

Saving Our Democracy

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This is the prepared text of Bill Moyers' remarks from an eight-day speaking trip in California on the issue of money and politics.

I will leave to Jon Stewart the rich threads of humor to pluck from the hunting incident in Texas. All of us are relieved that the Vice President's friend has survived. I can accept Dick Cheney's word that the accident was one of the worst moments of his life. What intrigues me as a journalist now is the rare glimpse we have serendipitously been offered into the tightly knit world of the elites who govern today.

The Vice President was hunting on a 50-thousand acre ranch owned by a lobbyist friend who is the heiress to a family fortune of land, cattle, banking and oil (ah, yes, the quickest and surest way to the American dream remains to choose your parents well.) The circumstances of the hunt and the identity of the hunters provoked a lament from *The Economist*. The most influential pro-business magazine in the world is concerned that hunting in America is becoming a matter of class: the rich are doing more, the working stiffs, less. The annual loss of 1.5 million acres of wildlife habitat and one million acres of farm and rangeland to development and sprawl has come "at the expense of 'The Deer Hunter' crowd in the small towns of the north-east, the rednecks of the south and the cowboys of the west." Their places, says *The Economist*, are being taken by the affluent who pay plenty for such conveniences as being driven to where the covey cooperatively awaits. The magazine (hardly a Marxist rag, remember) describes Mr. Cheney's own expedition as "a lot closer to 'Gosford Park' than 'The Deer Hunter' — a group of fat old toffs waiting for wildlife to be flushed towards them at huge expense."

At the heart of this story is a metaphor of power. The Vice President turned his host, the lobbyist who is also the ranch owner, into his de facto news manager. She would disclose the shooting only when Cheney was ready and only on his terms. Sure enough, nothing was made public for almost 20 hours until she finally leaked the authorized version to the local newspaper. Ms. Armstrong suggested the blame lay with the victim, who, she indicated, had failed to inform the Vice President of his whereabouts and walked into a hail of friendly fire.

Three days later Cheney revised the story and apologized. Don't you wonder what went back and forth with the White House that long night of trying to agree on the official line?

We do know someone from the hunting party was in touch with Karl Rove at the White House. For certain Rove's the kind of fellow you want on the other end of the line when great concoctions are being hatched, especially if you wish the victim to hang for the crime committed against him. Watching these people work is a study of the inner circle at the top of American politics. The journalist Sidney Blumenthal, writing on Salon.com, reminds us of the relationship between the Armstrong dynasty and the Bush family and its retainers. Armstrong's father invested in Rove's political consulting firm that managed George W. Bush's election as governor of Texas and as president. Her mother, Anne Armstrong, is a longtime Republican activist and donor. Ronald Reagan appointed her to the Foreign Intelligence Advisory Board after her tenure as Ambassador to the United Kingdom under President Ford, whose chief of staff was a young Dick Cheney. Anne Armstrong served on the board of directors of Halliburton that hired Cheney to run the company. Her daughter, Katharine Armstrong, host of the hunting party, was once a lobbyist for the powerful Houston law firm founded by the family of James A. Baker III, who was chief of staff to Reagan,

Secretary of State under the first George Bush, and the man designated by the Bush family to make sure the younger Bush was named President in 2000 despite having lost the popular vote. According to Blumenthal, one of her more recent lobbying jobs was with a large construction firm with contracts in Iraq.

It is a Dick Cheney world out there — a world where politicians and lobbyists hunt together, dine together, drink together, play together, pray together and prey together, all the while carving up the world according to their own interests. Two years ago, in a report entitled *Democracy in an Age of Rising Inequality*, the American Political Science Association concluded that progress toward realizing American ideals of democracy "may have stalled, and even, in some areas, reversed." Privileged Americans "roar with a clarity and consistency that public officials readily hear and routinely follow" while citizens "with lower or moderate incomes are speaking with a whisper."

The following year, on the eve of President George W. Bush's second inauguration, the editors of *The Economist*, reporting on inequality in America, concluded that the United States "risks calcifying into a European-style, class-based society."

