Opinion

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EDITORIAL

Oregon's vaccine debacle

Oregon is renowned for doggedly refusing to defer to trends that most states embrace, and in matters such as self-serve refueling and sales taxes, the state's independence is defensible, and to some, admirable.

It's not dangerous, at any rate.

But Gov. Kate Brown's decision to give teachers and other school employees priority over senior citizens for receiving COVID-19 vaccinations is not defensible.

And for the older Oregonians who are affected, the governor's decision is undeniably dangerous.

Brown's preference is perplexing in multiple ways. Most notably, it blatantly ignores the disproportionate toll the virus has taken on Oregonians 70 and older.

Of the nearly 1,900 Oregonians whose deaths were related to COVID-19, almost 77% were 70 or older, according to the Oregon Health Authority. Yet that group makes up just 9% of the states's COVID-19 cases. The virus is even more dangerous for residents 80 and older. That group constitutes almost 53% of the state's virus deaths, despite having just 4% of the positive tests.

Most teachers and school workers, meanwhile, are younger than 60, an age range that in Oregon accounts for just 8.6% of the COVID-19 deaths.

Given those statistics, which are not dramatically different in other states, it's little wonder that 48 states are giving priority for vaccinations to senior citizens rather than to education workers.

Oregon was, until recently, supposed to be among those states. Brown announced in mid-January that people 65 and older would be offered vaccinations starting Jan. 23.

But the governor changed the plan — and not in a minor way, with inoculations for people between 65 and 69 delayed for more than five weeks — a few days later. She blamed the federal government for promising an increase in vaccine doses that wasn't actually available.

Except that issue wasn't unique to Oregon.

Every other state was affected. Yet according to research by The Oregonian, 45 other states have started, or soon will start, making older residents a priority for vaccinations.

During a Friday, Jan. 22 press conference, Brown not only failed to justify her decision to delay vaccinations for senior citizens, she made a statement that was appallingly audacious.

"I want to be very, very clear," the governor said. "I have prioritized protecting seniors since day one of this response. And as a result Oregon is faring better than nearly every other state in the nation."

That last statement, though statistically valid, is also meaningless in the context of current vaccination priorities. The point is not comparing Oregon to other states. The point is that senior citizens in this state are vastly more likely to die from COVID-19, and thus they are the group for whom a vaccine is most likely to be a lifesaver. Putting teachers ahead of seniors in the inoculation line is the precise opposite of Brown's claim to have "prioritized protecting seniors."

But perhaps even more galling was this comment from the governor: "I am asking seniors to hold tight and to stay safe for just a few more weeks."

