

Finding Solutions



If you've ever looked around and felt frustrated with the direction of our country, you're not alone. Whether you're worried about the rising cost of living, the influence of big money in politics, or the growing divisions between Americans, it can feel like something is deeply wrong.

You work hard, you care about your family, your community, and your country—but too often, it feels like the people in power don't listen, and the country you love doesn't live up to the ideals you hold dear.

And yet, for all our struggles, there's still something undeniably special about America. This is a nation built on the promise of freedom, equality, and the pursuit of happiness.

From the moment we declared our independence, we have told ourselves a powerful story—that we are a land of opportunity, that we stand for justice, and that we believe all people are created equal.

We teach our children about the bravery of the Founding Fathers, the courage of those who fought to end slavery, and the determination of the women and civil rights activists who expanded the promise of liberty.

America has never been perfect, but we have always been at our best when we confronted our greatest challenges head-on.

We ended slavery not without struggle but with a hard-fought Civil War and the moral leadership of people like Abraham Lincoln and Frederick Douglass.

We expanded the right to vote to women not because it was easy, but because generations of suffragists refused to give up.

We defeated fascism in World War II not because we were the strongest at the start, but because we came together as a nation, set aside our differences, and worked toward a common goal. We put a man on the moon not because it was simple, but because we dared to dream of something bigger than ourselves.

At our best, we have always been a nation of problem-solvers, doers, and dreamers. But something feels different now. The problems we face today—rising costs, stagnant wages, political division—seem unsolvable, and instead of working together, we've been encouraged to fight one another. The left and the right see each other as enemies rather than fellow citizens, and too often, our leaders exploit these divisions rather than trying to bridge them.

But what if I told you that despite all the shouting, the disagreements, and the anger, we actually have more in common than we think?

What if the real problem isn't that we want different things but that we don't know how to talk to each other about them?

Consider this: Most Americans, whether they lean conservative or liberal, want good jobs, affordable healthcare, and a fair shot at success.

Most of us want safe communities, strong families, and a government that works for the people rather than special interests. The disagreement isn't usually about what we want—it's about how we get there.

The right talks about freedom, personal responsibility, and limited government, while the left speaks about justice, equity, and systemic change.

But if you strip away the labels and look at the core of these beliefs, you'll find that both sides ultimately want a government that serves its people, a society where hard work pays off, and a country that lives up to its founding principles.

Throughout history, we have only made progress when we have found a way to work together. The civil rights movement succeeded not just because of activists but because people from different political backgrounds came to recognize a shared moral truth.

The fight to end child labor, create a fair workweek, and establish Social Security succeeded when both business owners and workers saw the benefit of a stable and productive workforce.

We have tackled crises before, and we can do it again—but only if we stop seeing each other as the problem and start recognizing that the real enemy is division itself.

**Elon Musk's
net worth is
larger than
the annual
sales of all
but**

3

**companies in
the entire
world**



This is not a call for everyone to think the same way or agree on everything. That has never been the American way. This is a call to start listening and to understand that words like “freedom” and “justice” mean something to everyone, even if we use them differently.

This is a call to recognize that our problems are big—but we are bigger.

Our best days are not behind us. We are still the nation that defeated tyranny, built the greatest economy in history, and landed on the moon.

We are still the nation that, when we come together, can do the impossible. If we can learn to communicate—to speak to one another in ways that reflect our shared values—we can build a future that is stronger, freer, and more just than anything we have ever imagined.

The America we believe in is not gone. It is waiting for us to create it.

Creating A Better System For All Americans

Seeing the challenges we have to overcome and finding solutions can seem overwhelming. The problems of our time—whether economic uncertainty, political division, or global threats—can appear insurmountable.

History has shown us that when the people of the United States put their minds to solving a problem, there is no power on the planet that can stop us.

After all, we are the country that, within a decade of deciding to do it, put a man on the moon. We took on a challenge that many thought was impossible, faced every obstacle with determination, and pushed the boundaries of human ingenuity. We didn’t wait for someone else to lead the way—we became the pioneers.

