AIG chief executive complains: Workers are living too long

David Brown
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On a warm summer day, at his villa by the Adriatic sea in the resort town of Dubrovnik, the CEO of AIG, one of the largest US insurance and financial services companies, deigned to give his opinion on the world economic crisis, and in particular the situation in Greece.

Who wouldn’t want to hear what Robert Benmosche had to say? Surely this man who makes $9 million a year, as CEO of a company that was central to the Wall Street collapse in 2008, has his finger on the pulse of the world economy. Brought in to oversee the company in August 2009, after it was bailed out by the US government to the tune of $180 billion, he must have some insight into who the culprits are.

Indeed, Benmosche doesn't disappoint. With truly rat-like instincts he points his finger squarely at what he believes are greedy culprits preventing an economic recovery: retired workers who are living too long, apparently out of pure spite, just to bankrupt society.

According to Benmosche, “Governments have to accept that people are living longer. Which means we have to work longer. And until we come to that realization in America, in Europe, anywheres else, that people at 60 to 65 years old, it's not retirement age anymore. We're living longer which means that retirement ages have to move to 70 to 80 years old. And that will make pensions and medical services more affordable, it will keep people working longer, and it will take that burden off of the youth as people are getting older and retired, and it will level it off to a larger group of people.”

In Benmosche's mind, it is completely unreasonable for workers to enjoy even a few years of retirement. To put his proposal for retirement at age 70 and 80 in perspective, the life expectancy in both the United States and the European Union stands at just over 78 years. His proposal amounts to the demand that workers continue on the job until they drop dead.

Turning concretely to Greece, the multimillionaire CEO said, “So my expectation would be, Greece has to get their people to work longer. Longer hours, over more time, and they can begin to work out the problem.”

This statement is particularly ludicrous. While he claims that the elderly are placing an untenable burden on the youth, and the elderly need to get back to work, unemployment in Greece stands at 21.7 percent. Youth unemployment, workers aged between 15 and 24, is even greater at 54 percent. These young workers will have an even harder time finding a job if older workers work longer and retire later.

Benmosche is giving voice to the worldwide social counterrevolution by a parasitic ruling elite that is attempting to roll back all the gains workers have made over the past 100 years.

The financial oligarchy believes that too much of the developed world’s GDP is being spent on such frills as retirement, education, health care and other efforts to increase social well-being for the masses, cutting into corporate profits. In their minds, not enough of a worker's life is being spent producing a profit for the wealthy, and they hope to change that by either cutting health care and pension costs, raising the retirement age, or both.

According to Benmosche: “There is a contraction going on, appropriately, in the municipalities across the US. Of course governments have to live within their means. National governments in Europe, and elsewhere, have to learn that lesson.”

Although Benmosche is cruder in his statements, he is far from alone in his sentiments. Obama in the United States, Hollande in France, and Merkel in

Germany have all expressed their desire to cut social spending and "live within our means." Of course, when multimillionaires like Obama and Benmosche speak of living within our means they should add, "Do as we say, not as we do."

AIG was at the center of the shady credit default swaps that caused the financial crisis, and when they went bankrupt in 2008, the Bush administration bailed them out with an initial $85 billion. That bailout eventually grew under the Obama administration to $182.3 billion, the largest bailout of any US financial institution, and well over the budget deficit of every state in the US combined. The government today still owns 61 percent of AIG stock.

Far from tightening their belts and living within their means, the executives at AIG reveled in the public funds they could lavish on themselves. The same month that AIG reported a record-breaking quarterly loss in 2009 of $61.7 billion, they announced $165 million in bonuses to their executives. While the Obama administration was tearing up the contracts of auto workers, and state and local governments were demanding cuts to the contractual pay and benefits of public employees, the chairman of the White House National Economic Council defended the bonuses saying, "These are contracts. The government cannot just abrogate contracts."

No such tenderness is displayed toward the obligations of the government towards those who have paid in to the Social Security system and Medicare for decades, and who are now being targeted for highway robbery by the bankers and billionaires like Benmosche and their political servants like Obama and Romney.