

**Senator Elizabeth Warren  
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**\*\*\*As Prepared for Delivery\*\*\***

I want to begin with two numbers. 73. 18.

For more than half a century, the National Election Survey has been asking Americans a simple question: Do you trust the federal government to do the right thing all of the time, or at least most of the time?

In 1958, the first year this survey was conducted, the number was 73—that is, 73% of Americans polled said, yes, they trusted their government to do the right thing at least most of the time.<sup>1</sup>

For a long time, the number remained high.

1968 was a year of historic convulsions. Martin Luther King, Jr. was assassinated, Bobby Kennedy was killed, North Korea captured a US surveillance ship, and North Vietnam launched the Tet offensive. Faith in government went down, but overall, it held firm. 62% still trusted government.

After Watergate, the number took a big hit, dropping to 36%.

But today?

Eighteen.

From 73 to 18. Not even one in five Americans today trust their government to do the right thing.

I'd love to stand here and tell you that this was some sudden drop after Donald Trump was elected, but that wouldn't be true.

This problem is far bigger than Trump.

The way I see it, a loss of faith this broad, and this profound, is more than a problem - it is a crisis. A crisis of faith.

This is the kind of crisis that leads people to turn away from democracy. The kind of crisis that forces people to stop believing in what we can do together. The kind of crisis that creates fertile ground for cynicism and discouragement. The kind of crisis that gives rise to authoritarians.

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<sup>1</sup> Pew Research Center, "Public Trust in Government: 1958 – 2017," <http://www.people-press.org/2017/12/14/public-trust-in-government-1958-2017/>.

Why have so many people lost faith? Thoughtful people give different answers.

Some say it's the result of politicians making government the enemy. And that's true.

Since Watergate, generation after generation of American politicians have attacked the very idea that our government can do anything right. Recall Ronald Reagan's famous line: What are the nine most terrifying words in the English language? I'm from the government and I'm here to help.

Really? Government help is terrifying? Give me a break. Do you know what's actually terrifying? Hurricanes like Katrina and Maria are terrifying, which is why victims of natural disasters ask for government help. After a lifetime of hard work, growing old and going broke is terrifying, which is why the American people strongly support Social Security. Choosing between food and medicine is terrifying, and that's why the American people rise up and take to the streets when Republicans try to cut back Medicare and Medicaid.

And there's so much more that we want to work on together. Americans want roads and bridges. They want power and water systems. They want a top-notch economic system. They want real cybersecurity and a military that defends our nation. And they want a government that can deliver those things.

Government can be a powerful force for good – but only when it works for the people.

And the American people understand that today, it doesn't.

Our national crisis of faith in government boils down to this simple fact: people don't trust their government to do the right thing because they think government works for the rich, the powerful and the well-connected and not for the American people.

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And here's the kicker: They're right.

At a time when this country faces enormous challenges, our government actively serves the richest and most powerful and turns its back on everyone else.

At a time of skyrocketing inequality and stagnant wages for the middle class, our government is giving gargantuan handouts to the wealthiest Americans.

At a time when mass incarceration grinds down human beings and destroys communities of color, our government is putting more cash into the for-profit prison industry.

At a time when sea levels are rising and the health threats posed by climate change are accelerating by the day, our government is handing over both taxpayer money and federally protected lands to the fossil fuel industry.

At a time of staggering drug prices and soaring out of pocket costs, our government tucks tail and runs away from any serious challenge to big Pharma and greedy insurance companies.

At a time of crippling student loan debt, our government is bending over backwards to help bogus for-profit colleges and student loan companies get richer by cheating students.

Across the board, our government—*our* government—is failing to fix the problems that face *our* working families. Instead, it's making the problems worse by giving more money, more power, and more advantages to those who already have all three.

And so often – whether it leads to poisoned water or toxic bank loans – communities of color are hit first and hit hardest.<sup>2</sup>

Our government systematically favors the rich over the poor, the donor class over the working class, the well-connected over the disconnected.

This is deliberate, and we need to call this what it is – corruption, plain and simple.

