

RICH AND POOR: GILDED CEO-TROUGH LININGS AND MINIMUM WAGE LAWS

The issue of excessive corporate compensation has been around at least since I've been adult (arguably, since 1970). Recently, a friend sent a link that some executive boardroom poobah—Robert Nardelli receives \$210 million for leaving Home Depot—was getting an outrageously golden sendoff.

My memory tells me several months ago some ExxonMobil guy was ejected (but not dejected) with \$400 million. (Yup, it was Lee Raymond, and the link points to a New York Sun editorial covering this and other notable large corporate compensation packages.)

I also read the ratio of salaries paid to top CEOs in England and Europe relative to average employee salary is approx. 17:1, where in the US it's 475:1.

I happen to share my Leftist friends' dismay if not outrage at shareholders yielding so much loot to individuals with ballyhooed "executive talent." If big corporations actually competed without state sanction and preference, we'd see more proportionality in the distribution of managerial ducats.

Don't get me wrong. A person is entitled to whatever people are willing to voluntarily trade for what they do. Tiger Woods and Bill Gates are worth every penny, even millionaire rappers get their money (mostly) honestly. And none of it comes from me if I don't want. Further, large fortunes don't sit in a shoebox doing nothing; Tiger and Bill have these things called "portfolios." We all profit from productive savings and investment.

The answer to bunches of fat cats getting politicized payola certainly isn't to add another \$1.25 per hour to a low-wage worker's paycheck through compulsory minimum wage laws (MWLs). True conservatives are absolutely right on this:

- a) If wage laws actually work, why be so stingy in raising the rate? Give everyone a couple of hundred million dollars, just like the poobahs.
- b) For average businesses every dollar you make them pay their lowest-waged worker, means someone they can no longer hire. It's not for nothing Walter Williams has called Minimum Wage the Black Teenage Unemployment Act.
- c) Compulsory unions love MWLs because it further constrains companies to deal with them exclusively. It removes a competitor from the labor pool.

Humanitarian and economic arguments against MWLs are compelling. One thing is certain—and I'm stating this for the primary benefit of my recalcitrant Leftist friends—MWLs violate the Sacred Nonaggression Principle. (Like smoking bans and the Post Office, wage dictation is another area we can wisely get the government out of. You guys will get the hang of the liberty argument eventually.)

But more to the point, two wrongs don't make a right. In the modern US context, even more wrong is giving MWL priority over a) restoring civil liberties and b) removing and prosecuting the current administration for its blatant, documented crimes against humanity.

That's the reason you Democrats did so well in the midterm elections. To neglect your responsibilities by frittering away time beating the dead horses of socialism is the height of moral and intellectual cowardice.

Now is the time to step up and face down the tyranny of the Bushoviks. Don't betray the people who put you in office to clean up the oil junta's Augean Stables.