THE BROOKINGS INSTITUTION

CIVIL CONVERSATIONS: RESTORING CIVILITY TO THE DEBT DISCUSSION

Washington, D.C.
Tuesday, October 9, 2012

PARTICIPANTS:

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P R O C E E D I N G S

MR. ANTHOLIS: Welcome, everyone. Welcome to Brookings. It's a terrific and exciting day for us here, and welcome also on behalf of our partner in today's event, the American Public Media Program, *On Being*, with Krista Tippett. This event is being recorded for later broadcast in the coming weeks. And today's event is part of *On Being* Civil Conversations Project.

Brookings is delighted to join other terrific outfits in working with *On Being* on this series, including the University of Minnesota's Humphrey School of Public Affairs and an outfit that we have begun partnering with ourselves, the John C. Danforth Center on Religion and Politics at Washington University in St. Louis, which shares a common benefactor with us in Robert Brookings. And today we're grateful for the special support from the John D. and Catherine T. MacArthur Foundation, who is supporting today's event.

Today's topic has a special connection to the very origins of the Brookings Institution. Ninety-six years ago, Robert Brookings came to Washington from St. Louis. I say that aware that the St. Louis Cardinals will be coming tomorrow to Washington from St. Louis. A successful republican businessman, Robert Brookings came at the request of a democratic president, Woodrow Wilson. Brookings's mission was to bring clarity, indeed discipline and sanity, to the way the U.S. government assembled its budget and did its accounting. In taking on this enterprise, Brookings hired high quality experts. He gave them the freedom to work independently of the government, but he wanted them to be close enough to the government to have impact. And those three core values of Robert Brookings have become our model, as you'll see from our website -- quality, independence, and impact.

But Brookings knew that the federal budgets were more than just

numbers in the realm of technical experts, that they reflect our nation's core values. And as we're saying that I see a Brookings trustee. We have a few trustees with us here today who have helped us embody those values.

Our nation's core values are embodied in our budgets, which tell us what we owe one another, what investments we are willing to make for future generations, and who and how we will pay for those investments. From those high principles, we often then descend to the hard and messy business of passing budgets, which is never clear or easy. And as a result, our current budget mess didn't happen overnight. Indeed, it is still unfolding over the next several decades, like a slow-moving train wreck. It also won't be solved in one year. And the prospect of fixing it seems farther and farther away, especially in a politically polarized Washington. Just over a year ago, polarization nearly led the government to default on its debt. Individuals were unwilling to put partisanship aside.

At Brookings, we are hopeful, and in fact, we believe that this is not a permanent condition, and we are fortunate that at least two people in America see our broken budget politics as too big to fail. We're even more fortunate that they're here with us today.

First, a warm welcome to Senator Pete Domenici. The highlights of his 36 year career as U.S. senator from New Mexico are available as a handout. If you didn't get it, we can get some for you. But I'll just focus on two facts that tell the world about his service. First, as chairman of the Senate Budget Committee, he produced two consecutive balanced budgets -- the only balanced budgets in the last 50 years. Second, Senator Domenici introduced the reconciliation process into Senate procedure. If you don't recall this, it caused quite a stir a few years ago. It enabled spending reform to pass without the danger of a filibuster. At Brookings, we love those little technical fixes.

Next to Pete is a master of technical fixes, big and small. Alice Rivlin is a senior fellow at Brookings in our Economic Studies program, a title she first earned over 40 years ago. Now, at Brookings there are senior fellows and then there are senior fellows. I tell my kids when I grow up I want to be like Alice Rivlin. Two defining facts about Alice. First, as a Brookings scholar, she helped design a major technical fix of her own, the Nonpartisan Congressional Budget Office. For her sins, she was made its first director in 1975. The second fact is that she has also been a budget warrior. As the director of the White House Office of Management and Budget under President Clinton, she was a key player in one of the most contentious budget battles ever, which included the government shutdown of late 1995 and 1996. But that shutdown led to the balanced budget agreements that Senator Domenici helped to craft.

So as we start today's conversation, it is important to remember that Alice and Pete once squared off against each other. Fortunately for all of us, they are now working together. At the Bipartisan Policy Center, Alice and Pete have crafted their own task force and proposal to reduce the debt. The Domenici-Rivlin Task Force includes 19 former White House and Cabinet officials, former Senate and House members, former governors and mayors, business, labor and other leaders. Their plan reduces and stabilizes the debt. It reforms personal and corporate taxes. It safeguards Social Security and it controls health care costs.

Normally at Brookings, we would debate and discuss the details of such a plan, where lots of cool technical fixes could help bend the curve of our budget down. But instead, today, we have a real treat. Our topic today is not what is in the plan; rather, it is what went into the plan in order to make it happen. We're not talking about dollars and cents or actuarial tables. What we are talking about are human values. And maybe even more importantly, what it took for people with very different political backgrounds

and perspectives to work together through a major challenge.

To guide us in that conversation, we are really very fortunate to have Krista Tippitt. Krista is a Peabody award-winning broadcaster and New York Times best-selling author. She's the creator and host of *On Being*, which airs on more than 250 public radio stations across the country. Krista has conducted hundreds of interviews over the years. Some of my own favorites include with the Dalai Lama; the Reverend Rick Warren; Lord Jonathan Sacks, the chief rabbi of London; the physicist, Sir John Polkinghorne; the religious historian and former professor of mine, Jaroslav Pelikan; and the singer-songwriter, Roseanne Cash.

Two facts about Krista. First, Krista started out her career as a diplomat, reporting with the New York Times, the BBC, and Newsweek. Second, Krista grew up in Shawnee, Oklahoma, the granddaughter of a Southern Baptist minister. So I hope I've set the stage a bit. In about 45 minutes we'll start collecting cards with questions from the audience. People watching online, you can submit your questions by going to onbeing.org/ccp or enter your questions in our live blogging forum, or you can do it via Twitter using the hashtag #ccp2012 and address it to @Beingtweets. People in the audience here can also tweet on this event. I will be doing so as well. I'm not multitasking; I'm doing as I'm told. And again, it's #ccp2012. But please mute your phones.

So with that: Krista Tippett.

MS. TIPPETT: I want to thank Bill and Laurie Boeder and all the people at Brookings. It's just great to be here. This is the third of four Civil Conversations events, but we knew that one of them had to be inside the Beltway for us to have any credibility. And Bill has just been a great friend and partner in pulling this together. It's terrific to see all of you here. I also want to welcome people who are with us online live

streaming.

In 2012, four years after the economic downturn, the economy remains a tumultuous territory that permeates the news and the way many of us think and worry on a very personal level about core human concerns from housing to aging to the education and future working lives of our children. Yet, the budget debates that make the news are most often stalemates or outright political warfare, clashes followed by fragile compromise between seemingly irreconcilable values and concerns. The matter of deficit reduction is discussed in terms of numbers and cuts and revenues with little searching acknowledgement of the human and moral consequences that lie behind those numbers.

And this breeds fatigue, confusion, and most destructively, perhaps, in a democracy, a disconnect and cynicism among the very citizens who must hold their elected officials accountable and indeed be part of the reversal of a culture of debt if that is to happen.

