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How the Media Has Shaped the Social Security Debate -- The Press Plays a Dubious Role

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Shortly after the 2010 midterm elections, *Washington Post* budget correspondent Lori Montgomery reported that, while a debate raged around major budgetary changes and the wisdom of cutting Social Security, a "surprisingly broad consensus is forming around the actions required to stabilize borrowing and ease fears of a European-style debt crisis in the United States." A consensus among whom, we asked? Ordinary people who like Social Security the way it is, opinion leaders, or the reporters who record what those opinion leaders say?

Social Security is the one issue on which the electorate is *not* divided. Gallup polls dating back six decades consistently show some 70 percent of the public strongly supports Social Security. Most Washington opinion makers think otherwise, though. Indeed, listening to the politicians and policy gurus, one would conclude that this most basic of retirement programs for nearly all Americans is in grave danger, and America itself is in grave danger because of it.

For nearly three years CJR has observed that much of the press has reported only one side of this story using "facts" that are misleading or flat-out wrong while ignoring others. Whatever the reason--ideology, poor understanding of how the program works, gullibility, or plain old reportorial laziness--news outlets have given the public a skewed picture of the financial health of this hugely important program, which is the sole source of retirement funds for millions of Americans and will continue to be for decades to come.

To be sure, Social Security is not in perfect financial health. But the fact is, the program can pay full benefits until 2036, and three-quarters of the benefits after that without new revenues. Many experts believe small fixes like <u>lifting the cap on income subject to payroll taxes</u>--\$110,100 for 2012--will make Social Security solvent for decades. But that option is not on Washington's table, nor has it been discussed much in the press. Why not? Because it doesn't fit into the doom-and-gloom narrative that has proved politically expedient to tell?

The one-sided reporting on this issue has influenced the way millions of Americans, especially younger ones, now think about Social Security. A twenty-nine-year old web manager for a New York City agency recently told me she was opting out of the program, which the city pension system allows her to do. "I don't think Social Security is a wise investment given the (availability) of a deferred compensation plan," she said. "It's a known fact," the woman explained, "if it stays the way it is right now, it would run out of funds in 2035." How did she know that? She listed the media outlets that helped shape her opinion. The elites were there like *The Wall Street Journal*, CNN, *The New York Times*, and Bloomberg News, but so were relative newcomers like <u>Investopedia</u> and other media products. The message from the elite media is trickling down.

"The elite press repeatedly quotes the commentary of the devoted opponents of social insurance retirement programs," says Yale professor emeritus Theodore Marmor. "But they appear unaware of how they are supporting a strategic attack on social insurance that has been going on for years."

Montgomery's other writings leave little doubt where *WaPo* stands on Social Security. At the end of last year, she produced what Campaign Desk called a "lopsided special report that strayed pretty far into opinion territory" and offered a misleading explanation of the program's finances; her piece prompted a letter of rebuttal from the usually low-key National Academy of Social Insurance, a nonpartisan group whose members represent all colors of the political rainbow. In a page one story this February, Montgomery reported that in Obama's budget "there would be only modest trims to federal health-care programs and no changes to Social Security, the biggest drivers of future borrowing, despite last year's raucous political debate over the federal debt." The implied message: the president *should have* proposed major changes.

The *Post*'s editorial pages have also supported the same narrative. When, last year, the congressional supercommittee was attempting to cut a deal on Social Security, the *Post* noted that "crunch time" came with "a new round of self-centered, shortsighted intransigence on the part of AARP and its fellow don't touch-my benefits purists." Last week, columnist Robert Samuelson used his WaPo space to say that Social Security has evolved into what is now known "as welfare." He asked a question he and other columnists at elite publications have asked for years: Who among the elderly need benefits? How much? At what age?

Samuelson has made these points before. In 1988, writing for *Newsweek*, he argued Social Security is a welfare program. In 1996, also in *Newsweek*, he seemed to challenge Bill Clinton "to alter the debate on "middle class entitlements.'" Earlier this year in the *Post*, Samuelsonasserted "spending on the elderly is slowly and inexorably crowding out the rest of government."

