

Arkansas and Missouri just approved big minimum wage increases, a liberal victory in red states

By [Heather Long](#)

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LITTLE ROCK — Arkansas and Missouri voters approved substantial increases to their state minimum wages Tuesday as people across the political spectrum endorsed higher pay for low-wage workers.

It marks a decisive victory for a liberal cause in two red states that strongly support President Trump. The wins are likely to embolden progressive activists to try to get minimum wage increases on the ballot in 2020 in other conservative states in the South and Midwest.

Arkansas voted to increase the state's current minimum wage of \$8.50 an hour to \$9.25 on Jan. 1, 2019; \$10 on Jan. 1, 2020; and \$11 on Jan. 1, 2021, a rapid escalation in one of the nation's poorest states that will result in a quarter of the state's workers getting a raise. Missouri voters approved a gradual increase of the state's \$7.85 an hour minimum wage to \$12 an hour over the next five years, which is expected to result in more than 675,000 workers getting a raise.

The ballot measure in Arkansas — known as Issue 5 — passed with 68 percent of the vote, and Missouri's Proposition B passed with 62 percent of the vote despite opposition from top Republican lawmakers in both states.

Arkansas and Missouri will soon have among the highest minimum wages of any state, red or blue.

Some Arkansas workers lauded the change. "This is going to help me a lot right now," said Sharon Jones, a 59-year-old in Pine Bluff, Ark., who works two jobs and is trying to save up enough money to repair the stilts under her home that keep it above the floodwaters that come down the hill into her neighborhood when there's a rough storm. "I can't save anything right now. I didn't think I'd ever be in this position."

Jones voted for the minimum wage increase in Arkansas, which will have a direct impact on her life. She makes \$8.50 an hour as a home-care aide and \$9 an hour doing the laundry at a nursing home. She can't remember the last time she received a raise.

Arkansas Gov. Asa Hutchinson (R) called the move a "job killer" and argued that voters should reject the pay hike and leave the issue for the GOP-controlled legislature to decide. Hutchinson and many business leaders said they fear the state will lose jobs and businesses to other nearby states since almost all the surrounding states still have the federal minimum wage of \$7.25, which has not changed in nearly a decade.

But Arkansas is one of the poorest in the nation and is routinely ranked in the bottom six for poverty and child poverty, and supporters of the minimum wage increase were able to transcend the usual Democrat/Republican divide.

"People call Arkansas conservative, but it's more populist. People here are socially conservative, but not necessarily free market. The big support for Trump is an indication of that," said Jeremy Horpedahl, an assistant professor of economics at the University of Central Arkansas who has studied the minimum wage issue.

Trump said he supported a \$10 federal minimum wage on the campaign trail, telling Fox News, "I know it's not very Republican to say," but his top economic adviser Larry Kudlow told The Washington Post last week that raising the federal minimum wage would be a "[terrible idea](#)."

The Arkansas law would give the state effectively the highest minimum wage in the nation in 2021 when compared to the state's median pay. There will be a narrow gap between the \$11 minimum wage in Arkansas and the state's median wage of about \$14.80 an hour, meaning people at the bottom will earn close to what the middle class does. California and New York will almost certainly have wider gaps between their minimum wages and median wages, according to calculations by Horpedahl using Labor Department data. As for Missouri, its effective minimum wage would be among the top 10 in the country, outranking more liberal New York and Massachusetts.

Economists and business leaders warn that when a minimum wage gets too high it can lead to job losses or cause firms to replace human workers with robots or other machinery. Arkansas could offer a test case of whether higher wages have any negative consequences.

Some Republicans are already discussing whether to try to change the act with a supermajority vote in the state legislature or to curb its impact by, for example, exempting teenagers from receiving the higher pay.

But for now, voters have sent a strong message and big employers are taking their own actions. Walmart, which is headquartered in Arkansas and is the largest employer in the nation, raised its [starting pay to \\$11 an hour](#) earlier this year, and Arkansas Children's Hospital system just announced it would raise its entry-level pay from \$10.10 an hour to [\\$14 an hour](#) in January. The companies didn't formally take a stand on the Arkansas wage vote, but the moves demonstrate some major employers think they can absorb the costs.

"First of all, \$8.50 an hour is not enough. It never was," said David Couch, a lawyer in Little Rock who pushed for the wage increase to be on the ballot this year. "While we are a Republican state, we are compassionate conservatives. This is the right thing to do."

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