This spirit of perseverance and innovation has defined our nation time and again. We abolished slavery, expanded civil rights, and overcame economic depression.

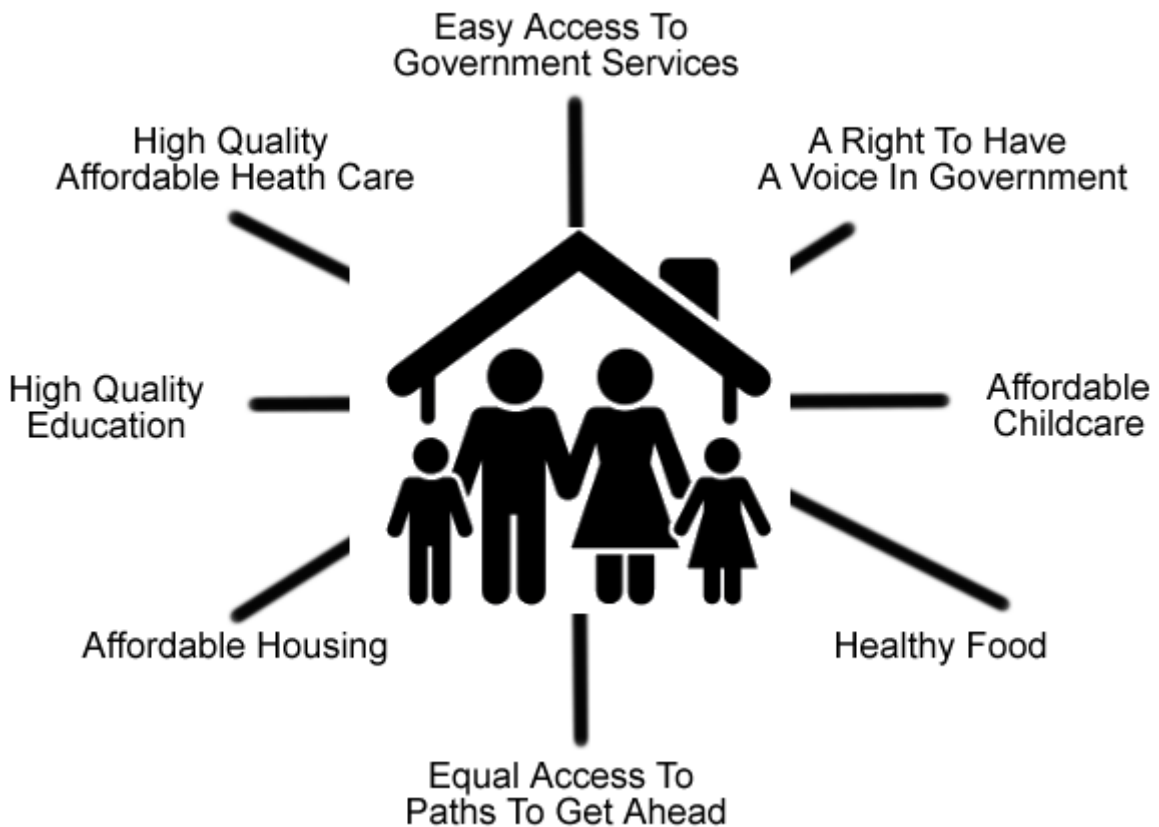
We built railroads that connected a continent, constructed skyscrapers that touched the sky, and developed technologies that reshaped the world. Every time we have faced an impossible task, we have risen to the occasion—not because it was easy, but because we refused to accept that it couldn’t be done.

The challenges before us today demand that same resolve. They require us to think boldly, work together, and refuse to surrender to cynicism or division. We must remember that our greatest strength is not just in our wealth or our power, but in our ability to come

together, to innovate, and to meet adversity with unwavering determination.

If we could send a man to the moon, we can rebuild our infrastructure, reform our institutions, and secure a better future for the next generation. If we could overcome past struggles, we can overcome those of today. The only thing standing between us and progress is our willingness to take up the challenge. And if history has taught us anything, it is that the American people never back down from a challenge.

