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NATIONAL COUNCIL OF SENIOR CITIZENS: IGNORING THE INTERESTS OF OLDER AMERICANS

INTRODUCTION

The National Council of Senior Citizens (NCSC) is an organization founded to represent the interests of older Americans. Yet it has strayed far from its original course. It now advocates a radical political agenda, championing extensive government regulation, a nuclear freeze, and other foreign policy positions which, strangely, support Soviet positions. Since 1968, NCSC has received over \$500 million in federal grants and loans. State and local governments have supported NCSC-sponsored programs at roughly 10 percent that level. NCSC's new political agenda raises questions of whether the organization merits continued taxpayer support. Since this new agenda bumps the needs of elderly Americans to secondary importance, NCSC requests for future federal grants now require special scrutiny.

Evidence strongly suggests that NCSC is little more than a front group for radical trade union leaders, such as William Winpisinger, an admitted socialist who heads the International Association of Machinists. NCSC uses the the legitimate concerns of older Americans as a shroud for a much larger goal: to expand the role and the powers of the state across-the-board. NCSC's ambitions are drastically out of step with most older Americans, nearly 75 percent of whom call themselves conservatives or middle-of-the-road.¹ In 1984, some 60 percent of senior citizens voted for Ronald Reagan, a frequent target

1. Nationwide Harris poll, February 28, 1985; 6,264 adults surveyed between November 9, 1984, and January 27, 1985; error factor plus/minus 1.3 percent.

of NCSC fear campaigns. This support was a significant increase from 1980.² Among seniors 65 and over, Reagan enjoys a 60 percent approval rating.³

Yet NCSC leaders, virtually all of whom are former union officials, have aligned their organization with such radical groups as the National Council of Churches, Council for a Livable World, Lawyers' Alliance for Nuclear Arms Control, Physicians for Social Responsibility, the Union of Concerned Scientists, Ground Zero Week, SANE, Interchange, National Council of La Raza, The National Organization for Women (NOW), the Illinois Coalition Against Reaganomics, and the Women's International League for Peace and Freedom (Coalition on Block Grants and Human Needs).

The NCSC, in 1981, played a key role in "Solidarity Day," an event with strong anti-Reagan overtones. NCSC president Jacob Clayman, a retired AFL-CIO official, wrote members, "Saturday, September 19, is Solidarity Day. It can be the day when the tide turns against the Reagan Administration's schemes to change the federal government from the servant of the people to the servant of corporate greed."⁴

An examination of the National Council of Senior Citizens will reveal why it is out of step with and ignores the interests of the majority of older Americans.

BACKGROUND

The National Council of Senior Citizens (NCSC) was founded in August 1961 by the late Aime J. Forand, a former Democratic U.S. representative from Rhode Island. Helping him launch the group were the Democratic National Committee (DNC) and the American Federation of Labor-Congress of Industrial Organizations (AFL-CIO). The NCSC's first goal was passage of senior health care legislation that in 1965 emerged as Medicare. NCSC's first members were almost exclusively retired trade unionists. NCSC gained non-profit status on March 20, 1962, by stating that its purpose is to provide "a non-profit and nonpartisan council of senior citizens and senior citizen groups; to

2. ABC News Poll, December 1984.

3. January 19, 1986, Gallup Poll.

4. Letter, September 11, 1981.

provide educational materials and information...to act as a clearinghouse on matters of interest to senior citizens."⁵

This group eventually abandoned its senior citizen focus for what it called "a balanced effort on behalf of all segments of the populations."⁶ This meant government programs for guaranteed income, food, shelter, and medical care to all Americans.

In 1968, the NCSC got into the employment business. Using discretionary authority under the Manpower Training and Development Act, Secretary of Labor Willard Wirtz formed the Senior Community Service Employment Program (SCSEP), making Labor Department and related funds available, initially, to the NCSC, the National Council on Aging, and the National Farmers Union. NCSC's first projects were located in high membership areas. NCSC called its SCSEP program "Senior AIDES." Matthew DeMore, a retired secretary-treasurer of the machinists union, chaired an "Advisory Council" to the program.

