

BAILOUTS AND BONUSES
March 20-22, 2009

Americans find it unacceptable for companies receiving federal bailout money to pay their employees bonuses; they think the government should try to recover the \$165 million in bonus money recently paid to employees of insurance company AIG.

The public doesn't agree with the argument made by some in the financial services industry that bonuses are necessary to attract and retain the best employees. In fact, most Americans don't think that companies receiving federal bailout money should be awarding bonuses. 65% say it is unacceptable for those companies to pay bonuses to any employees. About a quarter thinks it is acceptable to give bonuses only to mid- and lower level employees; just 6% think they should give bonuses to whomever they choose.

BONUSES AT COMPANIES RECEIVING BAILOUT MONEY

Unacceptable for any employees	65%
Acceptable only for mid/lower level employees	26
Acceptable for whom they choose	6

Partisanship does not affect views of this issue - most Democrats and Republicans agree bonuses in such cases are unacceptable. Those with lower education and income levels are a little more apt to find it acceptable to give bonuses to rank and file employees, but most still deem it unacceptable for these companies to give employees bonuses at all.

THE BONUSES AT AIG

Just over a week ago it was announced that AIG, the ailing insurance company that has received over \$170 billion in loans from the federal government, recently paid bonuses to employees. 77% of Americans think the government should try to recover the bonus money paid by AIG.

SHOULD GOV'T. TRY TO RECOVER AIG BONUS MONEY?

Yes	77%
No	20

Democrats (85%) are most likely to support trying to recover the money, but most Republicans (68%) and independents (74%) concur.

Moreover, most don't want the government to provide any additional money to AIG. 76% think the government should not give the company any more assistance in order to prevent it from going into bankruptcy.

Just 15% think if AIG needs more government money, it should receive it.

**SHOULD AIG RECEIVE MORE GOVERNMENT ASSISTANCE
TO PREVENT BANKRUPTCY?**

Yes	15%
No	76

A CBS News Poll released last week showed similar attitudes against providing more government assistance to troubled U.S. automakers.

ARE THEY NECESSARY?

Some executives in the financial industry have defended paying bonuses, arguing that they must do so in order to attract and retain employees. Americans do not share that view: just 23% agree that banks and financial institutions need to pay some employees large bonuses in order to hire and retain people with the necessary expertise, and 71% disagree.

FINANCIAL INSTITUTIONS HAVE TO PAY BONUSES TO HIRE/RETAIN EMPLOYEES

Agree	23%
Disagree	71

ATTENTION TO THE AIG BONUSES

Many Americans themselves are closely following the story. 57% say they have heard or read a lot about it, and another 29% have heard or read some. Just 14% have heard not much or nothing at all about it.

ATTENTION TO AIG STORY

A lot	57%
Some	29
Not much/nothing	14

Those paying attention to the story are more likely to think bonuses are unacceptable, and that the government should try to recover the bonus money already paid to AIG employees.

The CEO of AIG testified before Congress last week, but 35% of Americans think Congress has still spent too little time on the issue. 26% think they have spend too much time on it, while about the same percentage thinks they have spent the right amount of time.

More -- but still less than half - think the President's attention to the AIG bonuses has been about right.

TIME SPENT ON AIG BONUSES

	Congress	President Obama
Too much	26%	24%
Too little	35	21
About right	28	45

This poll was conducted among a random sample of 949 adults nationwide, interviewed by telephone March 20-22, 2009. Phone numbers were dialed from RDD samples of both standard land-lines and cell phones. The error due to sampling for results based on the entire sample could be plus or minus three percentage points. The error for subgroups is higher.

This poll release conforms to the Standards of Disclosure of the National Council on Public Polls.