

Country	Ratio of Pay CEO : Avg Worker
Japan	11:1
Germany	12:1
France	15:1
Italy	20:1
Canada	20:1
South Africa	21:1
Britain	22:1
Mexico	47:1
Venezuela	50:1
United States	475:1

The typical CEO of America's largest companies and banks is now earning more than 475 times what America's average worker is paid. Fifty years ago, it was 40 times. This meteoric rise isn't because CEO's are "worth" it but because their

boards want to give them more than the CEOs they compete with, giving the firm bragging rights on the Street and ensuring that the CEO will stay put. But this has resulting in an escalating arm's race. And because CEO pay is fully deductible from corporate taxes, taxpayers are subsidizing this arm's race -- even as median household income drops. In the table below you can see the ratio of CEO pay to average workers in the U.S. compared to other countries.

Republican David Camp, chair of the House Ways and Means Committee, recently proposed a way to stop this arm's race: by not allowing corporations to deduct from their taxes CEO pay in excess of \$1 million. That's a good start. But how about going a step further and imposing an "excessive pay" surtax on corporations whose CEO pay exceeds 100 times that the average American worker?