Corruption has seeped into the fabric of our government, tilting thousands of decisions away from the public good and toward the desires of those at the top. And, over time, bit by bit, like a cancer eating away at our democracy, corruption has eroded Americans' faith in our government.

I know that's a stark assessment. But I'm not here to describe the death of democracy. I'm here to talk about fighting back. I'm here because I believe that change is hard, but change is possible.

Change can start with reforming how our largest companies operate. Last week, I introduced the Accountable Capitalism Act, which would restore the once-common idea that giant American corporations should look out for a broad range of American stakeholders. By requiring our largest companies to seat workers on their boards, limiting the ability of executives to get rich quick off short-term stock price bumps, and giving shareholders and Directors a real say in corporate political spending, this bill could go a long way toward restoring real economic democracy in America. And in the process, it would ensure that when American businesses engage with our government, they are speaking on behalf of their entire communities – and not simply as megaphones for the wealthy and the powerful.

Getting American corporations to start acting like responsible American citizens is an important first step toward limiting corruption. But broader changes are needed.

Today, I'm introducing the most ambitious anti-corruption legislation proposed in Congress since Watergate. This is an aggressive set of reforms that would fundamentally change the way Washington does business. These reforms have one simple aim: to take power in Washington

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<sup>2</sup> <https://www.americanprogress.org/issues/race/news/2016/04/25/136361/5-things-to-know-about-communities-of-color-and-environmental-justice/>

away from the wealthy, the powerful, and the well-connected who have corrupted our government and put power back in the hands of the American people.

We can do this. We must do this. And when we do, we will restore the faith of the American people – not just in our government, but faith in democracy itself.

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The recent explosion of big political spending has delivered a gut-punch to our democracy. I do what I can by not taking any PAC money or any money from federal lobbyists. There's a lot of work to do on campaign finance, starting with overturning *Citizens United*. But that's not **nearly** enough. The corrupting influence of big money in Washington reaches much further than political campaigns.

Big money eats away at the heart of our democracy. Over the last few decades, it has created a pervasive culture of soft corruption that colors virtually every important decision in Washington.

Consider a couple of examples:

First, the rich and powerful buy their way into Congressional offices. Exhibit A: Mick Mulvaney. After he left Congress, Mulvaney told a roomful of bankers that he had a rule in his office: if a lobbyist didn't give him money, the lobbyist didn't get a meeting—he met only with those lobbyists who ponied up for his campaign war chest. Today, Mulvaney is President Trump's head of the Office of Management and Budget and the person running the Consumer Financial Protection Bureau. And when he made these comments right out in public with the press listening in, Trump and pretty much every Republican in Washington just shrugged.

The rich and powerful also offer up some pretty nice gifts for public servants to do their bidding. In the early 2000s, Congressman Billy Tauzin started pushing an idea: expand Medicare to cover prescription drugs. Good for seniors—in fact, life saving for some. But also very good for Big Pharma—more prescriptions filled, more money coming in.

And it might all have landed there, with seniors getting drug coverage and drug companies selling more drugs – but Big Pharma wanted more. Number one on their list was a flat prohibition on the worrisome possibility that the government might actually negotiate for lower drug prices. And Billy delivered – which I'm sure had nothing to do with the more than \$200,000 in campaign contributions the Congressman received from the drug industry.

Today, Big Pharma rakes in billions from seniors on Medicare while charging sky-high prices for the drugs they need—and no one in government can negotiate those prices. And what happened to Billy?

In December of 2003, the very same month the bill was signed into law, PhRMA – the drug companies' biggest lobbying group – dangled the possibility that Billy could be their next CEO.<sup>3</sup>

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<sup>3</sup> NBC News, "Tauzin aided drug firms, then they hired him," Mike Stuckey, March 22, 2006, <http://www.nbcnews.com/id/11714763/t/tauzin-aided-drug-firms-then-they-hired-him/#.W3RIQs5KhhE>.

In February of 2004, Congressman Tauzin announced that he wouldn't seek re-election. Ten months later, he became CEO of PhRMA —at an annual salary of \$2 million. Big Pharma certainly knows how to say “thank you for your service.”