Creating a system that works for all Americans must contain many elements:



We begin our journey by looking at some of the challenges faced by Americans today, and learning about ways that governments around the world are attempting to address similar issues in their own countries.

The goal is not to attempt to convince you of any specific solution, but instead, I hope to trigger your imagination to build upon those solutions.

Using this knowledge, I hope you will be inspired to take action, and channel that inspiration in a very specific way:

Imagine a community where everyday citizens, much like you and me, come together to tackle pressing local issues.

Envision a nation where the spirit of democracy thrives—not just in our founding documents, but in our daily lives.

At the heart of this vision lies the concept of Citizens' Assemblies, a testament to our enduring belief in government of the people, by the people, and for the people.

Citizens' Assemblies embody the core of our democratic ideals. They bring together a diverse group of citizens, selected through a process akin to a civic lottery, ensuring representation from all walks of life. These assemblies delve into pressing issues, engaging in informed deliberations to craft recommendations that reflect the collective wisdom of our communities.

Our nation's strength has always been rooted in the active participation of its citizens.

From the Minutemen who stood ready to defend liberty, to the civil rights activists who marched for justice, America's story is one of individuals coming together to shape their destiny.

Finding Financial Solutions

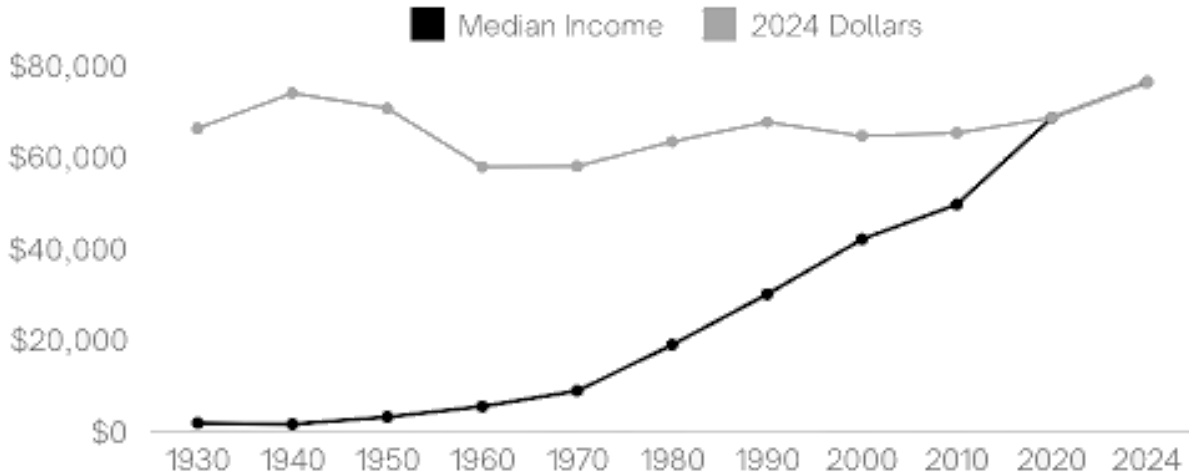
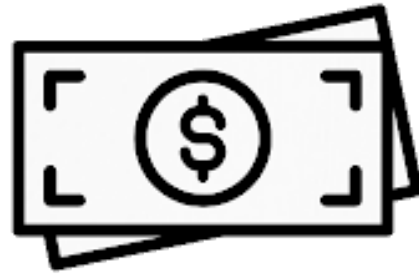
Central to the concept of improving one's financial condition must necessarily begin with ensuring that all citizens of our country are provided with a baseline level of income that meets their basic needs.

For our purposes, we are going to use the assumption that any person capable of working a full-time job should expect that job to provide them with sufficient income to meet their basic needs.

For those unable to work, such as those with physical or mental disabilities, it would naturally be society's (i.e., the government's) job to provide for the needs of those individuals.

