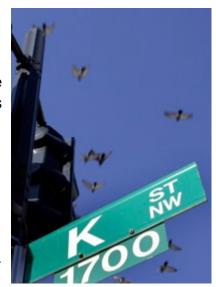




Closed to Public, Supercommittee Open to Lobbyists

In fact, says the *Washington Post*, "nearly 100 registered lobbyists who used to work for members of the supercommittee are now representing defense companies, health-care conglomerates, Wall Street banks and others with a vested interest in the outcome of the panel's work." In addition, writes the paper, half the members of the committee — three Democrats and three Republicans — "also employ former lobbyists on their staffs."

Furthermore, notes *Poltico*, while the supercommittee "has met more frequently in secret than publicly and has rejected calls to disclose its donors and post its documents online," lobbyists are having relatively little difficulty finding out what's going on behind closed doors. Though committee members have refused to talk to the press about the panel's proceedings, the report adds, "Democratic and Republican lobbyists say they continue to get corporate clients with interests before the committee face time with members and staff."



The companies, who pay \$30,000 to \$50,000 a month for such lobbyists, stand to lose billions of taxpayer dollars whether or not the committee reaches an agreement on spending cuts. Should the committee fail to make a deal, automatic spending cuts (actually, reductions in future spending increases) of \$1.2 trillion over 10 years will take effect. Corporations are thus eager to ensure that their interests are protected, either by keeping the committee from cutting their payments as part of a grand bargain or, as *Politico* observes, by "working overtime to ... scuttle a deal because the automatic cuts would be better for them."

Because the automatic cuts are divided evenly between defense and non-defense programs, a wide variety of corporations would be affected by them. "Defense contractors, for instance, are eager to push the panel toward an agreement that reduces the scale of cuts to the Pentagon," according to the *Post*. "The health-care sector, meanwhile, has a multitude of worries, from potential reductions in hospital payments to proposals to limit prescription drug prices under Medicare." Companies such as General Electric, which the newspaper reports "has been awarded nearly \$32 billion in federal contracts over the past decade, with much of that business going to lucrative defense and health-care subsidiaries," will feel the pinch no matter which portions of the budget are cut.

GE, however, may have little cause for concern. The *Post* found that "at least eight GE lobbyists used to work for members of the supercommittee, including the firm's chief lobbyist on Capitol Hill"; and of course, GE CEO Jeffrey Immelt is tight with President Barack Obama, having been appointed to head



Written by Michael Tennant on October 4, 2011



Obama's Council on Jobs and Competitiveness. Although the company claims it has not been lobbying the panel, "several lobbyists representing GE and other defense contractors" told the *Post* that "they expect to be heavily involved in the supercommittee's debate this fall."

The *Post* writes that "two-thirds of the lobbyists with committee ties are Democrats, including about two dozen former aides to Sen. Max Baucus (D-Mont.), the powerful chairman of the Senate Finance Committee." Other Democrats with lobbyist connections: Sens. Patty Murray of Washington and John F. Kerry of Massachusetts, each of whom has over a dozen former employees now working as lobbyists.

On the GOP side, the paper notes, Rep. Jeb Hensarling of Texas "employs a former lobbyist as a senior adviser" and has two former employees now in the lobbying business. Arizona Sen. Jon Kyl, who threatened to quit the supercommittee after its first meeting if defense cuts were ever mentioned again, has sent at least 10 former staffers through the revolving door to K Street, home of Washington's lobbying industry. And a high-level advisor to Michigan Rep. Fred Upton was once a lobbyist for the Pharmaceutical Research and Manufacturers of America (PhRMA). PhRMA is quite bipartisan in its influence peddling: It has also hired ex-employees of Murray, Baucus, Kerry, and Rep. Dave Camp (R-Mich.).

Given these kinds of intense lobbying efforts, anyone who thought the supercommittee was going to rein in spending is going to be sorely disappointed. "Lobbyists," *Politico* remarks, "say they aren't worried about getting access when they need it most." Taxpayers, on the other hand, aren't getting access; they're getting the shaft.

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