Sometimes the payoff comes upfront. Goldman Sachs handed Gary Cohn over a quarter of a billion dollars on his way out the door to become the head of President Trump's National Economic Council.<sup>4</sup> A quarter of a billion dollars to help quarterback a tax package that included giveaways worth just over a quarter of a billion to Goldman—in the first quarter of 2018 alone.<sup>5</sup> That's quite the return on investment for Goldman Sachs. For the taxpayers who paid Mr. Cohn's salary and were under the mistaken impression that Mr. Cohn was working for them, the return was not so good.

The examples are everywhere these days. A Commerce Secretary who acts like a cartoon version of a Wall Street fat cat, awash in financial conflicts, intertwined with Russian financial interests, suspected of swindling millions from his business partners and using his official position to pump up his fortune through shady stock trading.<sup>6</sup> An EPA Administrator who resigns in disgrace over corruption, only to be replaced with another EPA Administrator who belongs in the coal baron's hall of fame.<sup>7</sup> A Congressman facing indictment for insider trading.<sup>8</sup>

Let's face it: there's no real question that the Trump era has given us the most nakedly corrupt leadership this nation has seen in our lifetimes. But they are not the *cause* of the rot – they're just the biggest, stinkiest example of it.

Corruption is a form of public cancer, and Washington's got it bad. It's time for treatment, time to isolate and quarantine the ability of big money to infect the decisions made every day by every branch of our government.

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This problem is enormous – but we've dealt with enormous problems before. We just need some big reform ideas and a willingness to fight for real change. So here's the **First Big Change – Padlock the revolving door between big business and government.**

<sup>4</sup> New York Times, “Goldman's \$285 Million Package for Gary Cohn is Questioned,” Kate Kelly, January 25, 2017, <https://www.nytimes.com/2017/01/25/business/dealbook/goldman-sachs-gary-cohn-285-million-departure-package.html>.

<sup>5</sup> Wall Street Journal, “The Biggest U.S. Banks Made \$2.5 Billion From Tax Law – in One Quarter,” Michael Rapaport, April 17, 2018, <https://www.wsj.com/articles/the-four-biggest-u-s-banks-made-2-3-billion-from-tax-law-in-one-quarter-1523984836>.

<sup>6</sup> Forbes, “Lies, China and Putin: Solving The Mystery of Wilbur Ross' Missing Fortune,” Dan Alexander, June 18, 2018, <https://www.forbes.com/sites/danalexander/2018/06/18/lies-china-and-putin-solving-the-mystery-of-wilbur-ross-missing-fortune-trump-commerce-secretary-cabinet-conflicts-of-interest/#68ee049b7e87>.

<sup>7</sup> Vox, “Scott Pruitt is leaving behind a toxic mess at the EPA,” Umair Irfan, July 9, 2018, <https://www.vox.com/2018/7/6/17539834/scott-pruitt-resigns-andrew-wheeler-epa-legacy>.

<sup>8</sup> Washington Post, “New York congressman facing insider trading charges suspends reelection bid,” Michael Scherer, August 11, 2018, [https://www.washingtonpost.com/powerpost/new-york-congressman-facing-insider-trading-charges-suspends-bid/2018/08/11/92c818ba-9d72-11e8-b60b-1c897f17e185\\_story.html?utm\\_term=.810c8775a29f](https://www.washingtonpost.com/powerpost/new-york-congressman-facing-insider-trading-charges-suspends-bid/2018/08/11/92c818ba-9d72-11e8-b60b-1c897f17e185_story.html?utm_term=.810c8775a29f).

Ban elected and appointed officials from becoming lobbyists after they leave office. Not for *one* year. Not for *two* years. For the rest of their *lives*. Sorry, Billy. No more Congressman Pharma.

And no more pre-bribes like the Gary Cohn giveaway. No special deals for millions and millions of dollars to the policymakers who will be in a position to pay back their old employers.

We can also lock the revolving door for people who have led a company that got caught breaking the law or anyone who worked as a lobbyist for *any* corporation. A six-year time-out before that lobbyist or outlaw CEO can take a job in government. And we can limit the ability of America's biggest and most powerful companies to gain unfair market advantages from vacuuming up every former regulator on the market.

