hour through the 1970s before plunging to the equivalent of \$6 an hour at the end of the 1980s under conditions of Republican President Ronald Reagan’s opposition to any increase.

Since then, the infrequent increases in the federal minimum wage have served only to offset rising prices. The last increase, to \$7.25 an hour, came in 2009, and any subsequent increases have been blocked by Republican intransigence and Democratic indifference.

Efforts to raise the minimum wage shifted to the states, where 29 out of 50 states now require a higher minimum wage than the federal level. The 21 states that have minimum wages set at the federal level or even lower include most of the South, but also such industrial centers as Pennsylvania, Indiana and Wisconsin.

Trump's language on the minimum wage may seem confused and contradictory, but there is no question that this is an issue with which the real estate and casino mogul is intimately familiar. Many of his business enterprises employ low-wage labor, particularly in cleaning, security and other less-skilled positions at hotels, casinos and restaurants.

In suggesting that the federal minimum wage be dispensed with, and that the power to set a floor on wages be left to the states, which he pointed out "have to compete with each other," Trump is advocating a race to the bottom, in which governors and legislatures would offer minimum wage reductions and exemptions, just as they offer tax concessions, to entice companies to locate in their state.

This gives a glimpse of the savage right-wing policies that a Trump administration would institute, behind the billionaire's demagoguery about restoring the jobs of coal miners, steel workers and other manufacturing workers.

It is also notable that while seeking to disguise his right-wing proposal on the minimum wage with clouds of words, Trump was far more specific in his pledges to Wall Street on taxes and the national debt.

After several days of contradictory statements on both subjects, in which Trump appeared to suggest that he would raise rather than lower taxes on the wealthy and that he would seek to renegotiate US government debt to the disadvantage of the creditors, the presumptive Republican nominee gave a lengthy interview to the *Wall Street Journal* to reassure the financial markets.

He told the *Journal* that taxes on corporations and the wealthy would be cut under a Trump administration, but that negotiations with congressional Democrats might lead to a smaller tax cut than he would initially propose. His income tax cut for the wealthy, as proposed, would represent a huge bonanza for the super-rich, reducing the top bracket from 39.6 percent to only 25 percent.

Even more significantly, Trump categorically

rejected any change in payments on the US federal debt, which is held mainly by the wealthiest investors in the United States and internationally and by all major financial institutions. "This is the United States government," he told the *Journal*. "The bonds are absolutely sacred."

Trump was also reacting to attacks by the Clinton campaign, which denounced his remarks on renegotiating US government debt as threatening the "full faith and credit" of the US government. "That is one of the dangerous economic things we've seen," said Clinton economic adviser Gene Sperling, a former top aide to Presidents Barack Obama and Bill Clinton.

The Clinton campaign welcomed Trump's initial comments on the national debt, since it allowed the Democratic frontrunner to present herself as the champion of the US financial system and of Wall Street's dominant role in the world financial system. This is in keeping with a campaign strategy of seeking to win the support of conservative and even ultra-right sections of the Republican Party by portraying Trump as an erratic and unstable defender of the ruling elite and its interests.



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