

Minimum Wage Policy is Exploitative and Serves as a Political Tool to Promote Racism and Sectarianism

News:

Kenyan president Uhuru Kenyatta on Sunday 01/05/22 declared a 12 percent increase in the minimum wage, effective May 1, 2022, to help workers who have seen household budgets squeezed by inflation, particularly for basic foodstuffs and fuel.

Comment:

The world commemorated the annual international Labour Day on the 1st of May where President Uhuru Kenyatta announced an increment in the minimum wage by 12%. Kenya employment sector has a staggering 83% in the informal sector commonly known as “Jua kali” and less than 17% in the formal sector. This increment translates to Ksh 15,200 equivalent to \$129 per month.

Minimum wage policy implementation has the following impact on the labour market:

- i. Creates unemployment as some employers will tend to reduce labour cost to maximizing profits.
- ii. Sideline the inexperience among the labour force as the employers seek high yields from the labour for maximum profits.
- iii. For political reasons minimum wage can be used to sideline labour to benefit particular race as is with South Africa where wage is high making blacks not an option due to low education and experience.

These and many more, renders this policy exploitative and a political weapon to enhance racism and sectarian tendencies.

It's more important to note also that the criteria for the minimum wage and wage in general in the employment sector is based on the standard of living. This criterion is erroneous as the benefit acquired by the employer differ with efforts exerted in production of goods and services.

With this understanding the minimum wage is an exploitative standard meant to sooth the anguish of the people as the suffering and panic continue to hit deeper due to inflation and weakening Kenyan shilling against the Us dollar.

On the other hand of the system is taxation and interest rates that make the livelihood of citizens even more difficult by the day.

Oh people of understanding the world can come out of this mess and misery of capitalist political economy, a system so evil without humanity by working towards a divine system that ensures highest level of morals and humanity in all human relations and a unique political economy that measure wages from the benefit produced. The realization of this noble system in the realm of life is by establishing the Khilafah (Caliphate) state. A system based on the equitable distribution of wealth among the citizens.

﴿مَّا أَفَاءَ اللَّهُ عَلَى رَسُولِهِ مِنْ أَهْلِ الْقُرَىٰ فَلِلَّهِ وَلِلرَّسُولِ وَلِذِي الْقُرْبَىٰ وَالْيَتَامَىٰ وَالْمَسَاكِينِ وَابْنِ السَّبِيلِ كَيْ لَا يَكُونَ دُولَةً بَيْنَ الْأَغْنِيَاءِ مِنْكُمْ وَمَا آتَاكُمُ الرَّسُولُ فَخُذُوهُ وَمَا نَهَاكُمْ عَنْهُ فَانْتَهُوا وَاتَّقُوا اللَّهَ إِنَّ اللَّهَ شَدِيدُ الْعِقَابِ﴾
“That which Allah giveth as spoil unto His messenger from the people of the townships, it is for Allah and His messenger and for the near of kin and the orphans and the needy and the wayfarer, that it become not a commodity between the rich among you. And whatsoever the messenger giveth you, take it. And whatsoever he forbiddeth, abstain (from it). And keep your duty to Allah. Lo! Allah is stern in reprisal.”

Written for the Central Media Office of Hizb ut Tahrir by
 Ali Omar Albeity

Member of the Media Office of Hizb ut Tahrir in Kenya