

***Economics: A Christian Worldview – Short Films:***  
**“California Dreamin’: Minimum Wage Hikes Lead to Fewer Jobs and Higher Prices”**  
**“How Minimum Wage Laws Discriminate”**

**(TEACHER INSTRUCTIONS/KEY)**

**Purpose**

In these films, negative effects of minimum wage hikes are explored.

**Time**

15-20 minutes

**Instructions**

1. Play the short film “**California Dreamin’: Minimum Wage Hikes Lead to Fewer Jobs and Higher Prices**” (6:04) for students:

<https://www.youtube.com/watch?v=X7nB0OyZ7ns>

2. Ask students for their thoughts. Then ask these questions:

- Do you see how this is not just some principle listed in an economics book, but real life? *AWW.*
- How do the results (lost jobs/fewer new jobs, higher prices) of forced higher minimum wages again prove mankind’s nature?

*AWW, but business owners aren’t going to sit there and lose money because they can’t afford to hire workers at higher prices who aren’t worth it; they’ll act in their own best interests and get back the money they lose in the form of higher prices, fewer workers, or even going out of business, since they can’t operate businesses at a loss.*

3. Play the short film “**How Minimum Wage Laws Discriminate**” (3:34) for students:

[https://youtu.be/AthF-qqQR\\_c](https://youtu.be/AthF-qqQR_c)

4. Ask students for their thoughts. Then ask these questions:

- Who were the minimum wage law supporters in South Africa that Walter Williams saw?  
*Racist unions who wanted to keep blacks out of the jobs market.*
- What does Walter Williams say are the two main results of minimum wage laws?  
*It discriminates against low-skill employment, and it lowers the cost of discrimination.*
- Do you remember what percentage of workers in the U.S. are making minimum wage, and who these workers are?

*Less than 3 percent; they are unskilled workers and/or haven’t been in the market very long.*