As great wealth has accumulated at the top, the rest of society has not been benefiting proportionally. In 1960 the gap between the top 20% and the bottom 20% was 30 fold. Now it is 75 fold. Thirty years ago the average annual compensation of the top 100 chief executives in the country was 30 times the pay of the average worker. Today it is 1000 times the pay of the average worker. A recent article in *The Financial Times* reports on a study by the American economist Robert J. Gordon, who finds "little long-term change in workers' share of U.S. income over the past half century." Middle-ranking Americans are being squeezed, he says, because the top ten percent of earners have captured almost half the total income gains in the past four decades and the top one percent have gained the most of all — "more in fact, than all the bottom 50 percent."

No wonder working men and women and their families are strained to cope with the rising cost of health care, pharmaceutical drugs, housing, higher education, and public transportation — all of which have risen faster in price than typical family incomes. The recent book, *Economic Apartheid in America: A Primer on Economic Inequality* and *Insecurity*, describes how "thirty zipcodes in America have become fabulously wealthy" while "whole urban and rural communities are languishing in unemployment, crumbling infrastructure, growing insecurity, and fear."

This is a profound transformation in a country whose DNA contains the inherent promise of an equal opportunity at "Life, Liberty, and the pursuit of Happiness" and whose collective memory resonates with the hallowed idea - hallowed by blood - of "government of the people, by the people, and for the people." The great progressive struggles in our history have been waged to make sure ordinary citizens, and not just the rich, share in the benefits of a free society.

Yet today the public may support such broad social goals as affordable medical coverage for all, decent wages for working people, safe working conditions, a secure retirement, and clean air and water, but there is no government "of, by, and for the people" to deliver on those aspirations.

Instead, our elections are bought out from under us and our public officials do the bidding of mercenaries. Money is choking democracy to death. So powerfully has wealth shaped our political agenda that we cannot say America is working for all of America.

In the words of Louis Brandeis, one of the greatest of our Supreme Court justices: "You can have wealth concentrated in the hands of a few, or democracy, but you cannot have both."

Some simple facts:

The cost of running for public office is skyrocketing. In 1996, \$1.6 billion was spent on the Congressional and Presidential elections. Eight years later, that total had more than doubled, to \$3.9 billion. Thanks to our system of privately financed campaigns, millions of regular Americans are being priced out of any meaningful participation in democracy. Less than one half of one percent of all Americans made a political contribution of \$200 or more to a federal candidate in 2004.

When the average cost of running and winning a seat in the House of Representatives has topped one million dollars, we can no longer refer to that August chamber as "The People's House." If you were thinking of running for Congress, do you have any idea where you would get the money to be a viable candidate?

At the same time that the cost of getting elected is exploding beyond the reach of ordinary people, **the business of gaining access to and influence with our elected Representatives has become a growth industry.** Six years ago, in his first campaign for President, George W. Bush promised he would "restore honor and integrity" to the government. Repeatedly, during his first campaign for President, he would raise his right hand and, as if taking an oath, tell voters that he would change how things were done in the nation's capitol. "It's time to clean up the toxic environment in Washington, DC," he would say. His administration would ask "not only what is legal but what is right, not what the lawyers allow but what the public deserves."

Hardly.

Since Bush was elected the number of lobbyists registered to do business in Washington has more than doubled. That's 16,342 lobbyists in 2000 to 34,785 last year. Sixty-five lobbyists for every member of Congress.

The amount that lobbyists charge their new clients has increased by nearly 100% in that same period, according to The Washington Post, going up to anything from \$20,000 to \$40,000 a month. Starting salaries have risen to nearly \$300,000 a year for the best-connected people, those leaving Congress or the administration.

The total spent per month by special interests wining, dining, and seducing federal officials is now nearly \$200 million. **Per month.**

But numbers don't tell the whole story. There has been a qualitative change as well. **With pro-corporate business officials running both the executive and legislative branches, lobbying that was once reactive has gone on the offense, seeking huge windfalls from public policy and public monies.** One example cited by The Washington Post: Hewlett-Packard, the California computer maker. The company nearly doubled its budget for contract lobbyists in 2004 and took on an elite lobbying firm as its Washington arm. Its goal was to pass Republican-backed legislation that would enable the company to bring back to the United States, at a dramatically lowered tax rate, as much as \$14.5 billion in profit from foreign subsidiaries. The extra lobbying paid off. The legislation passed and Hewlett Packard can now reduce its share of the social contract. The company's director of government affairs was quite candid: "We're trying to take advantage of the fact that Republicans control the House, the Senate, and the White House." Whatever the company paid for the lobbying, the investment returned enormous dividends.