NCSC prospered under the Carter Presidency. As his Counselor on Aging, Carter appointed then-NCSC president Nelson Cruikshank, a former AFL-CIO executive and champion of the United Nations Educational, Scientific, and Cultural Organization (UNESCO). The funds allocated to the Senior AIDES program were doubled to \$28,109,000 for the year ending June 30, 1978. Under Carter, this program received \$149,926,984. Additional new NCSC federal funding included:

- o \$3,012,247 from the Community Services Administration (FY 1978 and 10/20/78);
- o \$471,560 from the Justice Department (FY 1978-1981);
- o \$339,167 from the Department of Health and Human Services (FY 1980-1981);
- o \$264,860 from the Administration on Aging (FY 1980-1982);
- o \$122,370.60 from the Federal Trade Commission (1976-1981).

Of funds secured from the Administration on Aging, \$225,000 was allocated for enlisting "grass roots resource persons to identify and analyze the key issues of concern to the elderly poor, in order to

5. National Council of Senior Citizens, "The Nation's Stake in the Employment of Middle-Aged and Older Persons," Special Committee on Aging, U.S. Senate, 92nd Congress, 1st Session (Washington, D.C.: Government Printing Office, July 1971), p. 57.

6. Ibid.

7. Ibid. p. 65.

formulate long-term policy recommendations to 1) the Administration on Aging, 2) congressional committees, 3) the aging network and the public."⁸

Robert Lightman, director of the National Senior Citizens Education and Research Center (NSC-ERC), NCSC's tax-exempt research branch, says the grant was used to form ad hoc committees of "social welfare activists" who confronted social service providers at three small workshops across the country. The ensuing dialogue was recorded and inserted into a report prepared by NSC-ERC staff. The report concluded that the demand for social services outstrips supply and that supply mechanisms are inefficient.

NCSC also is doing well under Reagan. Over \$200 million has been appropriated for Senior AIDES since July 1981, more than half of this coming since 1984.

NCSC has received approximately \$160 million in federal rent and construction subsidies and loans to build and manage elderly housing.⁹ The NCSC's Senior Citizens Housing Development Institute co-develops housing projects, often with local governments or AFL-CIO affiliates. Under Section 202 of the Housing and Urban Development code (elderly/handicapped), these developments qualify for 100 percent federally financed construction loans. The NCSC's Housing Management Corporation (HMC) manages these and other federally assisted low-income housing units. HMC receives federal revenues from the Section 8 rent subsidy program.

NCSC executive director William Hutton told a Washington housing conference, "we should think in terms of constructing an entitlement program so that housing for the elderly would be a matter of right."¹⁰

NCSC's housing agenda calls for tripling federal housing expenditures¹¹ to "provide affordable housing to all moderate and low-income elderly persons as an entitlement."¹² Other provisions

8. July 1980-March 1982.

9. HUD estimate, June 1985.

10. 1981 White House Conference on Aging, Mini-Conference on Housing for the Elderly, National Council of Senior Citizens for the Subcommittee on Housing and Consumer Interests, Select Committee on Aging, 97th Congress, 1st Session, June 1981, U.S. Government Printing Office, p. 9. Conference held October 22-24, 1980 in Washington, D.C.

11. *Ibid.*, pp. 7-8.

12. *Ibid.*, p. 15.

seek to "Prohibit the displacement of any person from his or her housing unit by direct or indirect action of the public or private sector."¹³

A POLITICAL STRUCTURE

Despite the claims of NCSC executive director William Hutton that "we run things fairly, not politically,"¹⁴ NCSC has a highly political structure. It claims a membership of four million, organized into 4,500 clubs, but congressional sources view this claim skeptically and believe the actual figures are much lower. NCSC executives repeatedly have failed to produce postal statements that would reflect accurate membership numbers. Operational divisions, other than the employment and housing entities previously cited include:

Legislative Liaison and Research (LLR)

According to NCSC's January 1985 "Progress Report," LLR cooperates "closely" with congressional committee staff and provides "legislative targets and political intelligence" on congressional races and identifies "friendly" incumbents and challengers. LLR also provides salient information to NCSC's political action committee. Although Hutton claims NCSC "never" has lobbied on Capitol Hill, LLR's two publications, "Legislative Update" and "Campaign Watch" provide individual NCSC members with politically sensitive material. Hutton admits that NCSC members lobby.