Alice Rivlin and Pete Domenici are political bridge people. This is why I wanted to speak with them today. And I have to say, coming from Minnesota, this is a breed of Washington insider that much of the rest of the country right now can scarcely imagine existing. It's been said of Alice Rivlin that her dedication to serious, unglamorous budget issues is unrivaled. That's a compliment.

MS. RIVLIN: Thanks.

MS. TIPPETT: And a Chicago newspaper once wrote of Pete Domenici, "When you cut Pete Domenici, he bleeds black ink." And they have both been seen as forces of conscience on the rollercoaster of the American budget process of the last several decades.

So the idea behind this event is that it would be helpful, even in and especially for people who are not familiar with the ins and outs of budgets, just to hear

Alice Rivlin and Pete Domenici speak together, to ask them how they think about what is at stake in this economic present in civic and human terms, to hear what their bipartisan work together has taught them, and to draw out the wisdom that they have for this moment in American life.

So I'd like to begin with Alice Rivlin. Alice, your father was a physicist who worked on the Manhattan Project. Your mother was active with the League of Women Voters among other things. I wonder if you could think about in your earliest life where you would trace the roots of the conscience and the moral imagination that has framed your life and public service.

MS. RIVLIN: I think part of it comes from having been a teenager in World War II and in the college generation of the post-war years, which was very idealistic. We wanted to make sure that there wasn't another war. We were interested in things like world government, world federalism. I wasn't actually terribly active in that but it pervaded a piece of my generation that really wanted to ensure world peace and prosperity and thought we could.

MS. TIPPETT: I was really interested to read -- this is beside the point, but it is so fascinating to me that when you applied to the School of Public Administration at Harvard when you were 22, they told you they didn't, on principle, not admit women, but they didn't admit women of marriageable age.

MS. RIVLIN: Times have changed.

MS. TIPPETT: Times have changed. That had to also be the beginnings of some tenacity though.

MR. DOMENICI: I didn't hear what she said.

MS. RIVLIN: Times have changed.

MR. DOMENICI: Oh, times have changed.

MS. TIPPETT: And Senator Domenici, your father ran a grocery store, your mother was originally an undocumented Italian immigrant, and your sister, Thelma, once told an Albuquerque newspaper that growing up surrounded by four sisters had prepared you well for prospering in a two-party system. (Laughter)

So I wonder, aside from that character-building experience, where do you trace the roots in your earliest life of the conscience and moral imagination behind your public service?

MR. DOMENICI: Well, you got it right. My mother and father were immigrants. My dad came here when he was 13 years old and he didn't have to go to school because the age for public school was 13. And as he grew up, he was happy that it was 13 because he didn't want to go to school. He wanted to work. I told him when I had the courage enough to say it, "You're wrong, Papa. It would have been good for you and good for us if you would have gone to school." And of course, by then he was grown up and doing a wonderful job running a business. He solved the problem of his lack of English, which he never learned how to write, solved that by hiring a bilingual secretary. But bilingual there was Italian and English. And that secretary learned to do all of the work.

I think what caused me to be involved is a simple thing that you probably wouldn't believe me if I weren't right here telling you, but I learned very early and believed very young that America was a wonderful, wonderful place. I don't know if I thought about it outside or beyond what others did, but I can tell you when I speak of American patriots, I actually think of my father and our family because we loved this country so much. And that's why I worked so hard when I saw things going wrong, and that's why I'm so committed now and work with Alice on trying to get a balanced budget because I literally -- others may not have, but I ended up not too long ago literally believing that we

were on the brink of destroying America. Now, when you believe that, you'll work like hell to try to fix it. And essentially, I don't know how these people that are listening to me feel our future is, but I feel if we don't fix the budget, our future is very gloomy and we are apt to have a very, very different America than we have.

Now, if that isn't enough to make you do something, then obviously you ought to move to another country. You ought to get out of here and say I don't like this place because if you like it that much, you've got to try to fix it. That's what I'm trying to do.

MS. TIPPETT: You know, when I called you initially to talk about coming here today, you said -- I'd spoken with Alice first and you said, "Anything Alice Rivlin tells me to do, I'll do." But I can imagine that there have been times in the last 30 years, since you've worked together, that you might be shocked that you would have made that statement one day.

MR. DOMENICI: No, I don't think so. Look, once you make that statement about somebody, if you don't -- if you don't understand and know that person --

MS. TIPPETT: But you've definitely been previously on other sides.

MR. DOMENICI: If you do, you say --

MS. TIPPETT: You've been on other sides.

MR. DOMENICI: Well, that's true. But if you don't know that person well enough to make that statement and believe it and say it will never hurt me because then you don't know the person. I think I know her so I don't have any problem making that statement. She would not ask me to do something that was against my conscience and my ideology. If she knew it, she would not make me do that.

MS. TIPPETT: I mean, did you have the kind of working relationship and political relationship that this seemed like an obvious thing for you to start working

together on the Debt Reduction Task Force? How did that happen?

MS. RIVLIN: Yes. And you have to remember that when Pete and I first met, I was the director of the Nonpartisan Congressional Budget Office. He was a freshman senator on the Budget Committee, and I appeared frequently testifying before the Budget Committee, and I quickly figured out this man is really smart and he really cares about doing it right. So we had a mutual respect that goes back a long way. Now, we always knew that he was a republican; I was a democrat. And later, much later actually, when I became the budget director in the first Clinton administration and Pete was the chairman of the Budget Committee in the republican-dominated Senate, we were on opposite sides clearly, and we disagreed on substantive matters. But we never lost our respect for each other. And I think that's the key to this.

People can disagree on all sorts of things, but if they listen to each other and have respect for each other, they can work things out. And we've kind of lost that idea that you have to work things out and compromise and come to a conclusion because gridlock, which we have now in the budget, is the worst possible thing, especially with respect to a problem like the budget deficit which gets worse if you do nothing. Gridlock is fatal for this problem.

MS. TIPPETT: Right.

MS. RIVLIN: Because the course we're on now is hurdling toward disaster over time and we have to do something. Nothing is not the answer.

MS. TIPPETT: So as Bill suggested in the beginning, you know, we don't want to, nor do we have the time, to do ins and outs of the budget plan. So I want to just say let's just lay out, establish that there's a fundamental truth to your budget proposals. I love this phrase, "The simplicity on the other side of complexity." I've heard it attributed to different people. I think I choose Oliver Wendell Holmes, but today when

we talk about the budget we're dealing with that, "the simplicity on the other side of the complexity" that debt can and must be stabilized, that both political parties have brought about the situation we're in now. And when you wrote this together, this open letter to the American people when you released the report on restoring America's future in 2010 and you said, "We created this plan to show that it can be done." Right?

But then I guess the question that arises, and is good to ask in a place like this, is still, given the political culture right now, could sitting politicians -- I mean, you did have a very broad base -- 19 people, former elected officials and experts -- but could sitting politicians reach that kind of agreement? I mean, what have you learned that tells you that they could?

MS. RIVLIN: Let me start on that. I also served on the Simpson-Bowles Commission. And it was mostly sitting politicians. And contrary to the public view of it, we actually had very civil conversations behind closed doors. They had to be behind closed doors because there was an election going on. The congressional election of 2010. And many of the members of the group were running for re-election. But we came back every Wednesday to the Dirksen Building and talked about the various aspects of the budget that needed to be solved. And came together -- now, not everybody voted for it but a majority of the group did -- around a bipartisan solution.

