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## Social Security Battle: AARP Plans Secret 'Salon' With Social Security Opponents

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WASHINGTON -- The senior citizens lobby AARP on Monday will kick off a national Social Security and Medicare "listening tour" called <u>"You've Earned a Say and We're Listening."</u> Through "town halls, community conversations, bus tours and other events," the influential organization promises to offer members a chance to speak out on the simmering debate over the future of Social Security and Medicare. The outreach is part of the group's campaign to restore <u>trust it lost</u> during last year's spending debate, when a top AARP official told the *Wall Street Journal* the organization was open to cuts to the entitlement programs. The lobbyist's comments came as Congress focused on deliberations of the Simpson-Bowles commission, a group of 18 lawmakers and other officials who failed to agree on a "grand bargain" that would have trimmed \$4 trillion off the deficit in 10 years. But while AARP staffers fan out across the country to hear from members, the group's CEO, Barry Rand, will be listening to a different cast of characters.

An AARP invitation to a secret "Relaxed and Robust Evening of 'Salon Style' Conversation" to be held at a Capitol Hill home on March 27, obtained by The Huffington Post, indicates that the organization is still very much interested in a "grand-bargain" style deal that puts Social Security and Medicare cuts on the table. "AARP is not pursuing any closed door deals or grand bargains," said an AARP spokeswoman. "Our main focus is hearing from our members, and all Americans, what they think about ways to strengthen Social Security and Medicare. That's precisely why we're launching 'You've Earned a Say.' We are interested in hearing from all sides and having civil discourse on these issues."

The list of invitees to the salon event includes a gallery of powerful Washington establishment figures who are on record favoring cuts to Social Security and Medicare. The only firm opponent of Social Security or Medicare benefit cuts on the list, the Economic Policy Institute's Larry Mishel, said he wasn't planning to go and wasn't sure why he was listed as a featured guest. (AARP also responded to the request for comment by inviting HuffPost to attend the off-the-record gathering, an offer we plan to accept.)

Other listed invitees included business leaders and deficit hawks who have long argued for the cuts, including Tom Donohue of the U.S. Chamber of Commerce, John Engler of the Business Roundtable group for corporate CEOs, and David Walker, a noted deficit alarmist and former head of the Government Accountability Office.

Last year, advocates of Social Security and Medicare had reason for concern as the Simpson-Bowles Commission members debated. One co-chairman, former Sen. Alan Simpson (R-Wyo.), is a caustic critic of entitlement programs, and complained during the debate that the country had become "a milk cow with 310 million tits!" His co-chairman, Democrat Erskine Bowles, is a director of Morgan Stanley and General Motors.

While the commission deliberated, AARP <u>created a firestorm</u> when its board voted to drop its opposition to Social Security cuts.

"The ship was sailing. I wanted to be at the wheel when that happens," AARP policy chief John Rother said, <u>according to the Wall Street Journal</u>.

AARP quickly backtracked, with its officials accusing Rother of speaking out of turn and insisting that Social Security and Medicare reform should not be cut in a bargain to reduce the overall deficit. Rother left the organization in the fall, with some colleagues <u>telling the</u> *Journal* that the controversy contributed.

Rother had made similar comments in 2010. "We're prepared to be quite supportive of a real engagement on the issue," he told <u>the *Journal*</u>. He added that those rejecting any benefit cuts were taking the wrong strategy. "I know all these people personally and they'll say we have to be hard line now to influence the debate," he said. "I kind of take it with a grain of salt, these emphatic statements." AARP quickly followed up by <u>back-tracking</u> on those comments, too.