NCSC Political Action Committee (PAC)

NCSC Political Action Committee has raised over \$711,000 since 1983 and was extremely active in the 1984 congressional elections, distributing \$331,750 to the campaigns of the most liberal candidates including, in the senatorial contests:

- o Paul Simon (D-IL), \$7,000 to oppose Senator Charles Percy (R-IL);
- o Tom Harkin (D-IA), \$7,000 to oppose Senator Roger Jepsen (R-IA);
- o James Hunt (D-NC), \$7,000 to oppose Senator Jesse Helms (R-NC);

13. Ibid., p. 11.

14. Interview, June 17, 1985.

- o Lloyd Doggett (D-TX), \$10,000 to oppose Phil Gramm (R-TX);
- o Senator Carl Levin (D-MI), \$6,000;
- o Senator Claiborne Pell (D-RI), \$2,000.

NCSC publications praised the election of Albert Gore (D-TN), Jay Rockefeller (D-WV), and John Kerry (D-MA) to the Senate.¹⁵ In Illinois, incumbent Charles Percy was opposed because he "expressed strong support for Reaganomics."¹⁶

Some of the most politically radical House members also benefitted from NCSC PAC contributions in 1984 races, including:

- o Gerry Studds (D-MA), \$1,000
- o Geraldine Ferraro (D-NY), \$1,000
- o Barney Frank (D-MA), \$1,000
- o Ronald Dellums (D-CA), \$1,000
- o John Conyers (D-MI), \$1,000
- o Parren Mitchell (D-MD), \$1,000
- o Patricia Schroeder (D-CO), \$1,000
- o Leon Panetta (D-CA), \$1,000
- o Mary Rose Oakar (D-OH), \$1,000 and
- o Marcy Kaptur (D-OH), \$5,500.

NCSC PAC, also in 1984, contributed \$2,000 to the Massachusetts State Democratic Committee's Federal Account. NCSC PAC, in 1983, contributed \$1,000 to the campaign of Wilson Goode in Philadelphia's mayoral election.

The 1986 U.S. Senate bids of Don Siegelman (D-AL) and Ed Garvey (D-WI) have received \$3,000 and \$1,000, respectively, from NCSC PAC.¹⁷

15. NCSC Annual Progress Report, January 1985, p. 21.

16. Ibid.

17. All figures from Federal Election Commission reports, March 30, 1983, through December 1985.

NCSC Information Department

The "information department" distributes "press releases and information on candidates throughout the country on a daily basis."¹⁸ It also publishes two monthlies: The Retirement Newsletter and Senior Citizen News, a thin tabloid distributed to members. Both publications illustrate NCSC's strong ties to union leaders. The Retirement Newsletter, according to NCSC, is supplied to pension funds and often mailed with monthly benefit checks. Of Senior Citizen News, NCSC states that "In every issue of Senior Citizen News, NCSC's close working relationship with labor is clearly evident. In fact, for many older people, Senior Citizen News is the only paper they see that consistently tells the truth about organized labor and how it works to protect the interests of older Americans."¹⁹

A random sample of Senior Citizen News, provided to The Heritage Foundation by NCSC, attacks President Reagan, Senator Jesse Helms (R-NC), and other conservatives. Much of the rhetoric flies in the face of well-established facts. An article entitled "Business Gets Tax Bonanza" charges "...President Reagan successfully pushed for lowering taxes for corporations, with the idea that they would have more funds for capital investment and creation of new jobs. Unfortunately, the plan has turned out to be a dismal failure...."²⁰ Bureau of Labor Statistics figures show the creation of 10 million new jobs since the 1981 tax cuts. Another NCSC article attacks Helms. Without proving its case, NCSC charges that Food Stamp reform legislation sponsored by the senator would "deprive millions of low-income Americans" of benefits.²¹ That article praises legislation introduced by Senators John Melcher (D-MT) and Tom Harkin (D-IA) that would expand Food Stamp eligibility to restaurant meals and "allow a \$1,500 burial account to all elderly and disabled persons."²²