And at the end of the process, I thought Senator Tom Coburn said it best, a very conservative, republican senator from Oklahoma. He said, "There's a lot in this plan that I don't like, but I've figured something out. If we're going to solve this problem, Tom Coburn isn't going to get everything he wants." And that really summarized to me the idea of compromise. You've got to give up something in order to solve the problem. And I'm that Senator Dick Durbin, who is a liberal democrat from Illinois, had the same thought, although he didn't express it exactly the same way. There

was a lot in that he didn't like but he signed it, too.

MS. TIPPETT: So where's the breakdown? What goes wrong between that possibility and then the reality that we see as it plays itself out?

MR. DOMENICI: I want to suggest something first. I think that what must happen to address an issue of this magnitude and this importance is that people in authority have to know the problem.

MS. TIPPETT: Think the problem.

MR. DOMENICI: They have to understand the problem. If they know and understand the problem, then they know and understand that this is really something important. It's not just like last week's Big 10 football game; it is the country's future. And so if you know that, you are apt to sit down and address the issue as a person and say, "I'm willing to sit with Alice, I'm willing to talk with Joe, and I'm willing to give because I know the problem."

Now, what's happening to our country is more and more and more people know the problem. That's good. I'm not saying we'd have to have the whole population know the problem to get there. That's an exorbitant request of democracy. You're asking too much of it, of democracy for that. But what's happened is we've let it go and fester and the problem gets so complicated that we are the victims of its complexity in terms of trying to carry it out. There are all kinds of members that want to do something, but they don't know where to go.

MS. TIPPETT: And I think citizens feel the same way.

MR. DOMENICI: I think citizens feel the same way. They say, "We've learned about it. What can I do to save this country? I want to be on Pete and Alice's side. I want to do something."

MS. TIPPETT: So, I mean, what would your -- what would your answer

to someone be? I mean, just -- how would you help someone think about where to start?

MR. DOMENICI: Well, at this point it's pretty obvious to me that we've got a little bit of time, but it's also pretty obvious to me that we don't know how much time we have. And for those who think we have 20 years, they are truly willing to risk a future of a great country. For those who say it's got to be done next month, let's trodden off somewhere. They're kind of crazy, too, because the truth of the matter is it's too big and too complicated to get it done that way. But as a citizen, find out what is the real truth about this. In my opinion, you should try to narrow it down to as few things as you can.

MS. TIPPETT: This being the economic --

MR. DOMENICI: Plan. Any plan, any effort should be that this, the it, and it should be as simple -- put into as simple terms as you can. That's our problem and our job. Make it simple so the people can get it, can understand it. Once we have it and it's simple, then we've got to work on the next step, and that's how do we get it implemented? And of course that's as complicated an issue as we've ever had. If we have time, we'll talk about it. How do we carry it out? There are some exciting actions taking place that might do it, that Steve Bell, who knows some of you here, is working very hard on and making some end roads.

MS. TIPPETT: Alice, how about you?

MS. RIVLIN: I think the essential thing for people to grasp is that we're on an unsustainable track. The debt is rising faster than our economy can grow. And almost anybody can figure out that's a bad thing. And then the second thing is that the things that you would have to do to make that not true are all unpleasant. You have only two choices. You have to raise revenues, not necessarily tax rates, but the amount of money collected and you have to reduce the rate of growth of the big spending programs which are ones that everybody likes. They are Medicare, Medicaid, and Social Security.

Those are the things that are driving the spending increase in the future. They are the only things we might adjust, but they are the basic cause of the problem going forward so that bipartisan groups like ours and like Simpson-Bowles, and actually, like any other group that you pull together, have come to the conclusion you have to do two painful things over time -- raise revenues and slow the growth of the entitlement programs.

That's easy to demagogue. It's easy to get out there if you're running for public office and say, "No cuts to Medicare." Or "I will cut your taxes, not raise them." And that's irresponsible talk for anybody who wants to solve the problem.

MS. TIPPETT: I think you make the point again and again that because of the difficulty and unpopularity of what has to happen, bi partisan alliance is the only -- because every side will lose by making these unpopular decisions and so essentially, what did you say once? You know, they have to hold -- join hands and jump together.

MR. DOMENICI: Well, let me add one thing in there that I think is true. I don't think what the public has to undertake to help us get this done is as tough as it's being made. We're using words that scare people. Cuts to Medicare. Language by democrats that says the republicans are going to do away with Medicare as we know it. And they say that very cocky and ready to leave and say that's it. It's over with. Well, the truth of the matter is we don't have to change Medicare an awful lot. Just a little bit. But it's a little bit over a long sustained period of time.

We have a job to make it simpler so people will understand that when we say restrain and reform the major entitlements like Social Security, Medicare, and the programs now for veterans are beginning to get big enough to be in that category. You're not going to cancel the programs. In fact, within five, six, 10 years, no one will know the difference. The programs will have that little -- have been impacted that small amount. Raising of revenue. We're talking about, you know, we have hundreds of tax

expenditures. That is, we give people things out of the tax code. Hundreds of them worth billions of dollars. We have to pick and choose which ones we want to either take out or narrow down in application. People aren't even going to know about the first five years; that can be implemented over a 10-year period. It's just that we've got to sit down with pieces of paper and convince the people not to be frightened and not to let this talk by those who don't want to do anything, don't let them take hold.

MS. TIPPETT: You know, I think also that language of numbers and revenues, in itself these feel like abstractions to people who don't -- right? So that language also, that way of talking about it also creates anxiety, if not fear.

MS. RIVLIN: That's right. But let me reinforce Pete's point. Because right now in this political campaign, both sides are trying to scare people into thinking if you vote for this other guy it's going to be a terrible time. And Medicare is a good example. Both sides are trying to scare seniors that their Medicare will be destroyed. That's not even remotely possible. Politicians care about older people because they vote and Medicare is an extremely popular program. We need to adjust it at the margin, but nobody is going to destroy it.

MS. TIPPETT: So one thing that --

MR. DOMENICI: Say --

MS. TIPPETT: Yeah, sure.

MR. DOMENICI: -- because they vote. She said that. We're not talking -- that language is not bad language. It's not language that we shouldn't use. The truth of the matter is that this is a democracy and the largest affected group by budget work is the senior citizens now and soon to be. By far they are the biggest. They're more powerful than General Motors, U.S. Steel, whoever you think are powerful. Those who work for the seniors are more powerful. So we're not going to be able -- if we were bad

guys and wanted to do Medicare in, we couldn't do it. The truth of the matter is we have to explain it better to seniors so they know this is fixing a program that's part of a budget so you'll have Medicare forever. If you'd like to try America bankrupt and try to run Medicare, then go the other way. You'll have a bankrupt country trying to run a Medicare program. Would you like that? I don't think anyone would like that.