The private salons, however, appear to vindicate Rother. This year's salon is the third focused on entitlement, and AARP has held at least eight such affairs over the past three years, the AARP spokeswoman said, ranging from 2011's "Preserving the American Dream," to 2010's "The Road Ahead: Reducing Deficits and Meaningful Fiscal Reform," to 2009's "A Salon Conversation about the State of Play in Health Care Reform." Previous guests have included Andy Stern, former head of the Service Employees International Union; the American Enterprise Institute's Andrew Biggs; Bush-era Medicare chief Gail Wilensky; and Maya MacGuineas of the Committee for a Responsible Federal Budget.

Last year's AARP salon took place on April 13, two months before Rother spoke to the *Journal*. Four of those listed on the invitation were members of Simpson-Bowles,

a curious group to call together if AARP didn't want entitlements to be part of the conversation.

The invite list for 2012 suggests that AARP is still very much open to cutting Social Security and Medicare, as a majority of this year's expected "thought leaders" have thoughts that involve slashing Social Security.

Among those invited or expected to attend, according to the invite, are EPI's Mishel; former Rep. Harold E. Ford Jr. (D-Tenn.), now a Merrill Lynch executive; former Rep. J.C. Watts (R-Okla.), one of Newt Gingrich's few high-level backers; former Senate Majority Leader Tom Daschle (D-S.D.), now a top unregistered lobbyist; former Michigan Gov. Engler (R), now head of the Business Roundtable; *Washington Post* columnist and blogger Ezra Klein; Committee for a Responsible Federal Budget president Maya MacGuineas; Brookings Institute's Engelberg Center for Health Care Reform director Mark McClellan; former Comptroller General Walker; and U.S. Chamber president Donohue.

(Also invited is William A. Niskanen of the Cato Institute, who <u>passed away last year</u>.) People who have worked closely with AARP over the years say that its willingness to cut benefits as part of a grand deal reflects a common tension in Washington advocacy groups with large memberships. And AARP has one of the biggest, claiming more than 40 million members ages 50 and older. While the overwhelming majority of AARP members are strongly against benefit cuts, the group's team in Washington nevertheless wants to be an influential part of the conversation, and they appear to believe that an openness to cuts is the way to appear serious.

"They want to be at the table when a deal is cut," said one person who declined to be named because he continues to work closely with AARP. The irony is that while AARP's legislative team may be convinced that a deal is inevitable, a grand bargain actively opposed by AARP would be effectively impossible for Congress to pass.

The AARP invitation reads: "As Congress and the administration continue to debate the critical economic choices confronting the nation, Barry Rand is convening a group of senior-level principals for an informal salon-style conversation to discuss the importance of strengthening and preserving Social Security."

*Washington Post*'s Klein said he had not been invited to this year's salon and had no intention of going. He said he had briefly attended a previous AARP event, but couldn't recall the theme. Former union leader Stern was a Simpson-Bowles commissioner who ultimately voted against the final plan. He followed up with his<u>own deficit reduction</u> plan that included a lower corporate tax rate, lower payments to Social Security recipients that changed the way benefits are calcutated, and means-testing for Medicare. Stern and Klein later <u>discussed</u> the Stern plan in a *Washington Post* item.

A spokeswoman for Stern said that he did not plan to attend. A spokeswoman for J.C. Watts told HuffPost the former congressman was unaware of the event and hadn't been invited.

The guest list for a similar discussion in April 2011 included a number of the same people, as well as Ted Koppel; Sen. Mark Warner (D-Va.); Sen. Saxby Chambliss (R-Ga.); Virginia Gov. Bob McDonnell (R); Maryland Gov. Martin O'Malley (D); former Rep. Mel Watt (D-N.C.); Sen. John McCain's former advisor and president of the American Action Forum Douglas J. Holtz-Eakin; American Federation of Teachers union president Randi Weingarten; *Wall Street Journal* economics editor David Wessel; Committee For Economic Development senior vice president Joe Minarik; Brookings Institute's Isabel Sawhill and Alice Rivlin; and president of the Joint Center for Political and Economic Studies Ralph Everett.

