

From: David Brandt
Subject: Incentive-Based Compensation

Comments:

Since losing his job in 2008, the economic crisis has made our son unable to get a permanent job on which he can support himself. He has been living at home for over two years now. My wife and I also lost a part of our investments as a result of Wall Street's irresponsibility. After working for Washington Mutual for just short of 30 years, my sister lost her job, due to Washington Mutual's reckless business practices. We have a friend who is an architect who has been unable to work in his profession in the last couple of years. The financial industry's harmful activities have hurt so many people.

Wall Street and the banks have damaged our country in ways terrorists only wish they could. And after they devastated the economy, the big wigs in those companies think they deserve huge bonuses. They think their corporations should pay a lower tax rate than the people they hurt. Etc.

A number of banks have been caught filing false or "robo-signed" documents in foreclosure proceedings. In other words, after the banks' irresponsible behavior caused such suffering, the same banks are using dishonest means to throw even more people out of their homes.

Our government needs to protect its citizens against this kind of activity which puts our entire society at risk.

One way to change the incentives so they don't collapse our economy again would be for regulators to use a *safety index* for incentive compensation, instead of a profit index.

It would also be beneficial to restrict what executives can receive from "golden parachutes" after recklessly harming their company or our economy.

It would be in our best interests to limit how much of our financial system was run purely as gambling on games of chance which are not part of the normal production and sales of non-gambling goods and services.

I also suggest that corporate executives be required to have a government license to work as an executive - just as teachers and various other professionals are required to hold licenses. If a particular executive is found to be a danger to society, his license should be revoked.

It was only back in the 1980s and 1990s that the reckless activities of the Savings & Loan industry led to a huge government bailout. Wall Street and the banks didn't learn from that, and they don't seem to have learned from the meltdown of 2008. The government must leave no question that we have learned the lesson and firm action will be taken to ensure the safety of our society. Leave no doubt in the minds of the corporations that any further reckless behavior will result in swift action which will make the offending corporation wish it had acted appropriately.

Thank you for considering my comment,

David Brandt