MS. TIPPETT: So, you know, in terms of diagnosing what's happening in the political culture that creates these dynamics, one idea that keeps coming up in these civil conversations I've been having is that there's been a shift from opposing someone's position to opposing -- casting aspersions on their motives. And that might not sound huge but it's precisely this. It's going from I hold this position on Medicare. They hold that one, too. They want to destroy Medicare. Right? Does that -- you know, and I wonder if when I heard the two of you talking earlier on about the importance of personal respect. How even when the two of you for all these years were on different sides of the issues you had that respect for each other, which is nice language but I'm not sure how compelling it is or how you can see that as politically powerful. But if you see that what happens if you don't have that respect, I mean, what's behind that is that you might question each other's positions but you would never question the character or the motivation of the person on the other side.

MS. RIVLIN: One example of what's happened in Washington -- and Pete knows this better than I do -- back a few years ago, members of Congress lived here, socialized with each other, their kids played on the same soccer team, their wives knew each other or their husbands. And it's a lot harder to go out and say this person is a bad person as opposed to I disagree with their position if you actually know each other and socialize together. And that has diminished greatly in the Congress.

MR. DOMENICI: You're absolutely right. Let me cite for everybody here

an example in my own life. I had an opportunity to meet once a week with five U.S. senators -- three from the Democratic Party, two from the Republican Party, and two non-members. We would meet once a week for lunch. Our purpose was religious. We were talking about something that was personal to us about the Bible. And we would meet, eat, and did we ever get to know each other in terms of friendship. We became fast friends through this. So much so that everything that I did in the Senate, I looked for a bipartisan helper and I would always look for a bipartisan helper that was a friend. And if we could get together, it was instant contact and we could make beautiful music. I'll tell you. It was important that we know each other.

And whatever can be done to tell the institutions of this country, make your institution more habitable for the elected officials and their families so they get to be a little bit intimate so you're talking about Senator Nunn to your wife and you talk about Sam and she knows who Sam is. You wouldn't dare go to the floor of the Senate and say anything about him other than I don't agree with him. And he's probably -- he could be right. But I'm just not on the same side and I'm going to try to convince you he's wrong, but he's a terrific guy. I mean, that's the way we did it and that's the way we got things done. And she's right. That's disappearing because they're so busy. As soon as things slow up you've got to get out of town, right? You don't go to a party, a social event with your wife and a fellow senator. That's not happening anymore. It was going away when I was in the Senate. That's four years ago.

MS. TIPPETT: I guess the question is, I mean, I always get a little bit nervous. We're hearing this a lot; but I get nervous that it's like, you know, the nuclear family was such a great thing in the '50s. Right? How we get nostalgic about the way things were because, I mean, to me the question is how can those human relationships be recreated? Probably not by everyone becoming Facebook friends but some 21st

century version.

MS. RIVLIN: One thing I find encouraging is that I've gone out around the country with various groups that were putting representative groups of citizens together in the same room. These are not people that are lifelong friends. They've been chosen at random from lists and invited to come and spend a few hours working on a problem. And in my case it was the budget problem I was involved with it. And actually, if people sit around a table and talk and they get to know each other and they say: where are you from; and where are you from; and what do you do? And the respect grows rather quickly if you're actually talking to an individual person as opposed to some abstract idea. And the encouraging thing is that when you sit quite average citizens down from different walks of life and give them the facts, as Pete was saying earlier, help them understand here's the problem and here are some options and things you might do, they come up with very sensible, centrist solutions. It's not that hard.

MR. DOMENICI: That's right.

MS. RIVLIN: It's really pretty simple arithmetic. And people can do this. It isn't beyond human capacity.

MR. DOMENICI: Let me just add to what I said. Point number one, it would be good if members of the United States Senate could become friends. Now, that's on its own.

MS. TIPPETT: And you don't mean Facebook friends.

MR. DOMENICI: Right, no, I mean real friends. Maybe they're good, too. I don't know. I'm not going to chastise anybody. But what I'm talking about, there's one kind. But there are also friends that are born in the threshold of this problem. And what's necessary there is an agreement as to what the facts are. Not to go from the citizen who is jibbering and jabbering about how bad these congress people are to a

chair for that person with somebody she or he would trust and try to get them to believe something. Some part of this problem, maybe that we've got a problem, that would be a step for some.

MS. TIPPETT: Right.

MR. DOMENICI: And that it's got to be solved. That might be something. And that there are people trying to solve it who are not cheats and thieves and dumb bums. I'm not that. I don't like anybody saying that about me either. I gave my live 36 years to being a senator and I didn't get rich either. So I don't like any of that being said.

But anyway, the point if it is we've got to get a number of citizens to begin to understand and believe, and I think that's happening. I think more and more people are beginning to get this, that the serious problem in the future is the debt of our country as expressed by Alice a while ago in simple language and as I have described it mumbling around up here saying too much.

MS. TIPPETT: I want to -- if you have cards, if you have questions, this is the time to complete those and they will be collected.

I'm Krista Tippett and this is *On Being*, a conversation about meaning, religion, ethics, and ideas. Today, political bridge people. We're at the Brookings Institution in Washington, D.C. I'm with Pete Domenici, former six-term republican senator of New Mexico and veteran chairman of the Senate Budget Committee, and economist, Alice Rivlin. She was director of the White House Office of Management and Budget under President Clinton and was the first director of the Congressional Budget Office.

What does it feel like? I think it's happened to the two of you that you have been -- because of these bipartisan activities you've been deemed to be traitors by

people in your own parties. I mean, what's that experience like and what has that taught you also about the hardness of this?

MS. RIVLIN: I can certainly attest to the traitors. No, traitors is not too strong a word. I have democratic colleagues and friends, some of them right here at the Brookings Institution who think that I am betraying the cause by working with republicans and working in a bipartisan combination. And of course, on the Simpson-Bowles Commission, I got a lot of mail because that was a public thing. And most of my hate mail -- and there was hate mail -- was from the radical left. I am sure that the republicans got the same kind of mail from the radical right, but the radical right wasn't interested in me; it was the radical left that thought I was betraying the cause. And called the Commission the "Cat Food Commission," and so forth. I even got an e-mail from a very nice woman that I had been on a hiking trip with many years ago who said, "What are you doing on the 'Cat Food Commission'?"

MR. DOMENICI: Well, I'm pretty lucky. I didn't get as much as one might think. The issue that there would be anger on mine would not be on Medicare; it would be on the new revenues that our budgets contemplate getting, receiving over the next decade. And strangely enough, the way we handled increased revenues in our proposal is very, very acceptable to a huge majority of the people. It's politicians who come running along finding something wrong with this approach because it is a really well worked approach to the so-called loopholes. Citizens call them loopholes. It's using loopholes in such a way that some are done away with, some are diminished, some are deflated, and it isn't as sensational in terms of what people say. What are you going to say? They're cutting -- they're increasing taxes and you sit down and talk about how and who, it's pretty simple that over a decade this can be worked out without harming anybody. And those who make a lot of money will pay a little more than their current

share, but the program will be a fair fax reform program. We have taxes that are so messed up. Tax reform has to be lauded and our reform yields new revenue so it's hard to be critical of it.