The 2012 salon is scheduled to take place at the Capitol Hill home of Robert Raben, a lobbyist with <u>The Raben Group</u>. It is being organized by former Raben Group staffer<u>Licy Do Canto</u>, now of The Do Canto Group.

This year's invitation:

Hope you are well. On behalf of AARP, I am writing to extend an invitation to you to attend a high-level discussion with AARP CEO A. Barry Rand and other national thought leaders on Strengthening Social Security: Facing up to the Challenge.

It's scheduled for March 27th at 7pm in Washington, DC. Attached is the formal invitation.

As Congress and the Administration continue to debate the critical economic choices confronting the nation, Barry Rand is convening a group of senior-level principals for an informal salon-style conversation to discuss the importance of strengthening and preserving Social Security.

Together with 15 thought leaders from the Administration, Congress, business, labor, the not-for-profit communities and the media (off the record), AARP looks forward to a robust conversation that will drill down to the core issues at stake, and focus on the challenges confronting Social Security and retirement security of our aging society.

Participants, who have been invited and/or are expected to attend, include Maya MacGuineas, Committee for a Responsible Federal Budget; John Engler, Business Roundtable; William A. Niskanen, CATO Institute; Ezra Klein, Washington Post; Lawrence Mishel, Economic Policy Institute; Mark McClellan, Engelberg Center for Health Care Reform; Tom Daschle, Bipartisan Policy Center; Andy Stern, Georgetown University; David Walker, Comeback America Foundation; Tom Donahue, US Chamber of Commerce; former Congressmen Harold E. Ford, Jr, and JC Watts, among a host of other thought leaders.

Invitations also have been extended to the White House, House and Senate leadership, and several other Members of Congress as well as other organizations.

We hope that you will consider joining the group and participating in this conversation. I am happy to provide you with more substance and logistics.

Sincerely, Licy

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Last year's invitation:

On behalf of AARP, I am writing to extend an invitation to you to attend the first of a series of high-level discussions in 2011 with AARP CEO A. Barry Rand and other national thought leaders on the importance of fiscal responsibility and reform and its impact on retirement security.

It's scheduled for Wednesday, April 13th at 7pm in Washington, DC. Attached is the formal invitation.

As Congress and the Administration continue to debate the critical economic choices and challenges confronting the nation, and consider various reforms to reduce the national debt and lower the federal budget deficit, Barry Rand is convening a group of senior-level principals for an informal salon-style conversation to discuss the short and long-term prospects for the federal budget and its effect on the American public and retirement security.

Together with 15 thought leaders from the Administration, Hill, business, labor, the not-for-profit communities and the media (off the record), AARP looks forward to dropping the formalities and prepackaged positions, and drilling down to the core issues at stake in the debate, and discussing the prospects for getting America's fiscal house in order and improving retirement security.

Participants, who have been invited and/or are expected to attend, include US Senators Mark Warner, Saxby Chambliss, Kent Conrad and Tom Coburn; Douglas J. Holtz-Eakin, American Action Forum; Randi Weingarten, American Federation of Teachers; David Wessel, Wall Street Journal; Bob McDonnell, Gov. Virginia; Martin O'Malley, Gov. Maryland; John Engler, Business Roundtable; Maya MacGuineas, Committee for a Responsible Federal Budget; William A. Niskanen, CATO Institute; Joseph J. Minarik, Committee For Economic Development; Isabel V. Sawhill, Brookings; Ezra Klein, Washington Post; Ted Koppel, BBC; Lawrence Mishel, Economic Policy Institute Alice Rivlin, Brookings, Ralph Everett, Joint Center for Political and Economic Studies; US Representatives Paul Ryan, Mel Watt, and former Congressman Harold E. Ford, Jr, among a host of other thought leaders.

Invitations also have been extended to the White House, House and Senate leadership, and a number of other Members of Congress as well as other organizations.

We hope that you will consider joining the group and participating in this conversation. I am happy to provide you with more substance and logistics.

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