Sure, there's lots of expertise in the private sector, and government should be able to tap that expertise. And, yes, public servants should be able to use their expertise when they leave government. But we've gone way past expertise and are headed directly into graft. Padlock the revolving door.

Here's my **Second Big Change: Stop self-dealing by public officials**. If a person works for the government, then that work should serve the public. No making policy decisions to help yourself instead of taxpayers.

Right now, that problem begins with a President who may be vulnerable to financial blackmail from a hostile foreign power and God knows who else – a President and his family who may be personally profiting off hundreds of policy decisions every day – but we don't know, because he won't show us his tax returns and won't get rid of his personal business interests.

The truth is, it's *insane* that we have to *beg* the President of the United States to put the American people ahead of his own business interests. Insane.

Presidents should not be able to own companies on the side. And we shouldn't have to beg candidates to let the American people to see their financial interests. That should be the *law* – not just for presidential candidates, but for *every* candidate for *every* federal office.

While we're at it, enough of the spectacle of HHS Secretaries and herds of congressmen caught up in insider trading schemes. It's time to ban elected officials and senior agency officials from owning or trading any company stocks while in office. They can put their savings in conflict-free investments like mutual funds or they can pick a different line of work.

### **Third Big Change – End lobbying as we know it.**

The term “lobbying” has been around for nearly two hundred years. And our Constitution protects “the right of the people...to petition the Government for a redress of grievances.” But as

recently as the 1970s there was no real corporate lobbying industry. There were lobbyists here and there, but there were not enough to fill a school bus.<sup>9</sup>

Today, the national Chamber of Commerce spends tens of millions of dollars to block policies that threaten the profits of a handful of America's richest corporations.<sup>10</sup> They currently occupy an enormous building facing the White House, a sort of visual alternative to the government elected by the people. But back in the 1970s, the Chamber had no presence in DC to speak of. That started to change in 1972, when a hotshot corporate lawyer named Lewis Powell wrote a secret memo for the Chamber.

The Powell Memo declared that the free enterprise system was under assault and urged the Chamber to mobilize America's biggest businesses and establish themselves as a political force to be reckoned with.

It was a declaration of war on democracy. Powell called on corporations to raise armies of lobbyists and descend on Washington. And, boy, did they respond.

Today, lobbying is a multi-billion-dollar industry—more than \$3.3 billion in 2017 alone. More than eleven thousand registered lobbyists are deployed to work day and night to influence our government, largely on behalf of wealthy clients.<sup>11</sup> And, by the way, that memo worked out pretty well for Lewis Powell too—a few months later, he was named to the Supreme Court.<sup>12</sup>

Nobody would argue that companies have nothing to contribute to our democratic process. Of course they do. But today, lobbyists working for the wealthy and well-connected crowd the halls of government like it's happy hour every hour. And particularly in Congress, where staff budgets and in-house expertise continue to shrink<sup>13</sup>, it's easier than ever for them to simply overwhelm our democracy so that the lobbyists—or the lobbyists' paying clients—are the only ones whose stories get heard.

That's not how a government of the people—all the people—is supposed to work. So let's fix it.

Start by fixing the Swiss cheese definition of a "lobbyist." Require everyone who gets paid to influence government to register.

And bring lobbying out into the sunlight. Make every single *meeting* between a lobbyist and a public official a matter of public record. Require public disclosure of any documents that lobbyists provide to government officials. Put it all online. And if that seems overwhelming—too

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<sup>9</sup>Moyers, "The Powell Memo: A Call-to-Arms for Corporations," September 14, 2012, <https://billmoyers.com/content/the-powell-memo-a-call-to-arms-for-corporations/>.

<sup>10</sup>Centre for Responsive Politics, "US Chamber of Commerce," <https://www.opensecrets.org/lobby/clientsum.php?id=D000019798>.

<sup>11</sup>Center for Responsive Politics, "Lobbying Database," <https://www.opensecrets.org/lobby/index.php>.

<sup>12</sup> "Supreme Court nominations," <https://www.senate.gov/page/layout/reference/nominations/reverseNominations.shtml>.