We are not going to attempt to discuss the many nuances of exactly what this would mean or how it would be implemented. Instead, we will focus on what income would be sufficient to meet the needs of the average American.

Median Income



A Look At Income Through The Decades

Since 1979, wages for the top 1% have grown by 138%, while wages for the bottom 90% have only seen a 15% increase, indicating significant wage stagnation for the majority of workers.

While the American Dream hasn't disappeared, it has fundamentally transformed. The once-simple route of getting an education, purchasing a home, and starting a family now necessitates much more financial planning, two sources of income, and frequently high debt.

Many Americans are still in a tough spot. Nearly 30% of all US households said they spend more than 95% of their disposable income on necessities such as housing costs, groceries, and utility bills, according to a Bank of America Institute report, up from 2019 levels. That share is higher, at around 35%, for households making less than \$50,000 a

year.

Wage growth finally began to outpace inflation in early 2023, with US households on the lowest end of the income spectrum seeing their wages grow the second-fastest, according to Atlanta Fed data. But their earnings have slowed sharply since then, trailing the wage growth of the richest Americans as of November 2024.

Over the past century, the United States has experienced significant transformations in its standard of living, marked by notable advancements in economic prosperity, healthcare, education, and technology. These developments have collectively reshaped the daily lives of Americans, contributing to a higher quality of life.

The U.S. economy has undergone substantial growth, with real per capita income increasing by about 2% annually over the past two centuries.

This consistent economic expansion has led to remarkable improvements in well-being for both the affluent and the less fortunate. However, the distribution of this wealth has become more uneven in recent decades.

The proportion of adults living in middle-class households decreased from 61% in 1971 to 50% in 2021, indicating a shrinking middle class and a rise in economic inequality.

Advancements in healthcare, nutrition, and public health initiatives have significantly increased life expectancy. In 1900, the average life expectancy was approximately 47.8 years; by 1950, it had risen to 68.2 years.

By the late 20th century, life expectancy had further increased, reaching 74 years for men and 79 for women by 1997. These gains are attributed to better medical technology, higher incomes, improved diets, more education, and the emergence of health insurance.

The 20th century introduced numerous innovations that transformed daily life. The widespread adoption of electric lighting, indoor plumbing, automobiles, air travel, and television revolutionized households and workplaces, significantly enhancing the quality of life. These technological advancements have made daily tasks more efficient and have opened new avenues for entertainment and communication.

Educational attainment has seen notable improvements. Since the 1880s, the average years of education among Americans have nearly doubled, contributing to better job opportunities and economic mobility.

Higher levels of education have been linked to increased earning potential and a more

informed citizenry, which is essential for the functioning of a democratic society.

Despite overall progress, challenges persist. Income inequality has widened, with real wages for many workers remaining stagnant in recent decades. The American Dream once painted a clear picture: work hard, buy a home, raise a family, and retire comfortably. This path seemed accessible to anyone willing to put in the effort. Today, that dream feels increasingly elusive for millions of Americans.

Over the past several decades, our nation's financial landscape has transformed dramatically.

In 1946, household debt represented just 15% of our country's Gross Domestic Product.

By 2008, that figure had skyrocketed to nearly 100%.

The federal debt tells an even more startling story, climbing from \$395 billion in 1927 to an eye-watering \$35.46 trillion in 2024.

These aren't just abstract numbers. They reflect profound changes in how Americans live, work, and plan for their futures.

Our middle class has steadily eroded, with the proportion of middle-income households falling from 61% in 1971 to 51% in 2019.

The top 10% of earners now account for nearly half of all consumption in our economy—a record level that underscores the growing divide between the wealthy and everyone else.

Had income inequality remained at its 1979 levels, the average middle-class household would have earned approximately \$94,310 in 2007.

Instead, the actual figure was \$76,443—a difference that represents thousands of missed

Income Growth

71%

1950-1980

17%

1980-2020

8%

1980-2024



opportunities, postponed dreams, and additional hours worked.

The financial vulnerability many Americans experience comes into sharp focus when we consider that about 34% have no savings whatsoever.

