

Bonus Problem

News that AIG, which received billions in government funding, paid some employees millions in bonuses led to a firestorm in the media and on Capitol Hill. So the Business Journal asks:

Do you think people and politicians overreacted to the AIG bonuses?

► RICHARD CHILCOTT

*Chief Operating Officer
J. Robert Scott Inc.*

No, I don't think they overreacted. Bonuses are a component for paying for performance and when a company or the leaders of the company aren't performing well, then it's really odd and questionable as to why they would be paid out those bonuses. When the results are not there, I don't think they should be taking bonuses.



Chilcott

insensitive to what is going on in our economy. Though I do understand the "business" reason given for these bonuses, I believe the reaction by politicians and taxpayers is appropriate and to be expected.

► RICK MARTIN

*Sustainability Manager
Perkowitz+Ruth Architects*

As unemployment continues to rise and more people are scrambling to make mortgage payments, I can understand the people's reaction to the \$165 million in bonus money. However, the politicians might have overreacted by quickly pushing a bill through the House to



Martin

block some of the bonus money. If stricter regulations had been placed on the spending of the \$170 billion given to AIG, then they would not have to backtrack and write new legislation.

► SARA OBERLIES

*Managing Director
Stone & Youngberg LLC*

The company has benefited from more than \$170 billion in federal rescue money and continues to lose \$60 billion-plus a quarter. In this sense the bonuses are outrageous: outrageous that they were given; outrageous that they were accepted – and prior to both of those – outrageous that they were allowed to be a contractual right and not a premium given in recognition of success.

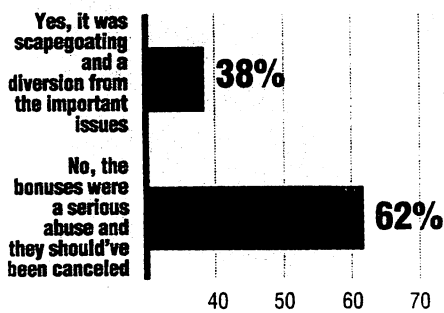
► KEN MILES

*Managing Partner
NSBN LLP*

I completely understand the outrage shown toward AIG and the bonuses by politicians and the hard-working taxpayers of this country. At a time when pink slips are on everyone's minds, any bonus given out by a company that has been bailed out with taxpayer dollars is absurd and

Los Angeles Business Journal Poll

Do you think people and politicians overreacted to the AIG bonuses?



Online results for week ended Mar. 30

