

2025 Jim and Matthew Scarpati Honorary Applied Economics Conference

Thanks to the generosity of Lynn Scarpati, the Economics Department is proud to announce the 2nd annual conference in the Spring 2025 semester.

Undergraduate economics majors and MA/MS students in Economics are eligible and are invited to participate. **Non-economics majors with sufficient economics background are also eligible.**

Participating students will present their papers in a conference format at the end of the Spring semester. The best and runner-up papers, selected by a faculty panel of judges, will be awarded \$ 3,000 and \$ 2,000 respectively.

To participate in the conference:

- You must contact Professor Anas, alexanas@buffalo.edu to indicate your interest in participating and with any questions. **An interest meeting will be held by Zoom in the Fall 2024 semester.**
- **EITHER:** For Spring 2025, register in Undergraduate Research (ECO 498, Section SAEC, 3 credits) or Independent Research (ECO 598, Section SAEC, 1-6 credits). **If you register, you will get a grade for the course on your transcript but also an opportunity to win one of the awards.** **OR:** If you would like to participate without registering for one of these courses, you can but please report your interest to Professor Alex Anas, alexanas@buffalo.edu
- Attend several classroom sessions organized by Professor Anas to be introduced to the conference topic (see next page), and the background material to study.
- Prepare a paper that presents an economic analysis of the issue(s) related to the conference topic and present your paper at the conference to be held near the end of the Spring 2025 semester.

The conference topic is:

Economic consequences, costs, and benefits of minimum wage regulation.

For more information, visit the conference website at:

<https://arts-sciences.buffalo.edu/economics/newsevents/student-news/scarpati-2025-conference.html>

Economic consequences, costs and benefits of minimum wage regulation

An important and recurring policy question in economics is whether there should be a minimum wage. A number of questions arise about whether such a policy is beneficial or costly to society and how such a policy affects employment, equity and economic well being in the labor market.

In the U.S. the minimum wage differs considerably by State and has changed over time:
[Minimum Wage Rates by State 2024 \(minimum-wage.org\)](https://www.minimum-wage.org/)

Views about minimum wage that have been examined by economists are:

- The minimum wage causes firms to hire less labor and this creates unemployment in the low skilled labor markets. This question has remained controversial and is now gradually coming to the forefront again as, in future years, robotics driven by AI (Artificial Intelligence) will become substitutable with labor in many tasks in the labor market.
- Firms in the low-skilled labor markets have market power, and hence pay wages that are below the competitive level. Therefore, minimum wage regulation is beneficial because, by raising the legal limit on wages, brings wages closer to what the competitive wage level would be.

For discussions of the minimum wage in the public domain see, for example:

- [What Are the Pros and Cons of Raising the Minimum Wage? \(investopedia.com\)](https://www.investopedia.com/terms/m/minimum-wage.asp)
- [Washington Can Give America a Raise - WSJ](https://www.wsj.com/news/economy/minimum-wage-washington)
- [What the Minimum-Wage Argument Conceals - WSJ](https://www.wsj.com/economy/minimum-wage-argument)

Readable articles on the debate can be found by going to [Google Scholar](https://scholar.google.com/) and typing “minimum wage” in the search field and then selecting various subtopics on the minimum wage. For example:

“Minimum wage laws: are they overrated?” by Charles Brown. [10.1257/jep.2.3.133\(aeaweb.org\)](https://www.aeaweb.org/jep/2012/10/1257/jep.2.3.133)

[Myth and Measurement \(degruyter.com\)](https://www.degruyter.com/view/10.1515/1541-4912.1257)