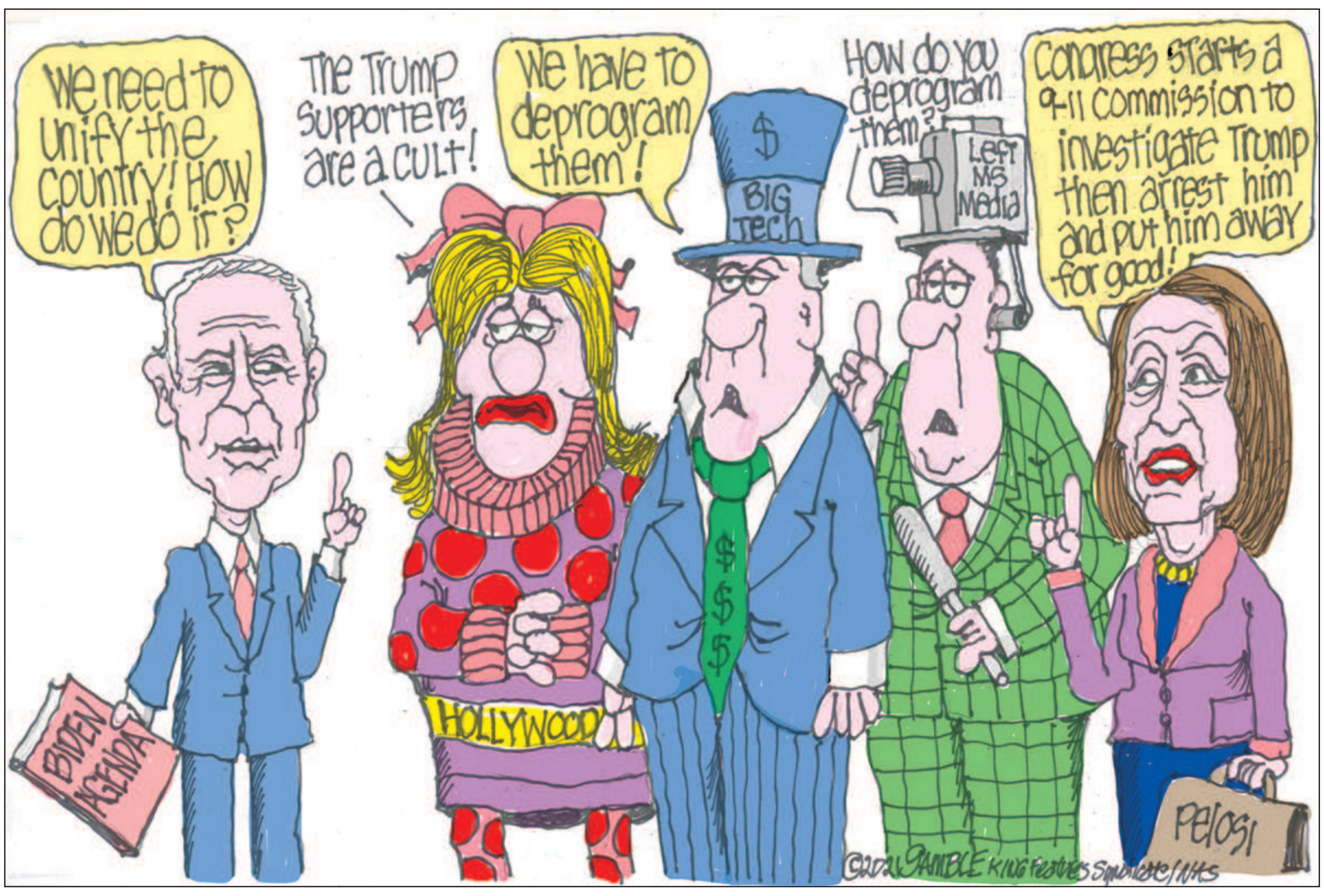
First, it's not just a few weeks for Oregonians between 65 and 69. They won't be offered the vaccine until Feb. 28, more than a month away.

Second, Brown's request for seniors to "stay safe" is cold comfort for the families of the older Oregonians who continue to make up the majority of the state's COVID-19 deaths.

Of the 13 deaths reported on Saturday, Jan. 23, 10 were older than 70. On Friday, Jan. 22, a total of 22 new deaths were reported — 16 were older than 65. Each of the five Baker County residents who have died after contracting COVID-19 were older than 80.

For them, it's too late to "hold tight and to stay safe."

— Jayson Jacoby, Baker City Herald editor



Biden's $15 minimum wage proposal would curtail jobs

By Rachel Greszler

President Joe Biden has proposed a nationwide $15 minimum wage as part of his so-called "American Rescue Plan." Talk about bad timing: Raising labor prices on businesses that are struggling to stay afloat is like throwing them a load of bricks instead of a life preserver.

State and local governments raising their minimum wages is one thing, but to more than double the federal minimum, from $7.25 to $15 per hour?

Nearly one in every five restaurants permanently closed their doors in 2020 as 30 large retail and restaurant companies filed for bankruptcy.

Meanwhile, employment in food services (restaurants and bars) fell 19% in 2020 as retail clothing jobs dropped 24% and accommodations (hotels) jobs plummeted 32%.

Although very few people — only about 1% of all workers and 0.1% of single parents — make the $7.25 minimum wage, a good portion of restaurant, retail and hotel jobs pay less than $15 per hour.

No one would suggest raising the rent on households who are months behind on their payments, so how could raising labor prices help businesses?

For a restaurant with five full-time workers making minimum wage, a doubling of the federal minimum wage would mean an extra $85,800 in wages and employment taxes. With restaurant profit margins of about 5%, that could require an extra $1.7 million in food sales ($4,700 more per day) — a seemingly impossible feat in normal times, let alone in the middle of a global pandemic.

Higher wages are a great thing — especially when the gains accrue to lower-income workers. But the only way to achieve actual wage increases — that is, lasting wage increases that don't take jobs and incomes from others — is for workers to become more productive.

To that end, government mandates are powerless. A $15 minimum wage won't help workers gain education and experience or to provide them with technology that will enable them to produce more value and earn larger incomes. In fact, it could cause the opposite, by shifting employers' resources away from training and investments to wages instead.