MS. TIPPETT: I want to zero in on the language of civility, which is a word that we're using for this project but it's a word that also makes me uncomfortable. You know, it's a little overused and it has connotations of mildness and niceness. You know, can it be a powerful enough force to really make a difference in this kind of really historic difficulty we're in? So I wonder, the two of you, through your experiences working on this -- together on this plan but also in all of your decades, you know, when civility is a real robust effective thing, even in hard political moments, what are the qualities it has? What does it do? How does it work? MS. RIVLIN: I think one quality is you have to listen to the other person and try to figure out what they're really saying. And we seem to be losing that ability to listen. And you have to get them to explain why they think what they think. I teach at Georgetown University and I taught a course this year that I invented last spring called "Decision-making in a Polarized Environment." And I decided after talking to my students that they were mostly democrats, not all, and mostly liberals, and that it would be good if I got one of my really conservative friends, my friend Allison Frazier from the Heritage Foundation, to come. And I started by asking questions in your manner about how she got to the positions that she holds and then let the class in on it. I think they came away with a very different idea of how a real conservative thinks.

MS. TIPPETT: Actually, I think one of the most powerful and revealing questions you can ask is, "What do you mean when you say that?" You know, even when somebody uses a vocabulary -- a piece of vocabulary to ask, "What do you mean by that?"

Senator Domenici, when you think about civility as a robust and powerful

thing, what is it? What are its components?

MR. DOMENICI: What is civility?

MS. TIPPETT: Mm-hmm.

MR. DOMENICI: Well, it seems to me if you just think of our democracy, it's really an interesting phenomenon democracy and it requires certain things. And if you can't listen to those who disagree without becoming yourself bombastic and irrational, then this system has a hard time succeeding. And we've succeeded for couple hundred years but, you know, we're -- we want to succeed for a long time so we can be in the textbooks with the real longtime societies that lasted a couple thousand years. That won't happen if you don't respect the other person. If you end up hating, which I have to talk about if I'm asking to talk about civility, if you end up being a hater and hating, you end up either taking a big chunk out of democracy or a small little piece out. And either way you are really hurting this thing called democracy when you act the way some are now.

I would urge that citizens who are frustrated about their government not be -- not retain the position that the politicians are the bad guys and the crooks, but rather to try to see what the problems are. See what the facts are. And to do that you're going to have to open your ears a little bit and decide that you've got to listen.

MS. TIPPETT: You two have been through many different chapters of American economic history. I wonder if you think there's something in the nature of this moment -- this crisis -- that is making the politics of resolving it harder. And what I think of when I hear you talk about hatred or not listening, there's so much fear out there. And what budgets are getting at is, you know, it's touching on many of the aspects of that fear and it brings out the worst in people. So you could in a very simple way say that these primitive dynamics in the halls of Congress are just reflecting human beings in a situation

where they're not at their best. I don't know. How do you think about that? How the particular nature of this economic downturn and the mess we're in now is shaping that -- the political crisis which I think is how people feel -- that there is a political crisis as well as an economic crisis?

MS. RIVLIN: Well, I think they're right. There is a political crisis in that we have not been able to make progress solving some major problems like the budget, like climate change, like a bunch of others, because we are so gridlocked and so polarized. And the political parties are demonstrably more polarized. There were fewer centrists in the Congress. But I think you're absolutely right that fear and playing upon that fear in order to get elected is a big part of the problem.

MS. TIPPETT: And do you see it as more of a dynamic than in previous times?

MS. RIVLIN: Well, it depends what previous times you mean. I mean, we've had -- this is the worst downturn, the economy, the financial crisis of '08 and the recession that followed it, the worst we've had since the Great Depression. But nothing like as bad as the Great Depression. That was a time of terrible fear and terrible hardship and we're much better off now than we were then. So it's a little hard to understand why people are so susceptible to the fear mongering, but they are.

MR. DOMENICI: I don't know how to explain it except I would very much like to urge that people do everything they can to not make this an insolvable problem.

MS. TIPPETT: You mean just not even in our imaginations decide that it's insolvable?

MR. DOMENICI: The people should have confidence and hope and faith that we're going to get something solved and work towards that rather than the negative side. A democracy needs participation, so it needs some hate mongers. And I guess we

wouldn't survive without them but what we end up needing is confidence in the system and looking for the good part. That's a hard thing for a politician to ask of the public. I'm not running for anything so I can say it. I do think I, myself, have ended up from time to time thinking that this is such a terrible economic time that we won't solve it and then I turn myself around and go to work on it and say, well, it's just tough. And that's because we're complicated and we're powerful. And so it's tough, but it's solvable. I'm getting more confident because more people are joining the cause of trying to solve it. And if they just don't go off to far in their own directions and be patient for a little while here.

MS. TIPPETT: Patience is not a great American virtue.

MR. DOMENICI: No, but patience is not long-term either in my case. I'm not asking them to have patience forever; just patience through the election, then right here in my heart I'll tell you, the right person get elected. I don't need to tell you who that is. And in any event, that we move on from that to solutions. I think we'll all be better off.

MS. RIVLIN: I agree with that. I think one thing that we seem to have forgotten is the nature of our constitution. It requires compromise because we built into the constitution, our forefathers 200 and some years ago, a lot of protections against majorities running amuck, so we have all of these checks and balances and you can't get there -- you can't get to a solution on anything really important under our constitution unless you're willing to compromise. And compromise has become sort of a dirty word.

MS. TIPPETT: Right. A reviled word.

MS. RIVLIN: Like it was a bad thing to compromise. I think we have to understand compromise is a good thing and it requires people giving up things that they would otherwise support. But our constitution requires compromise. It was set up that way. We could have had a different kind of constitution, a parliamentary system which requires less compromise, but we don't have that and we have to learn to live with the

institutions that we have because they were set up for good reasons.

MS. TIPPETT: I wrote down Alan Simpson's definition of politics, and of course, he's another one of these bridge people now and your budget plan is part of that other constellation. He wrote, "In politics, there are no right answers, only a continuing flow of compromises among groups -- only a continuing flow of compromises among groups resulting in a changing, cloudy, and ambiguous series of public decisions where appetites and ambition compete openly with knowledge and wisdom."

MR. DOMENICI: Is that a question?

MS. RIVLIN: No, but it was a good quote from Alan.

MS. TIPPETT: No, it's a quote from Alan Simpson. But, you know, I think what citizens are longing for more are more of that knowledge and wisdom piece hanging out with the ambiguity and the compromise and the ambition.

MR. DOMENICI: Well, first of all, I don't want to leave the impression that we have to compromise so much that we don't have -- we never get -- we're never right. We never get things done that we think should be done.

MS. TIPPETT: Right.

MR. DOMENICI: Obviously, we're in a situation where it's absolutely patent, it's arithmetic that you've got to do something to the entitlement programs where they cost less money over time or that you raise taxes enormously to pay for them. And you've got to decide. And that's where compromise has to occur. When you look down at the tax reform and you see what you've got is this absolute, humungous mix-up of things that can hardly be read and understood. You've got to get something changed, and to change it you can't all agree, so somebody is going to compromise. So I don't think compromise is bad. I don't think you have to compromise every day on everything. You become a nothing. I don't remember the rest of what you're saying.

MS. TIPPETT: No, no, that's okay.

MR. DOMENICI: Alice, now anyway, I'm finished.

MS. TIPPETT: I think I want to do another radio momentum.