It's a popular message. Broadcast anchors, hosts, and expert guests have also told the public that Social Security is the cause of the federal deficit, and have narrowly framed the possible cures. The ones mentioned most often include reducing cost-of-living increases; means testing the program, which will turn it into a welfare arrangement; and raising the age of eligibility to 69, 70, or higher. What is the public to think when they hear Eliot Spitzer opine, as he did last year on CNN's Parker/Spitzer show, that "we need more senators down there who will say very clearly raise the retirement age, do it gradually." What are they to think when a CBS Evening News segment offers viewers what Campaign Desk called "a breathless recitation of the horrors befalling the system" that used scare words and phrases like "the system is headed for a crisis" and "there's no debating that we're running out of time."

With that kind of news reporting, young people like the New York City worker can be forgiven for misunderstanding the concept of social insurance and believing Social Security is almost dead. Over the decades since the passage of Social Security in 1935, the media have used the term "social insurance" less and less, which of course keeps people in the dark about what it really is. In 1930, *The Washington Post, The New York Times*, and the *Chicago Tribune*together published nearly eighty articles with the words "social insurance" in the headline. In 1990, there were at most two--one in the *Times* and one in the *Post*. By then the Cato Institute and other conservative think tanks were well on their way to changing the media's narrative and description of Social Security. The program was no long to be described as social insurance, but as an investment that fell short of what people could achieve on their own by saving and managing their payroll tax contributions. It was not a good deal for younger workers.

In 1983, Stuart Butler, now director of the Policy Innovation Center at the Heritage Foundation, crafted a manifesto called "Achieving a "Leninist" Strategy" outlining how the right could systematically attack the country's most popular social program. The document advised "one element involves what one might crudely call guerrilla warfare against both the current Social Security system and the coalition that supports it." Butler and his coauthor identified key interest groups--the young, the middle-aged, and those nearing or in retirement--to target. The manifesto also described the need for "an education campaign to gain the support of key individuals in the *media* as well as to win over vital constituencies for political reform," and it called for exploring and formulating into legislative initiatives "methods of neutralizing, buying out, or winning over key segments of the Social Security coalition."

The media haven't reported much about how the nuts and bolts of proposals to fix Social Security would affect ordinary people, but they've done a super job of showing how Social Security's opponents have brought one of the biggest segments around to their way of thinking--Congressional Democrats, including the second ranking member of the Senate, Dick Durbin, who is often the media's go-to guy for the progressive perspective. It's kind of a validation of Cato's manifesto. As Politico reported , though Durbin had long allied himself with Social Security supporters, he said he's been convinced that action is vital. "If we don't do something and do it quickly bad things can happen in a hurry," he said.

"We used to have Democrats speaking out (in support of the program) which we don't have today, " says Eric Kingson, co-director of the advocacy group Social Security Works. It was the Democrats who pushed for the payroll tax holiday--helped along by the media, which have passed along their quotes about assisting working people. Too often the reportage has glossed over the negatives of the tax cut, without noting what would happen if the tax is not restored. Kingson's group and others, including some Republicans, argued that if the payroll tax is not restored and the government must borrow money from the Treasury to pay benefits to current recipients, Social Security will contribute to the deficit, which it doesn't do now. That will produce more reasons to change the program. "Once the dominant view on each side of the aisle was that seniors need Social Security, and it was fair to everyone," said Kingson. "Generations were not in conflict."

This month, Esquire <u>published a lengthy piece</u> titled "The War Against Youth." Part of the headline proclaimed: "The recession didn't gut the prospects of American young people. The Baby Boomers took care of that." The argument that fat-cat elders are shafting young people follows from there. The author, Stephen Marche, writes: "The biggest boondoggle of all is Social Security," and he goes on to explain that the Baby Boomers are to blame.

What readers of Esquire may not know is that, two years ago, the magazine <u>assembled a bipartisan commission</u>, similar to Obama's Simpson-Bowles Commission, that--in three days' time--came up with a plan to balance the federal budget. The *Esquire* group's recommendation were similar to those made by Simpson-Bowles. At the end of its report, the *Esquire* panel thanked the Committee for a Responsible Federal Budget and its president, Maya MacGuineas, "for their invaluable assistance in providing the commission with accurate data and budget options." That committee has received support from Peter G. Peterson, an arch-foe of Social Security who has tried to get the media to see things his way. The media consensus continues to build.