

From: Barbara Didrichsen
Subject: Incentive-Based Compensation

Comments:

In my years as a corporate communicator, I had an opportunity to witness up close the meteoric rise in exec compensation - and regularly took part in the tap dance we communicators did every year to justify the millions in bonuses and stock options granted to senior level managers. And I did not work in an industry where the pay packages were especially egregious, like the financial sector. Still, every year, I wondered when my company's employees (and the rest of the U.S.) would finally say "enough."

I left my company in January 2008 with an early retirement package - just in time for the financial meltdown. I'm lucky - and grateful - that my retirement was based on a generous profit sharing trust plan, and that I had a good financial advisor who got me through the worst of those days with far fewer losses than many people.

My son graduated from college in 2009 and with few job prospects, opted to stay with his part-time job working for the TSA until May, 2010, when he joined the Coast Guard. It's a good thing, too, because jobs remain scarce for many of his peers. One of his friends is probably moving to Thailand after he graduates next month, where he knows he can work with a sustainable housing organization he co-oped for in college. My son's wife opted for the "more education" route and recently completed her second year of med school. Two other friends of his - both Iraqi war veterans - will graduate in September but so far, with very few options to use their newly earned degrees.

Meanwhile, the corporate profits of most multinationals and financial titans continue to rise, and exec compensation is back to pre-recession levels. My middle-class friends struggle to make ends meet. One is in foreclosure and just recently won a lottery that gave them a place - just a chance, another lottery -- at an option for public housing. Another, who planned to retire from a strenuous teaching job this year when she turned 60, has revised her retirement date to 65. My boyfriend's daughter struggles to put the funding together to finish her senior year in college, and shudders to think about the loans she'll need to pay off on a struggling actor's salary upon graduation.

These are the lives of people outside the Washington Beltway and the comfy echelons of highly compensated employees. This is the growing income disparity in full Technicolor.

Like all American schoolchildren, I grew up learning that America was a place of opportunity where anyone with ambition could "make it." It no longer feels that way. The cards are stacked against the less privileged in ways that were not true even while I was growing up. How can it be otherwise when so much of the nation's wealth gets ever more concentrated in the hands of so very few?

I'm no financial expert - I don't know what needs to be done to turn this around. I just know something must or I fear what might come next.

Thanks for reading this.

Barbara A. Didrichsen