I'm Krista Tippett and this is *On Being*, a conversation about meaning, religion, ethics, and idea. Today, political bridge people. We're at the Brookings Institution in Washington, D.C. I'm with Pete Domenici, former republican senator of New Mexico, and Alice Rivlin, a veteran economist who served in numerous democratic administrations. Together, they co-chaired the Bipartisan Policy Center's Debt Reduction Task Force.

And now I'd like to welcome Bill Antholis to the podium. He's going to moderate our question and answer session. He's the managing director and senior fellow in governance studies here at the Brookings Institution.

MR. ANTHOLIS: Thanks, Krista. We've got an overwhelming number of questions, both from our audience here and from tweeting and the Internet or the Interweb as some friends jokingly call it. What we've done is cluster a few of them into -- they're coming in clusters.

So there are a number of questions around facts. So the facts are far from obvious or self-defining. How do you initially get hostile groups to agree on the facts? How do you convince reporters in the media that it is part of their job to focus on facts? They only want to report on conflict. Another one is: civil discourse and exchange do not necessarily ensure factual accuracy. Much civil discourse is ideologically-based and often brutally counterfactual. What else is needed in addition to civility to produce rational, practical decisions?

MS. RIVLIN: I think you do need a trusted source of facts at the beginning of the conversation. But in the budget world, actually, there isn't a lot of

dispute about facts. There is some, but if you sit down with a bipartisan group of people to look at the budget, they basically agree on the projects. I mean, I'm very proud of this because I started the Congressional Budget Office, but all of these discussions start from the projections of the Congressional Budget Office.

Now, you can get some alternative projections and you can say, well, if the economy grew faster it would do better and maybe they're low balling the growth rate or whatever, but the facts are not very much in dispute. They are in some other areas. I mean, like climate change, for instance. You get a big argument about the facts, but budget is fortunately almost free of that problem because any way you look at it, we're on an unsustainable trajectory.

MR. DOMENICI: Yeah, I think that's right. But if you are a member of a group or if you're being judged by some as not having the facts or trying to do something without the facts, you must solve that before you can go on. Because if you go on without that solved, you're just wasting your time. So you then figure out how do we get that one solved? And if you have to, you just break the group up into a smaller group that will encompass the various dissenting people and say we're not going to do anything for two days and you all go out and meet with these experts until you understand and agree and come back to us. Or something like that. That's what we've done and it's worked. We are lucky as a people, right now in the midst of this problem, whether it's totally accurate or not I'm not sure. It's probably as good as we're going to get because it's based on what Alice Rivlin, Dr. Rivlin built into the CBO. We do start with things that everybody agrees upon or most people agree upon. That's a whopping help when it comes to putting a budget -- putting something together that will solve the problem. If you have to solve CBO's problems, you will have months before you can ever start talking just to open up discussion.

MS. TIPPETT: I think this for citizens is actually an important point to hear because the idea of facts is very disputed now in media and political culture beyond the Congressional Budget Office.

MS. RIVLIN: And there is lots of uncertainty.

MS. TIPPETT: Right.

MS. RIVLIN: Congressional Budget Office projects can't be described as facts. They are projections and they have certain assumptions behind them. And one of the big uncertainties Pete mentioned earlier is how long do we have to solve this problem? And there is genuine disagreement. There are people, reputable economists, like Paul Krugman, who say we can go on borrowing for as long as we want because we're the biggest economy in the world and people will go on lending us money, so this is not an urgent problem. I'm not sure he's right but you can't prove it. I think we might be in trouble a long time before Paul things we are and we better take out an insurance policy to make sure that we don't get into trouble. And by trouble, I mean rapidly rising interest rates and lack of confidence on the part of our investors, because once that happens you're gone. You can't turn it around easily.

MR. DOMENICI: Well, Paul Krugman basically does what a lot of people do, and he looks at the fact that interest rates are very low, extremely low, lower than we ever had them. How can there be such a crisis? And you have such wonderfully low interest rates. That's part of his argument. And it must be because they're never going to do anything to us for over borrowing. Well, the thing is that in this rather disjointed world when everybody's got budget problems, money is being -- got to go somewhere because there's a lot of money in the world economy and so it's going to America at low interest rates because we're safe at this point. We're a safe harbor so they send it here. If you want to base it on that, then go ahead. And then when it finally busts and this

interest rate goes up, you will have borrowed so much the interest rates will eat us alive and then you won't be around to take a little bit of the sourness with the sweets, whether your name -- whatever your economic background is you'll be gone along with everybody else. So I'd rather get it solved myself.

MR. ANTHOLIS: There are a whole cluster of questions around intergenerational equity. First, should we not ask seniors who can afford to pay for more Medicare but not cut vouchers benefits? Should we also ask those under 65 to contribute more to cover Medicare?

Another question is as a young professional I see a gap growing larger and larger every year between my peers who care about politics and civic engagement and those who ignore it. Does it need to be self-starting or are government consequences like taxes or even as far as the draft, things that can help you to become more engaged?

Also, as the number of younger voters increases and their political acumen is shaped amidst a polarized and volatile political landscape, how can current and seasoned politician help create an environment where voters can truthfully engage with the issues?

MS. TIPPETT: Jump in.

MS. RIVLIN: Well, let me start in intergenerational equity. I think it's real. I think the danger in not solving the debt problem -- and by solving, I mean not getting us back on a sustainable path where our debt is not growing faster than our GDP. The danger is that paying the interest and paying all of the costs is going to drive out investments in things that we need to grow the economy for the future. That's already happening at the state level. We're having cutbacks in education and other things that we need to grow the economy. But the real point is it's our children and our

grandchildren -- and Pete and I have got grown grandchildren already -- who are -- so maybe we should talk about our great grandchildren -- who are going to be endangered if we don't solve this problem.

MR. DOMENICI: I'm having trouble remembering some of the questions, so I apologize.

MS. TIPPETT: Yeah, just the idea of intergenerational equity. Yeah.

MR. DOMENICI: That one, yeah. The rest of it -- if it's important you can tell me what it is.

MS. RIVLIN: It was a long list of questions.

MR. DOMENICI: Well, one of the things we did not say much about that it's good that this question prompts me to think about it with you is that America has always grown sufficient to take care of generations and to also take care of investing in the future. If we don't grow, then I hate to keep repeating this, but our kind of system really goes haywire because the people are relying upon a certain size pie that gets distributed throughout the economy and to people. And if that isn't growing, then obviously you can't get pay raises. You can't say as much as you plan to say. Everything that's good gets whacked back if you aren't growing, if this kind of free economy isn't growing. So the seniors versus those who were next versus the babies and little kids, there will have to be some generational problems that are significant.

If we are not growing, and if these particular groups of people are entitled to receive things from their government, there won't be enough to give them. That will be a big monster problem, and we're already feeling it. And some of you may feel like I do. You look around your community and other communities and you see that we look old. We're short of things. The streets are broken. The pavement isn't there. We weren't like that when we were growing and spreading the money outright. So the question is well

taken.

MS. TIPPETT: You know, that gets at also the language of recovery. Right? We talk a lot. I mean, we're in the middle of this campaign. I mean, I want to be blunt and say I feel like neither one of the candidates can be honest about or can speak in a searching way about recovery maybe not meaning -- getting back to some normal or growth as we've known it into the future. I mean, I would like to ask the two of you, honestly, what do you think economic -- what is the economic recovery we can aspire to?