NCSC Budget and Political Activities

Slightly less than half of NCSC's 1985 budget came from organized labor and the federal government. Of the \$4.3 million, \$1.4 million

18. Ibid., p. 10.

19. Ibid., p. 14.

20. Senior Citizen News, June 1985, p. 2.

21. Ibid., p. 3.

22. Ibid.

was provided by the federal government for reimbursement of administrative expenses associated with the Senior AIDES program. Approximately \$437,000 was provided by organized labor in the form of direct contributions and subsidized memberships. Regular membership dues and interest make up the balance. Key areas of NCSC's operating budget increased substantially between 1983 and 1984, in part due to NCSC conventions timed to coincide with political activity in an election year. NCSC treasurer Jim Y. Kim was unavailable to explain the precise reasons for these budget category jumps.

| <u>ITEM</u> | <u>1984</u> | <u>1983</u> |
|---------------------------|-------------|-------------|
| Salaries | \$979,424 | \$870,641 |
| Office Supplies | 305,151 | 148,747 |
| Travel and Field Expenses | 244,042 | 109,478 |
| Conference/Convention | 206,540 | 98,723 |
| Printing/Duplication | 431,481 | 239,150 |

Source: NCSC Progress Report, January 1985, p. 45.

NCSC's 1984 political activities included:

o "National Senior Health Action Day," a series of anti-Reagan rallies held nationally on September 13. "The local groups made clear to their members and the press that Walter Mondale had responded favorably to [the] issues and that there was no response at all from Ronald Reagan."²³

o Voter Registration Drives in six populous states. "Wherever possible, these activities were coordinated with the efforts of unions and foundations engaged in voter participation works."²⁴ The NCSC Progress Report states that "NCSC members and union retirees voted in a progressive tradition."

o An extensive postcard campaign to drum up support for the failed Kennedy/Gephardt medical price control legislation.

o A multimedia presentation entitled "Never Get Sick in America," to lend veiled support to National Health Insurance.

23. NCSC Progress Report, op. cit., p. 25.

24. Ibid., p. 26.

- o A senior citizen rally at the Democratic National Convention.
- o A protest march on Republican headquarters in Philadelphia.

Since the election of Ronald Reagan, NCSC has attempted to thwart Administration initiatives on a broad range of issues:

- o It opposed the Office of Management and Budget (OMB) attempt to prohibit non-profit groups from using federal funds to engage in "political advocacy."²⁵

- o NCSC continues to oppose the Balanced Budget Amendment. In July 1982 NCSC launched a national newspaper advertising campaign against the Balanced Budget Amendment. The ads alleged that, if a balanced budget amendment passed, the Reagan Administration would cut Social Security, Medicare, and the Older Americans Act. Under the headline, "Stop the Sneak Attack on Social Security!" the ads charged that "Since Ronald Reagan became President, he's been trying to cut Social Security." NCSC's 1985 progress report states that "NCSC has testified and lobbied against" the balanced budget proposal "in Washington and around the country."²⁶

- o NCSC opposed proposed funding reductions for the Legal Services Corporation.

- o NCSC, along with six other groups, published the booklet "Warning: Reaganomics is Harmful to Consumers."²⁷

- o At its 1982 convention, NCSC "prepared the way for a massive fight against all aspects of Reagan policies....The convention resolved: 'This [budget] deficit is a result of Reagan's \$1.6 trillion increase in military spending....'"²⁸

(Actually, Ronald Reagan has spent less on defense than the amount proposed by Jimmy Carter. Between 1982-1986, Reagan spent \$1.139.6 trillion.)

