

The Obama administration announced last week that it would impose some restrictions on salaries and perks given to top executives at seven companies that the federal government has rescued through multibillion-dollar bailout packages paid for through taxpayer money.

For example, the top 25 executives at the seven companies, which range from Wall Street firms to General Motors, will have their annual salaries capped at \$500,000. Do you agree with this move, given that so many Americans who live closer to Main Street are suffering financial hardships during these economic times? Or is this move too harsh, or even too lenient?

Just more than a year ago, the financial system in this country and around the world was within days of collapse as trust in all companies and institutions rapidly eroded. The Troubled Asset Relief Program (TARP), along with the swift and aggressive action by the Federal Reserve, kept that collapse from occurring. There is little scholarly dissent on this point.

The TARP was intended to provide assurance that these major institutions would not fail. It also had provisions in it to ensure that taxpayers got their money back.

So far, taxpayers have earned an annual return of more than 20% on all the TARP funds distributed to banks last year. What it was never intended to do was provide a method for government intervention into the operations of these companies.

Many of these banks (JP Morgan, Chase and Goldman Sachs, among others) have already returned their TARP money with interest and dividends.

Several others (Bank of America and Wells Fargo, among others) are ready to return the money but have been told by the government that they can't. The Obama administration is clearly more interested in controlling the operations of these companies than getting the taxpayers' money back and moving forward.

There is no question that some executive compensation is egregious and unwarranted. By the

same standard, some sports stars, trial lawyers and entertainers' compensation is egregious and unwarranted.

But these are not problems that impact society as a whole. Although we may be upset by them, the only real losers are the stockholders of these entities.

As a result, these are issues for those stockholders to resolve, not the government. To the extent the government is a stockholder, then the government has a say. But the government should remain a stockholder in a private company only if the system is at risk, not just to control that company's operations.

It is interesting to note that although all the recent publicity has been about the pay cuts that the Obama "pay czar" has put in place, that czar has actually increased the salaries of many other employees of the company.

Could the decision of who got more money and who got less money have been influenced by politics rather than simply by merit? Of course it was. That is why we want the government as far away from all of our salaries, health care, energy costs and other personal items as possible.

U.S. Rep. John Campbell

(R-Newport Beach)