MS. RIVLIN: Well, I'm not pessimistic about the U.S. economy and its recovery. We had an unnecessary financial crash. We didn't have to do that to ourselves, but we did. And what we know about financial crashes is they give you recessions that are longer and harder to get out of, and this one was particularly bad because it involved housing, and housing, unlike stocks and other things, everybody benefits from. And so it's not very surprising that this recovery has been slow. But I don't see anything fundamentally wrong with the U.S. economy. We'll get back to a more reasonable growth rate.

MS. TIPPETT: Do you think that your great grandchildren will have the same kinds of ambitions, the same kind of idea about what they'll achieve in their working life that their parents did?

MS. RIVLIN: I think we can get back to a situation where the standard of living is rising for almost everybody and people can look forward to a better life than their parents had. I really think that.

MR. DOMENICI: I'm a little bit more pessimistic than she is, than Alice is. I think we can make it; we can get out of this mess we're in and start to grow. I'm not sure that we can sustain what we need over the next decade to two decades to get ourselves back on our feet and growing where the standard of living that people should

be getting is there without super inflation.

But clearly we're not going to get there unless and until our political leadership leads us to get this done. We haven't said anything about that yet today and we're probably going to quit with this statement, but we have not had leadership on the issue of debt and the debt reduction. It's been around the edges of politicians and it's been, you know, setting up a commission and then not accepting it. Those kinds of things. Those are not total focus on the problem by the leadership of the country. That's got to be done sooner or later. That old tree isn't going to wait too much longer.

MS. TIPPETT: Another question?

MR. ANTHOLIS: Well, we'll stick on that theme. Lots of questions about politics.

In a divided government, how to find a sensible center between Grover Norquist's no-tax pledge and those who say we can't touch Medicare, Medicaid, and Social Security. And then particularly to Senator Domenici, if you were still a sitting senator contemplating re-election, how differently would you carry out this effort?

MR. DOMENICI: You don't really want that -- you don't want that from me. I can't tell you that much. I'm not that good at explaining that much to you but if I really were running and things were as bad as they are and Norquist was trying to get me to sign a pledge, I wouldn't sign it. I would try very hard to prepare a campaign that was built on the premise that you want -- do you believe we've got a problem? If you do, do you believe we can solve it? And then if you believe that, then I'm going to tell you how I think we can solve it and you ought to vote for me, yes or no, based upon whether my solutions are fair and right. If somebody's got better ones, you ought to elect them, especially if they've got better ones on how to fix the economy. I do believe you come to various times in the life of a country like ours when you have issues that just won't go

away unless you help do something different. And this one stands out. It's going to get bad if we don't fix it and we know how. So I would be glad to try to tell the people that if they didn't believe it. I wouldn't be glad to quit but I would be -- whatever they said I'd do.

MS. RIVLIN: I know Pete well enough to know that's the kind of campaign he would run, but he would win because there really is, I believe, a large fraction of the public that wants to hear the truth. And I do think that these pledges are fading. They were last year's and the years' before thing. There are more and more members of Congress and especially in the Senate that really understand the problem and want to get the compromises. And I've heard a number of members say I think we should take a pledge never to sign any pledges. (Laughter)

MS. TIPPETT: All right. Let's have one more question.

MR. DOMENICI: One more and we're finished?

MS. TIPPETT: Then we'll wrap up.

MR. ANTHOLIS: So from the national to the local, from an online questioner, how do friends sit around the dinner table and have a fruitful exchange about economic issues without it being political, without arguing what's the way in?

And then maybe a little less local and a little more political, can the nation's governors effectively become engaged in addressing the federal fiscal crisis? And why should they?

MR. DOMENICI: Well, I'll tell you my view. I believe that we were rocking along as a nation about to discard the fact that we had states and that this was a democracy that expected the states to try things and that they were really the engines of change and the engines of growth. We're about to lose that and I think it's coming back. I think it's being looked at by political leaders in the framework of the constitution and they're beginning to say the states ought to really be given the authority to try some hard

things and see if they can do it. So my answer is the states are becoming -- they've got a problem with money right now but there are some states that are going to try new things and try new leadership, and I think that's good. And I think if they can get out of the mess they got themselves in on over pledging for pensions and things, there will be pretty good areas to do some research on how to solve problems. And I don't remember the first part of the question but that's the second part. And I'd say that's important.

MS. RIVLIN: I agree with that. I think in general, governors, but especially mayors, tend to be much -- and Pete's been a mayor -- much less partisan because the problems are so immediate. And you know all the people that are involved. And it's very obvious that you have to make a compromise across party lines. And at the governor level, yes, there's a lot of partisanship, but in the end you have to balance the budget. And that is often -- often requires a set of compromises that are very practical and sort of down to earth. And one of the problems in the U.S. system is we don't have to balance the budget. Now, I'm not in favor of a constitutional amendment to make us balance the budget, but it is a downside that many of these decisions can be put off where they can't at the state level.

MS. TIPPETT: So as we draw to a close, I want to just ask you a couple more questions along a little more personal lines -- personal and political.

So one of the people I've been talking to for the Civil Conversations Project is Frances Kissling, who is a long-time abortion rights activist. But she's dedicated the last few years of her life to being in a real relationship with her political opposites. And she's named a couple of questions that she feels must be asked at some point in real dialogue, and the questions are what do I find attractive in the position of the other? And what troubles me in my own position? And I wonder if you could think about your work, perhaps your work specifically together on the debt reduction plan. Or in your

political career. You know, either speak to this in terms of a specific budget issue or just as a democrat dealing with republicans and a republican dealing with democrats. You know, what -- have there been moments where you could consider what you have found attractive in the position of the other and where you could also bring to the table what troubled you in your own position and that being a fruitful reflection?

MS. RIVLIN: Yes, I think so. There -- the problem I struggle with most as a democrat, I think it's a very general problem. Most of us believe in personal responsibility. We believe it for ourselves, we believe it for our kids, we believe people should take charge of their lives. And yet we also believe in both person and political space, in community responsibility for people who aren't making it. And the really difficult thing is the tradeoff at that margin. And I like to think of it in personal terms. When you're bringing up teenagers, you have to think all the time, do we let them get out there and make their own mistakes so they'll learn? Or do we try to help them do the right thing? And there's never any real clear answer to that. You do some of both and hope for the best.

MS. TIPPETT: Right.

MS. RIVLIN: But the idea that help for low income people or help to go to college or that sort of thing is going to make people dependent seems to me a wrong idea. On the other hand, the idea that there are no limits to the amount that we should help people is also a wrong idea. And you have to get the compromise -- I started to say right, but you have to get a compromise that's workable.

MR. DOMENICI: I don't know if what I'm going to tell you fits the question. I'm having difficulty with that. What bothers me most about the opposition side is -- I'll take Bill Clinton, my good friend, and he is. If he were putting a budget together and presenting things to the public, he would take a package of programs called

education and three or four or five others and say we're going to cut the budget but we're going to take care of A, B, C, D, E. And act. And then he would assume that he had taken care of that problem. We've done that. We've solved the problem of the needy with food stamps, with this group or this. With this with this. And the truth of the matter is -- I'll strike that -- what I wonder is when will we ever find out whether what he's talking about really does any good or not? And the amount is unrealistic or realistic?