<sup>13</sup> Brookings, "Vital States: Congress has a staffing problem, too," May 24, 2017, <https://www.brookings.edu/blog/fixgov/2017/05/24/vital-stats-congress-has-a-staffing-problem-too/>.

many meetings, too many company-drafted bills, too many love notes—think about what that means is going on in the dark recesses of our government right now.

Put a windfall tax on excessive lobbying, to ensure that when companies spend millions trying to stop the government from protecting the public, the cops on the beat get more resources to fight back.

And while we're at it, let's strengthen the government's independence from lobbyists. Raising Congressional salaries to track other federal officials would mean that low-paid staffers don't feel compelled to audition for jobs with influence peddlers when they should be standing up to them.

Finally, let's just plain get rid of some of the most corrosive and dangerous lobbying practices. The trial of Donald Trump's campaign manager has exposed how foreign governments hide their efforts to influence the American government through lobbying.<sup>14</sup> We should ban Americans from getting paid to lobby for foreign governments—period. If foreign governments want to express their views, they can use their diplomats.

One more piece: End legalized lobbyist bribery by prohibiting lobbyists from writing campaign checks or giving personal gifts to anyone running for or holding federal office.

Reining in corporate lobbyists will make a big difference. But there's more.

Too often, decisions in the federal agencies charged with implementing our laws end up captured by the very same corporate giants that they're supposed to be keeping in check. It's time for that to stop. Corporations should have a seat at the table, but they shouldn't take over the whole restaurant.

And that's my **Fourth Big Change – End corporate capture of rulemaking.**

Start by empowering beleaguered agencies to stand up to well-heeled corporate giants that don't want to follow any rules.

When someone lies to a court, we call it “perjury.” But, too often, when companies lie to regulatory agencies during the rulemaking process, they just call it “analysis”—and no one bats an eye. Meanwhile, Donald Trump's EPA has the gall to try to block objective, high quality science from being considered in the rulemaking process.<sup>15</sup>

Enough of this garbage. Prosecute companies that knowingly mislead government agencies. And stop the practice of companies paying for sham “studies” designed to derail the rulemaking

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<sup>14</sup> New York Times, “Mueller's Digging Exposes Culture of Foreign Lobbying and Its Big Paydays,” Mark Mazzetti and Katie Benner, August 1, 2018, <https://www.nytimes.com/2018/08/01/us/politics/fara-foreign-agents-mueller.html>.

<sup>15</sup> Forbes, “EPA Chief Scott Pruitt: Delete Decades of Science in The Name of ‘Transparency,’” Trevor Nance, April 24, 2018, <https://www.forbes.com/sites/trevornance/2018/04/24/epa-chief-scott-pruitt-delete-decades-of-science-in-the-name-of-transparency/>.

process. Instead, let's force anyone who submits a study to a regulatory agency to disclose who's paying for it and who's editing it. If studies with financial and editorial conflicts don't meet minimal methodological standards, throw them out before they disrupt the process.

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### **Fifth Big Change – Restore faith that ordinary people can get a fair shake in our courts.**

For starters, strengthen the code of conduct for all federal judges – no stock trading, no payments from corporations for attending events, no honoraria for giving speeches, no lavish getaways and fancy hunting trips funded by billionaires.

And I mean **all** federal judges, including Supreme Court justices. I've heard Supreme Court justices say we should just trust that they'll be ethical all on their own. Yeah, right. I watched as Justice Gorsuch trotted over to Trump International Hotel to give a speech sponsored by a political organization that has worked for decades to break the backs of unions.<sup>16</sup> A few months later, Justice Gorsuch delivered the deciding vote to crush public sector unions.<sup>17</sup> What union member believed that her side actually had a fair hearing? There's a reason judges should be required to avoid even the appearance of favoritism.

The courts should also be more open. Individuals and small businesses should be able to have their day in court. Americans should be able to see easily what's happening in the judicial process. Public filings should be easier to access online and free to the public. And it's ten years' past time for us to start audio livestreaming federal appellate and Supreme Court proceedings.

