

**Economics 314**  
**Daily Question #26**

**Spring 2014**  
**April 18**

Suppose that firms are currently paying workers of a particular kind \$15.00 per hour, but that there are unemployed workers with the same skills who would be willing to work at \$12.00. What would inhibit a firm from demanding a wage cut to \$12.00 of its current workers, and replacing them if they refuse?