Two days earlier, NCSC delegates voted "unanimously" for a nuclear freeze and transferring defense funds to the social welfare

25. OMB Circular A-122.

26. NCSC Progress Report, *op. cit.*, p. 18.

27. National Journal, January 30, 1982, p. 214.

28. Daily World, July 30, 1982.

budget. Union leaders used the convention as a platform to call for Reagan's defeat in 1984.²⁹

o NCSC was a major participant in the 1982 "Ground Zero Week" campaign. Composed of a variety of anti-nuclear groups, Ground Zero was part of an elaborate but unsuccessful campaign to block installation of U.S. cruise and intermediate nuclear missiles in Western Europe and prevent deployment of the MX missile domestically. It failed.

NCSC AND THE CITIZENS/LABOR ENERGY COALITION (CLEC)

One of NCSC's most durable alliances has been with the Citizens/Labor Energy Coalition (CLEC). NCSC executive director Hutton is also secretary-treasurer of CLEC. Explains Heritage Foundation Senior Policy Analyst Milton Copulos: "Its founders state openly that CLEC is to be the instrument to seize power from (the managers). They would then reconstruct America's political and economic system according to a socialist blueprint."³⁰

CLEC's principal goal was to block deregulation of oil and natural gas prices. Hutton told the Daily World, "We are determined to stick it to those who really deserve it--Big Oil."³¹ Working with CLEC, NCSC unsuccessfully campaigned for legislation to roll back energy prices, extend price controls, and limit the authority of the Federal Energy Regulatory Commission (FERC) to raise price ceilings.³²

Besides re-regulation of oil and natural gas, CLEC is committed to:

1) Increased state petroleum taxes which could not be passed on to consumers.

2) Stronger environmental legislation.

3) Adoption of the Unitary Tax, whereby states can tax the worldwide profits of corporations that have assets within their borders.

29. Daily World, July 28, 1982.

30. Milton R. Copulos, "CLEC: Hidden Agenda, Hidden Danger," Heritage Foundation Institution Analysis No. 26, February 9, 1984, p. 1.

31. Daily World, November 10, 1981, p. 2.

32. CSC Progress Report, op. cit., p. 14.

4) Support of state Citizen Utility Boards (CUBs), devices which have made it difficult for utility suppliers to raise rates, even in the face of increased costs.

In addition to the NCSC, CLEC maintains close ties with Tom Hayden's Campaign for Economic Democracy, Jesse Jackson's Operation PUSH, and Ralph Nader's Public Citizen.

CONCLUSION

By aligning itself with radical groups that demand state solutions to the social problems confronting the growing number of older Americans, the National Council of Senior Citizens does grave disservice to its members and the remainder of the nation's elderly. It treats them as little more than incompetent wards of the state.

This institutional attitude is demeaning and contradicts several recent studies which show, in fact, that the vast majority of America's elderly live comfortably. A December 1985 study by the Census Bureau and the Conference Board found that 26.9 percent of all households headed by persons 65 or over have luxury incomes. As a group, in fact, the elderly have a higher share of luxury income than any other age bracket.³³ The elderly are more affluent than the population as a whole and, while comprising only 11 percent of the population, already receive 51 percent of all government social service expenditures.³⁴

As a group, the elderly then are not poor and would not be well served by more federal programs as the NCSC has suggested.

Meanwhile, NCSC's admitted close ties to the Democratic National Committee and organized labor leaders creates doubt about its legitimacy as a nonpartisan, broad-based group concerned solely about the needs of the elderly. NCSC's agenda and high political profile cast questions about the integrity and intentions of its role as administrator of federal housing and employment programs. The evidence suggests that NCSC uses its members, in concert with other organizations, to advance a broad and radical political agenda not shared by the majority of older Americans, almost 75 percent of whom consider themselves political conservatives or moderates. The NCSC proposes socialistic solutions to societal problems. The NCSC should

33. The Washington Post, December 17, 1985, p. A3.

34. The Washington Post, January 5, 1986, p. D1.

not be treated as if it speaks for America's elderly. Rather, it should be seen for what it is; a coalition of very liberal labor union leaders and Democrats, who exploit the elderly to promote a separate set of political interests at the taxpayers' expense.

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