

AIG's Liddy to be on House hot seat

by UPI

WASHINGTON -- How and why insurance giant AIG paid out millions in bonuses after receiving a U.S. government handout worth billions is the focus of a congressional hearing.

Edward Liddy, American Insurance Group's chairman and chief executive officer, is to appear before the House of Representatives Financial Services' subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises, for a hearing titled, "American International Group's Impact on the global Economy: Before, During and After Federal Intervention," the committee's Web site said.

Lawmakers and the White House have railed against AIG since learning the company was paying out \$165 million in bonuses to employees whose actions led to its financial implosion and subsequent government bailout.

U.S. Rep. Paul Kanjorski, D-Pa., the subcommittee's chairman, said the hearing is to examine how AIG it reached its current situation, why it got the federal aid and how to move forward, the Web site said.

"The federal government has provided AIG with access to well over \$150 billion in federal aid to protect the global economy," Kanjorski said. "Unfortunately, taxpayers do not understand how AIG ended up in such a terrible situation, nor do they understand why the federal government continues to give it money. We must assess AIG's progress, as well as how we move forward to ensure that any taxpayer money AIG receives is spent efficiently and effectively."

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