While most Americans reported "living comfortably" or "doing okay" in late 2023, more than a quarter of our population was either "just getting by" or "finding it difficult to get by."

Rising costs have compounded these challenges. Over the past 25 years, inflation has driven prices up by 89% overall. Housing costs have soared by 166%, while college tuition has increased by a staggering 175%.

These essential expenses have outpaced wage growth for many Americans, creating a financial squeeze that affects everything from daily spending decisions to long-term life plans.

Perhaps most troubling is what these trends mean for upward mobility—that quintessentially American promise that each generation will do better than the last.

For children born in 1940, about 90% earned more than their parents did at the same age. For those born in the 1980s, that figure has plummeted to just 50%.

Amid these sobering realities, one question becomes increasingly urgent for many Americans: How much income is actually enough?

In a world of limitless wants but limited resources, how do we determine what constitutes financial sufficiency?

When can we say, with confidence, that we have enough?

How Do You Define Enough?

In order to determine how much money an individual needs to meet their needs, we must determine what those needs are.

Obviously, if we determine that a person's needs include a place to live, it is ridiculous to think that place must be a mansion, but equally obvious is that a place must be safe, comfortable, and affordable to meet the definition of a home that meets their needs.

We will explore each factor going into an income that would meet someone's basic needs and factor in what a reasonable person would consider would meet a level most would consider adequate.

Before we determine how much income is enough income, we should look at the definition of the word.

enough pronoun:

as much or as many of something as required.

"You need to get enough of the right things to eat."

used to indicate that one is unwilling to tolerate any more of something undesirable.

"I've had enough of this behavior."

"Enough" is a unique word in that it can be used to create statements that describe very different meanings

"Enough" means both sufficient and too much at the same time.

Let's begin by exploring what it means to create a standard wage that is sufficient to meet an American citizen's needs. many people refer to this as a "Living Wage".

When we think about how much money is "enough," our minds often jump immediately to specific dollar amounts. We might imagine that \$50,000, \$100,000, or \$1 million per year would solve all our financial concerns.

Determining a living wage involves accounting for various factors that ensure individuals and families can meet their basic needs and maintain a decent standard of living.

By considering these factors, one can estimate a living wage that reflects the true cost of

living for different household types and regions.

What Is a Living Wage?

A living wage is fundamentally different from a minimum wage. While a minimum wage sets the lowest amount employers can legally pay, a living wage represents what workers actually need to afford basic necessities in their community. It's the income required for a modest but dignified life—covering housing, food, transportation, healthcare, childcare, and other essentials without public assistance.

As of February 2025, the MIT Living Wage Calculator reports that a single adult in the United States requires an average of \$21.46 per hour to meet basic living expenses. This figure varies significantly across different states and regions. For instance, in New York State, the living wage for a single adult is estimated at \$21.46 per hour, while in upstate New York, it's approximately \$17.47 per hour.

These calculations aren't based on luxury or extravagance. They reflect the actual cost of:

- Modest housing (typically a one-bedroom apartment)
- Nutritious but basic food prepared at home
- Essential healthcare expenses including insurance
- Transportation costs (public transit where available, otherwise a modest car)
- Basic clothing and personal items
- Utilities and phone service
- A small allowance for other necessities

A living wage doesn't include eating out regularly, vacations, saving for retirement, or building emergency savings. It represents the bare minimum needed for economic self-sufficiency—what most Americans would consider a modest, middle-class existence.

For families with children, the living wage requirement increases substantially. When childcare becomes necessary, costs rise dramatically.

For a family with two working adults and two children, the required living wage often exceeds \$25 per hour per adult.

The Case for a Living Wage

Maria wakes at 4:30 a.m. each day to prepare for her first shift at the coffee shop. By 3:00 p.m., she's starting her second job at a big box store. Despite working nearly 60 hours a week at both jobs, she still struggles to cover rent, utilities, groceries, and the medication her daughter needs. Maria isn't lazy or unskilled—she's caught in America's wage trap. She works full-time, sometimes more, yet cannot afford life's necessities.