I had his economic advisor, a very bright man, come to my office after he had finished his term of service and wanted to say goodbye and thank you, Pete, and the same to him. And I said what I'm telling you to him. I said, "You know, if the programs you said we'll take these on and we'll work on them and that'll take care of our poor population and we'll move on to this, if you only knew that that little bit of money you were talking about couldn't conceivably do that, solve that, you wouldn't even say it. It's so stupid." And he said to me, "What do you mean?" I said, "Well, $600 million, " -- I'm just giving you this -- "couldn't take the -- could not solve the problem of this many million people that you're talking about. It's a political statement. It's not a truly," -- I'm telling you something that bothered me. And I said it that way. Surely, I don't know whether I'm right or wrong.

MS. TIPPETT: What's something that republicans do that bothers you?

MR. DOMENICI: I'm telling you that bothers me. What's that?

MS. TIPPETT: Something that republicans do that bothers you?

MR. DOMENICI: Well, in my party, we have an awful lot of good people that run for office and that get elected, and I'm proud of that. Lots of good governors, great ones, in fact. I do get bothered by their position on taxes when you say sign up with the gentleman that says he'll never have a new tax. I think that position is irresponsible and it also doesn't permit us to get things done because it polarizes instead

of centralizing. And that's one of the worst that we've got.

MS. TIPPETT: So finally, so Alice Rivlin, you've called economics the science of hard choices.

MS. RIVLIN: I wasn't the first to say that.

MS. TIPPETT: You weren't the first. Okay, it's a good definition. There's a sense in which, you know, the language -- that's just like dropping bombs from 50,000 feet. It feels like that. But you are people who are making those budgets, working on them, and you're doing that as policymakers and as people. So right now -- and this has been mentioned -- one of the most controversial areas of all of these plans is what happens with Medicare and Medicaid? Long-term care is a huge issue in there. Both of you are 80 years old. Is that right? Are you 80 also?

MS. RIVLIN: I'm 81.

MS. TIPPETT: You're 81. Magnificently.

MR. DOMENICI: I'm 80.

MS. TIPPETT: You're 80. (Laughter)

MS. RIVLIN: He's just a kid.

MS. TIPPETT: So I just want to -- I wonder in two ways how you, you know, how the human side of this for you comes into this? Is that -- do you reckon with this on a human level even as you're working with these numbers? No?

MS. RIVLIN: You mean on a personal level? No. Because neither of us are in danger of being in desperate need nor -- and we also understand the problem well enough to know that nothing on the table at the moment is going to endanger seniors in a serious way, especially not in Medicare. So I don't think that's really relevant.

But let me say the personal skills make a difference. And I want to tell a story about Pete. We got into a controversy in our commission at one point and we were

co-chairing and I was sitting there at the table thinking this is in danger of falling apart. But then the politician with whom I was working said let's call a recess and have some coffee. I don't know actually what he did. He got some of the members over in a corner. I suspect what he said is we've got to get back to making this work and what would it take to get you onboard or something like that. But in any case, so they came back and the atmosphere was entirely different. That was the experience of the old chairman coming into play, and you have to have some skills at bringing people together to make these kinds of things work.

MS. TIPPETT: And I think you're saying taking them out of the policy discussion, having the coffee, talking together as human beings, and coming back.

MS. RIVLIN: Yeah, it worked.

MR. DOMENICI: Well, it worked because they were -- these were amicable people. They really wanted to do something for their country, and they just had to be told that it was fix it right now or we're not going to get anything. They had to be told that. Is that what you want all of you? It's going to fall apart. If you want to give a little and want me to take back something, but you can't be what he and he and he is or we're gone. So let's sit down here and have a cup of coffee and let's talk about do we want to do something or not. And we got an answer, yes, we want to do something. So you've got to do it that way. That's the first premise: that we want to do something. Now, that means you've got to change something because the way you are saying you want to go won't fit the definitions we require. I mean, we go outside the circle, so we've got to get it back in and we talked long enough to come back in and we weren't on tune but we were closer. Close enough to argue amicably with the full group. I think that's how we got it done.

MS. TIPPETT: Between you, you raised 13 children, and I don't know

how many grandchildren.

MS. RIVLIN: Most are his. (Laughter)

MS. TIPPETT: Eight of his. How do you talk to your grandchildren, great grandchildren about this? What questions do they ask and what do you have to say to them as they think about their economic future?

MS. RIVLIN: I'm very pleased that I have grandchildren, young adults now who are very interested in these issues and are able to talk about them sensibly and constructively.

MS. TIPPETT: Do they ask questions that surprise you? Do they bring a new perspective that makes you think differently?

MS. RIVLIN: Yes.

MS. TIPPETT: How?

MS. RIVLIN: Yes, I think so. I think young people today, a lot of young adults are very turned off about politics. They're much more tuned into community action of various sorts. They volunteer, although that's not true of one of my grandsons. He's quite interested in the political system.

MR. DOMENICI: Well, I don't have too much to comment for you on this issue except to say that my children, first, they've been educated and do all kinds of things from neurologist to -- I have one son who's a good lawyer from a great law school, and instead of being a lawyer -- he was a lawyer for six months and he decided to open a charter school of his own. He defined it, he opened it, he got the judge to give him six kids. Instead of prison, to give them to him and he'd train them and give them back to society and he did that with his credit card, which he bought the pizzeria where he trained the kids. And some big philanthropic organization came upon him and said, my God, we've got a silver Easter egg. And they said, "Would you like to run our corporation?"

And he took it. He took this corporation of theirs, and before he left teaching he had opened three charter schools of significant size.

SPEAKER: Great story.

(Applause)

MR. DOMENICI: I don't want you to think I was trying to brag. (Laughter)

MS. RIVLIN: You should.

MR. DOMENICI: I just --

MS. TIPPETT: What do you -- what do you say to your children? What wisdom do you have to impart to them about their economic future? What are they interested to know from you? What can you tell them or learn from them?

MR. DOMENICI: I don't know why -- we're not doing the job too well, I guess, but they don't seem to talk to me about that. (Laughter) They're way too busy. If you'd see what they're doing you'd say, well, you've got to keep it going so they can keep doing what they're doing. That's what your answer would be. That's the way I feel. I've got to keep this country going because these kids and grandkids are doing such incredible things. I wouldn't want that to disappear and there'd be nothing for them to do, right? So that's how I feel about it. I don't want you to think there's not a personal relationship, but they are busy in their own lives and doing their own things and getting educated. Some of them just seem to never finish school, Alice. There's still another one working on a doctorate degree. I thought it was over with but they're still there.

MS. TIPPETT: Do you want to say something?

MS. RIVLIN: OH, I would echo that. I think that the point of everything that Pete and I are working on is a better country for everybody's children and grandchildren. And I'm actually very heartened, not just by my own descendants but by

the students that I teach and come in contact with as I go around to universities. There are an awful lot of bright, dedicated young people in this country and that, I think, is very encouraging.

MS. TIPPETT: Okay. Well, thank you, Alice Rivlin, Pete Domenici, thank you all for coming.

(Applause)

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