Moreover, raising wages by government fiat hurts many workers in the short and long run by cutting off the bottom rungs of the career ladder.

A $15 federal minimum wage translates into over $36,000 per year in wages and mandated taxes and benefits paid by employers. That means that any jobs that don't produce at least $36,000 per year in goods and services will eventually be eliminated — either because businesses close their doors, outsource their labor or automate low-skilled jobs.

That's why even liberal economists and the nonpartisan CBO caution that a $15 federal minimum wage would lead to a survival-of-the-fittest labor market, reduce future incomes and disproportionately harm African Americans and women.

The former chair of President Barack Obama's White House Council of Economic Advisers, Alan Krueger, warned in 2015, "Research suggests that a minimum wage set as high as $12 an hour will do more good than harm for low-wage workers, but a $15-an-hour national minimum wage would put us in uncharted waters, and risk undesirable and unintended consequences."

Those consequences would be unequal across the country. Large cities with high costs of living — many of which already have or are on the path to a $15 minimum wage — may not experience huge consequences. But non-urban areas and places with lower costs of living could be devastated.

Imagine if policymakers were proposing a minimum-wage hike to nearly $36 — ensuring that all full-time workers earned at least $74,000 per year.

Most people would say that's too much, realizing that such a high minimum wage would have massive consequences in terms of lost jobs, increased prices and a complete and utter disruption of the American labor market and economy.

Yet, $15 per hour in Mississippi would be equivalent to $35.74 per hour in D.C., where federal lawmakers seek to impose a national standard across the U.S.

Minimum wages are best left to local governments, where decisions can be made based on economic conditions and the cost of living.

If a local government sets its minimum wage above the market wage, at least workers and business owners who lose their jobs and businesses can move to places where it's still possible for them to earn a living.

But if policymakers impose an excessively high nationwide minimum wage across 50 very diverse states and more than 3,000 counties, there will be nowhere else for the harmed to go.

Instead of mandating policies that irrefutably harm some people to the benefit of others, policymakers should focus on opening doors to income opportunities for all workers.

Reducing barriers to jobs and income gains is what helped contribute to the 14.6% increase in wages for workers at the 10th percentile of earners (those earning about $10 per hour) between 2016 and 2019.

Lawmakers at all levels should be seeking to help Americans recover and gain new opportunities instead of permanently wiping out existing ones.

Rachel Greszler is a research fellow in economics at The Heritage Foundation, heritage.org.

OTHER VIEWS

Vaccinations and the profit motive

Editorial from The Pittsburgh Post-Gazette:

The profit motive has been a catalyst to great improvements in the world, with many believing it to be a main driver of innovation and development. In fact, it is a foundational principle of economist Adam Smith's metaphorical concept of the "invisible hand," which postulates that profit seekers are beneficial to society in general.

But the profit motive can and does sometimes conflict with aspirations of a higher nature, such as the notion that all life is of equal value.

This conflict appears to be playing out in the distribution of the COVID-19 vaccine. It is a shameful display of self-interest at the real-time expense of others, a display that shines a bright light on the darker side of humanity.

The chief of the World Health Organization has lambasted drugmakers for special deals, motivated by profit, that are getting the vaccine in greater numbers to richer nations.

Director-General Tedros Adhanom Ghebreyesus contends that healthier adults in richer countries are getting vaccinated before older people and health care workers in poorer countries. He says vaccine makers have targeted locations where "profits are highest." He pointed to Guinea as a poor country that has received only 25 — two dozen plus one — vaccines, compared with millions that have made it to nearly 50 more wealthy nations, including the United States and countries of the European Union. "The world is on the brink of a catastrophic moral failure," he declared.

It is understandable that all governments want to vaccinate their citizens against a pandemic that has claimed millions of lives. But nations mustn't think only of themselves. They must rise to a higher calling and consider the needs of those without influence, money and power.

"(W)e now face the real danger that even as vaccines bring hope to some, they become another brick in the wall of inequality between the worlds of the world's haves and have-nots," he lamented.

The WHO-backed "COVAX" vaccination program is supposed to get vaccines to all countries, based on need. That plan must be supported by America. It must be implemented.

Science and medicine have risen to the challenge of this historic pandemic by developing and bringing to market vaccines in record speed. Now humankind must stand up with a singular interest: the protection of all life by bridging the global divide in access to those inoculations.