

## ICI VIEWPOINTS

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# Now Off the Hill, Senator Snowe Still Brimming with Ideas, Advice

U.S. policy is ripe for reform in a number of key areas, but changes to ease the polarized political environment must come first, former U.S. senator Olympia Snowe (R-ME) told the crowd during the final session of ICI's 56th annual General Membership Meeting (GMM), held May 20-22 in Washington, DC.

During a Q&A session with GMM Planning Committee chair Marie Chandoha, president and CEO of Charles Schwab Investment Management, Snowe dove into some of the experiences that shaped her 40 years of public service, while laying out a vision for smarter policy and more effective government.

## Policy Priorities

In their back-and-forth, Snowe and Chandoha touched on issues across the policy spectrum, highlighting retirement security and cybersecurity as among the most pressing. Regarding retirement, Snowe stressed that it's all about incentives—finding ways to encourage Americans to save, and save more, through both defined benefit and defined contribution plans.

"So many people think that Social Security will be enough" to ensure a financially secure retirement, she said, acknowledging the program's success in providing a financial foundation in retirement for millions of Americans. But it's just one part of the picture, she stressed. "About a third of Americans have no [other] retirement savings, and about half have a very small amount."

Snowe said that Congress and the president can play an instrumental role in providing incentives for Americans to save, but that "taxing and penalizing" savers unduly would conflict with that role—as would capping the amount of tax-deferred savings, an idea that President Obama [proposed in his budget for FY2015](#).

As for cybersecurity, Snowe advised policymakers to protect U.S. IT networks just as they would any physical U.S. interest. "America's vulnerability to cyberattacks is perhaps the country's most urgent national security threat," she said, calling those attacking the country's IT infrastructure "super-sophisticated cyber adversaries." She went on to warn that "there's a constant threat, so we must have a constant effort to monitor it."

To effectively combat cybersecurity threats, Snowe emphasized, it's key for the government to work in concert with the private sector. "There can be no substitute" for a public-private collaboration, she explained, because 90 percent of U.S. infrastructure is

owned by the private sector. Her ideas to improve the country's cybersecurity—many of them spelled out in a series of bills introduced by her and other senators since 2009—include developing a clearinghouse for sharing information, collaborating on research, and developing best practices and guidelines.

## **A Demand for Transparency**

Snowe's experiences in public service could fill a book—in fact, they fueled her 2013 call to action, *Fighting for Common Ground: How We Can Fix the Stalemate in Congress*—but few resonated with her like the financial crisis and its aftermath. “It was a perilous time, a catastrophic moment,” she said of the crisis. “We knew we had to take action, and do it quickly. We were on the precipice of another Great Depression.”

Asked to reflect on the Dodd-Frank Act, where she cast a pivotal vote, Snowe said that the country could have had a better bill with more cooperation and buy-in from both sides. But she did not dwell on what a truly bipartisan bill might have delivered—instead, she said that Congress must continue to review the law, examine its unintended consequences, and work toward improvements.

“Demanding transparency and accountability on the part of the regulatory agencies, including FSOC [the Financial Stability Oversight Council], is essential,” she said. “You can't build confidence in the outcome and the integrity of regulation if it's not transparent.”

## **No Quick Fixes, But Reforms Are Possible**

For all of her ideas—and indeed, all of her hard-learned lessons—Snowe has no delusions about quick fixes to congressional gridlock. “The red states are getting redder and the blue states bluer,” she lamented, adding that this “ideological sorting” is preventing legislative solutions to America's problems.

Reforms are possible, however. After all, she said, “People want government to work. They want solutions for real problems.” But before we can reform the system, she said, we must “accept that we can. And we must never give up.”

First, she suggested, an independent redistricting commission should be established to break up the country's gerrymandered, homogenous congressional districts. “You don't have to do it in every state,” she said, “just enough to change the political equation.” Second, open up primaries to allow independents to vote, which would “dilute the ideological impact” of these races. Third, mandate five-day work weeks for Congress. “Congress isn't around long enough to do any work,” she said. To handle complex issues, members must “deal with each other eye-to-eye, instead of falling back on messaging and political talking points.”

In closing the session, Snowe told Chandoha not to expect her return to the Hill. The former senator feels that she's making a greater contribution from the outside, serving as senior fellow at the Bipartisan Policy Center and cochairing its Commission on Political Reform. “I've decided to take the fight in a different direction,” Snowe said. “Politics is too important to be left to politicians.”