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### **Finally, Big Change Number Six--Hire a new independent sheriff to police corruption.**

There are dedicated public servants that enforce our ethics laws, but they have less authority than security guards at the mall. Build a new anticorruption agency to make sure that all key federal officials—even powerful Senators and Presidents—file disclosures and get rid of conflicts. Close up the loopholes in federal open records laws. This agency can shine floodlights on government actions and empower the public and press with new tools to help safeguard our democracy.

And we can do our best to insulate the sheriff's office from partisan politics and give it the tools it needs to seriously investigate violations and punish offenders.

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<sup>16</sup> Politico, "Gorsuch speech at Trump hotel attracts protests," Josh Gerstein, September 28, 2017, <https://www.politico.com/story/2017/09/28/neil-gorsuch-trump-hotel-speech-243251>.

<sup>17</sup> New York Times, "Supreme Court Ruling Delivers a Sharp Blow to Labor Unions," Adam Liptak, June 27, 2017, <https://www.nytimes.com/2018/06/27/us/politics/supreme-court-unions-organized-labor.html>.

Washington corruption is not a small problem, and it will not be rooted out with small solutions. In addition to the big changes I talked about today, my legislation contains dozens more ideas to promote clean government, from giant reforms to small tweaks and everything in between.

These changes will require everyone who runs for or who holds office to change at least some of their practices – including me. Many of these ideas challenge the most fundamental assumptions about how business is currently done in our nation’s capital. Inside Washington, some of these proposals will be very unpopular, even with some of my friends. Outside Washington, I expect that most people will see these ideas as no-brainers and be shocked they’re not already the law.

I’m sure the people who make big money off the current system will yell and scream and spend millions of dollars trying to stop these changes. And the all-day-long pundits and Washington insiders who live in the same neighborhoods and eat at the same sushi bars and go to the same book parties will say ‘this will never pass’ and try to color me naïve for even trying. But it’s that kind of self-serving group-think that’s allowed corruption to spread through this town for decades.

Besides, such nay-saying ignores our history: Our country has responded to deep corruption with bold action before.

I won’t pretend to be sure I’ve gotten everything exactly right. I’m willing and eager to discuss the details. My bill proposes a year-long transition for people to adapt to the new system before these changes would go into effect. But here is my promise: I plan to fight to pass as many of these reforms as possible. I believe we can break the stranglehold that the wealthy and well-connected hold over our government. I believe we can get our democracy working again.

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There are millions of good people working in government. People who show up to do a hard day’s work in federal, state and local government, determined to deliver essential services and their best judgments on behalf of the public.

Men and women who are uniquely aware that they owe their jobs - and their salaries - to you, the people of the United States.

They are Members of Congress on both sides of the aisle, their staffs, interns and volunteers.

They are career public servants, serving here at home and in remote corners of the world.

They are unified by a belief in the greater good of government. It’s that belief, that shared vision of what it means to live and work and fight for a future in *our* democracy that gives me hope.

We owe everyone fighting for that greater good a debt of gratitude.

But we also owe them rules that promote an unwavering determination to serve the public—and only the public.

This is not about big government versus small government. It's about whether government works for the wealthy and well-connected or government works for the people.

Only 18% of Americans believe our government is doing right most of the time. But I'm not throwing my hands up and walking away. I'm not giving in to the cynicism. I still believe that in our darkest hours, at our lowest points, government can be a force for good to bring us back together.

And here's the good news: deep down, still Americans believe it, too.

You see it in the fight to make government affirm healthcare as a basic human right.

You see it in the fight to make government stand for people and against giant corporations.

You see it the fight to insulate government from the influence of corporate contributions.

You see it in the fight to make government a force for healing our racial and cultural divides.

Americans know that they have a government that isn't working for them. But instead of giving up, more and more people are demanding a government that is run *by* the people *for* the people.

A country where everyone – everyone – has a fighting chance to get ahead.

A country that stands for truth, honesty, compassion and service to one another.

A country and a government that's worth believing in and worth fighting for.

That's the country I believe in. That's the government I will fight for. I believe we can save our government, and together we can make it work for the people.