Maria's story isn't unique. Millions of Americans work diligently yet remain trapped in a cycle of financial insecurity because they earn less than a living wage. This reality contradicts our nation's promise of opportunity and the fundamental belief that hard work should be rewarded with dignity and security.

In this chapter, we'll explore what a living wage means, how it differs from our current minimum wage system, and why transitioning to a living wage standard represents not just an economic policy choice, but a moral imperative that aligns with America's deepest values.

The Minimum Wage: A Brief History

To understand why we need a living wage, we must first examine the history and evolution of the minimum wage in America.

The federal minimum wage was established in 1938 as part of the Fair Labor Standards Act under President Franklin D. Roosevelt. At its inception, the minimum wage was explicitly designed to be a living wage. Roosevelt declared that America should ensure "a fair day's pay for a fair day's work" and that businesses should not be allowed to operate if they could not pay workers enough to live on.

Initially set at 25 cents per hour (equivalent to about \$4.95 in today's dollars), the

1.2
Million

Americans
employed at
or below the
Federal
Minimum
Wage



minimum wage covered only about 20% of workers and excluded many occupations. Over the decades, coverage expanded to include most workers, and the wage rate increased periodically.

From 1938 through 1968, the minimum wage generally kept pace with productivity growth and provided a rising standard of living for those earning it. At its peak in 1968, the federal minimum wage reached \$1.60 per hour, equivalent to about \$13.86 in today's dollars, adjusting for inflation.

This marked a turning point. Since 1968, the minimum wage has failed to keep pace with either inflation or productivity growth. Congress has raised the federal minimum wage only sporadically, with long stretches between increases. The last increase occurred in 2009, when it reached the current level of \$7.25 per hour.

The consequences of this stagnation are profound. If the minimum wage had continued rising with productivity since 1968, it would be approximately \$24 per hour today—roughly in line with what the MIT Living Wage Calculator identifies as necessary for basic economic security.

Instead, the minimum wage has lost over 40% of its purchasing power since 1968. A full-time minimum wage worker today earns just \$15,080 annually before taxes—far below the federal poverty line for a family of three and insufficient for basic needs in every state in America.

The Human Cost of Inadequate Wages

The gap between the minimum wage and a living wage creates hardships that ripple throughout society. Consider these realities:

James works at a warehouse in Atlanta, earning the federal minimum wage. Despite working 40 hours weekly, he lives in his car because he can't afford even a studio apartment. He showers at a gym where he maintains the cheapest possible membership.

Alicia, a certified nursing assistant in Dallas, earns \$12 per hour caring for elderly patients. She relies on food stamps to feed her children and cannot afford health insurance despite working in healthcare. When her daughter developed an ear infection, Alicia had to choose between paying rent late or letting the infection go untreated.

Robert and Susan both work full-time in Kansas City—he in retail, she in food service. Together they earn enough to pay rent and utilities but rely on her parents for childcare because formal childcare would consume almost one entire paycheck.

These stories represent millions of Americans caught in the wage trap. They work hard, often in essential jobs that keep our society functioning, yet cannot achieve the basic economic security that should accompany full-time work.

The consequences extend beyond individual hardship. When working adults cannot afford necessities, they often rely on public assistance programs like SNAP (food stamps), Medicaid, and housing subsidies. This means taxpayers effectively subsidize employers who pay less than a living wage. Major corporations employing minimum wage workers see billions in profits while their employees rely on public assistance to survive.

Children in families without economic security experience higher rates of stress, food insecurity, unstable housing, and disrupted education—factors that undermine their future prospects and perpetuate cycles of disadvantage. Communities suffer from decreased spending power, higher housing instability, and increased strain on social services.

The Economic Case for a Living Wage

Beyond moral arguments, compelling economic evidence supports transitioning to a living wage standard. Contrary to fears that higher wages necessarily lead to job losses, research on living wage policies reveals more nuanced outcomes.

When workers earn living wages, several positive economic effects emerge:

Consumer spending increases. Workers earning lower wages typically spend nearly every dollar they receive, primarily in their local economies. When their wages rise, they increase their spending on necessities, creating demand that supports local businesses and jobs.

Reduced turnover saves businesses money. Employers paying below living wages typically experience turnover rates two to three times higher than those paying living wages. The cost of recruiting, hiring, and training new employees often exceeds the additional wage expense of paying existing workers better.

Productivity improves. Workers earning living wages report higher job satisfaction, reduced financial stress, and stronger commitment to their employers. Research shows this translates into improved attendance, higher productivity, and better customer service.

Public assistance costs decline. As workers earn enough to support themselves, reliance on government assistance programs decreases, reducing taxpayer burden.

Communities across America have already begun implementing living wage ordinances,

providing real-world evidence of these benefits. In cities like San Francisco, Seattle, and New York that have moved toward living wage standards, dire predictions of massive job losses have not materialized. Instead, these economies have generally continued to grow while providing greater economic security to workers.

Consider the experience of Costco, which has long paid substantially above industry averages, with starting wages now exceeding \$17 per hour plus benefits. The company reports turnover rates of less than 10% (compared to retail industry averages exceeding 60%), and maintains strong profitability while creating loyal employees and customers.

Addressing Common Concerns

Despite evidence supporting living wages, legitimate questions deserve thoughtful consideration:

"Won't prices increase dramatically?" Research suggests modest price increases may occur in some sectors, particularly those relying heavily on low-wage labor. However, these increases are typically much smaller than wage gains. A 10% increase in wages for low-wage workers generally translates to price increases of less than 2% in affected industries. For most consumers, the benefit of higher wages outweighs slightly higher prices.

"Won't small businesses suffer?" Small businesses operate in the context of their communities. When all local employers must meet the same wage standards, no individual business faces competitive disadvantage. Additionally, higher community wages mean more customers with spending power. Many small business owners report that while adjusting to higher wage requirements presented challenges, the benefits of reduced turnover and increased community purchasing power ultimately supported their businesses.

"Won't employers cut hours or jobs?" Research on living wage implementations shows minimal evidence of substantial job losses. Businesses adapt through various mechanisms—slight price increases, reduced turnover costs, improved productivity, and adjustments to profit margins. Some businesses also find efficiency improvements that allow higher wages without reducing employment.

"Should teenagers and part-time workers earn living wages?" Some advocate for "training wages" or youth exceptions to living wage requirements. However, approximately 89% of workers earning the minimum wage are over 20 years old, and many support households. Creating broad exceptions risks creating loopholes that undermine living wage protections

for vulnerable workers.

Pathways to Implementation

Transitioning to a living wage standard requires thoughtful implementation. Several approaches exist:

Federal legislation could establish a new minimum wage framework tied to regional living wage calculations and indexed to rise automatically with cost of living increases. This would provide nationwide coverage while acknowledging cost differences between regions.

State and local living wage laws continue to expand, with over 40 states and cities having enacted some form of living wage requirement. These serve as laboratories demonstrating effective implementation strategies.

Sector-specific approaches target industries with high concentrations of low-wage workers. Some municipalities have established higher minimum wages for specific sectors like hospitality or healthcare.

Phased implementation allows businesses time to adjust. Most successful living wage laws include gradual increases over several years, providing predictability for employers while steadily improving worker conditions.

Tax incentives for employers who exceed living wage standards can accelerate adoption. Some communities offer property tax reductions or preferential status for government contracts to businesses paying living wages.

Beyond Wages: A Comprehensive Approach

While living wages form the foundation of economic security, they function best within a broader framework supporting working families.

Complementary policies include:

Affordable healthcare ensures that medical costs don't undermine wage gains. Universal healthcare would significantly reduce the income needed for a living wage.

Affordable housing policies help ensure that housing costs remain reasonable relative to incomes.

Accessible, quality childcare is essential for parents to fully participate in the workforce. Without affordable childcare options, even living wages may prove insufficient for families.

Paid sick and family leave prevents temporary illness or family needs from creating financial crises.

These policies work together with living wages to create genuine economic security. Many nations achieving high standards of living combine strong wage floors with robust social supports.

The Moral Imperative

Beyond economics and policy details lies the fundamental question of what kind of society we want to build. America's founding documents speak of equality, liberty, and the pursuit of happiness—aspirations that remain hollow for those trapped in economic insecurity despite full-time work.

A society where full-time workers cannot afford basic necessities contradicts our national values. It undermines the promise that hard work leads to security and opportunity. It weakens families, communities, and ultimately our national fabric.

We face a clear choice: continue a system where millions work full-time yet remain in poverty, or build an economy where work is rewarded with the dignity of self-sufficiency. The latter path aligns with our highest ideals as a nation and our moral responsibility to one another.

Since its introduction in 1938 and continuing through 1968, the national minimum wage rose roughly in line with productivity growth.

If this relationship had continued, today's minimum wage would approach \$24 an hour—remarkably close to what independent calculations now identify as a living wage.

This suggests that a living wage is not a radical departure from American economic tradition but rather a return to the original intent of wage protections. It reconnects wages with productivity growth, ensuring that workers share in the prosperity they help create.

Transitioning to a living wage represents a significant shift, but not an unprecedented one. America has repeatedly adjusted its economic arrangements to better align with our values and changing circumstances—from ending child labor to establishing workplace safety standards to creating Social Security.

The moment has arrived to take the next step in this American journey by ensuring that work delivers what it has always promised: the means to live with basic dignity and security.

For Maria, James, Alicia, and millions like them, a living wage would transform daily life from constant struggle to sustainable stability. It would mean accessing preventive healthcare rather than emergency rooms, securing stable housing, having time to help children with homework, and perhaps even saving for education or retirement.

For communities, it would mean stronger local economies, reduced public assistance costs, decreased homelessness, and improved public health.

For America, it would mean an economy that truly works for everyone—one where prosperity is broadly shared and the connection between work and reward is restored.

The path to this future begins with understanding that a living wage isn't just an economic policy—it's a commitment to human dignity and the American promise that hard work should yield a decent life. By transitioning to a living wage standard, we reaffirm our deepest values and build an economy worthy of our highest aspirations.

Historical Context

Adjusted for inflation, \$15 an hour is exactly what Henry Ford paid his workers over 100 years ago²⁷.

Ford famously decided in 1914 to raise his workers' wages to \$5 a day²⁸ while cutting the workday from nine hours to eight. Five dollars in 1914 have the same buying power as \$119.32 in 2015. Divided by eight, that's \$14.92 an hour.

When Ford made his announcement, the New York Times proclaimed that “The theory of the management at Ford Motor Company is distinctly utopian and runs dead against all experience.”²⁹

According to the Wall Street Journal, Ford had “committed economic blunders, if not crimes,” that would “get riddance to Henry Ford of his burdensome millions” and “may return to plague him and the industry he represents, as well as organized society.”

²⁷ http://www.bls.gov/data/inflation_calculator.htm

²⁸

<https://web.archive.org/web/20111115223403/http://corporate.ford.com/news-center/press-releases-detail/677-5-dollar-a-day>

²⁹Alvarado, R., Alvarado, S. (2001). Drawing Conclusions on Henry Ford. United States: University of Michigan Press.

Instead, Ford had kicked off the age of mass consumption, a huge century-long economic expansion, and the creation of the first real middle class in world history.

As Ford later wrote³⁰:

“We increased the buying power of our own people, and they increased the buying power of other people, and so on and on. It is this thought of enlarging buying power by paying high wages and selling at low prices that is behind the prosperity of this country.”

Paying workers higher wages definitely could improve the lives of individual workers; many will argue, however, that company profits would suffer if they were forced to pay higher wages.

³⁰ Ford, H. (2006). The Great To-Day and Greater Future. United States: Cosimo, Incorporated.