I want to point out here that I believe in equal opportunity muckraking. When I left Washington for journalism I did not leave behind my conviction that government should see to it that we have a more level playing field with one set of rules for everyone, but I did leave behind my partisan affections. Anyone who saw the documentary my team and I produced a few years ago on the illegal fund raising for Bill Clinton's re-election, knows I am no fan of the democratic money machine that helped tear the party away from whatever roots it once had in the daily lives and struggles of

working people, turning it into a junior partner of the Chamber of Commerce. I mean people like California's Congressman Tony Coelho, who in the 1980s realized that Congressional Democrats could milk the business community for money if they promised to "pay for play." I mean people like Terry McAuliffe, the former Democratic National Committee chairman, who gave Bill Clinton the idea of renting the Lincoln bedroom out to donors, and who did such a good job raising big money for the Democrats that by the end of his reign, Democrats had fewer small donors than the Republicans and more fat cats writing them million-dollar checks.

But let's be realistic here. When the notorious Willie Sutton was asked why he robbed banks, he answered, "Because there is where the money is." If I seem to be singling out the Republicans, it's for one reason: that's where the power is. They own the government lock, stock, and barrel. Once they gained control of the House of Representatives in 1994, their self-proclaimed revolution has gone into overdrive with their taking of the White House in 2000 and the Senate in 2002. Their revolution soon became a cash cow and Washington a one party state ruled by money.

Look back at the bulk of legislation passed by Congress in the past decade: an energy bill which gave oil companies huge tax breaks at the same time that Exxon Mobil just posted \$36 in profits in 2005 and our gasoline and home heating bills are at an all-time high; a bankruptcy "reform" bill written by credit card companies to make it harder for poor debtors to escape the burdens of divorce or medical catastrophe; the deregulation of the banking, securities and insurance sectors which led to rampant corporate malfeasance and greed and the destruction of the retirement plans of millions of small investors; the deregulation of the telecommunications sector which led to cable industry price gouging and an undermining of news coverage; protection for rampant overpricing of pharmaceutical drugs; and the blocking of even the mildest attempt to prevent American corporations from dodging an estimated \$50 billion in annual taxes by opening a PO Box in an off-shore tax haven like Bermuda or the Cayman islands.

In every case the pursuit of this legislation was driven by big money. **Our public representatives, the holders of our trust, need huge sums to finance their campaigns, especially to pay for television advertising, and men and women who have mastered the money game have taken advantage of that weakness in our democracy to systematically sell it off to the highest bidders.**

Let's start with the "K Street Project." K Street is the Wall Street of lobbying, the address of many of Washington's biggest lobbying firms. The K Street Project was the brainchild of Tom DeLay and Grover Norquist, the right wing strategist who famously said that his goal is to shrink government so that it can be "drowned in a bathtub." This, of course, would render it impotent to defend ordinary people against the large economic forces — the so-called free market — that Norquist and his pals believe should be running America.

Tom DeLay, meanwhile, was a small businessman from Sugar Land, Texas, who ran a pest extermination business before he entered politics. He hated the government regulators who dared to tell him that some of the pesticides he used were dangerous - as, in fact, they were. He got himself elected to the Texas legislature at a time the Republicans were becoming the majority in the once-solid Democratic south, and his reputation for joining in the wild parties around the state capital in Austin earned him the nickname "Hot Tub Tom."

But early in his political career, and with exquisite timing and the help of some videos from the right wing political evangelist, James Dobson, Tom DeLay found Jesus and became a full-fledged born again Christian. He would later humbly acknowledge that God had chosen him to restore America to its biblical worldview. "God," said Tom DeLay, "has been walking me through an incredible journey... God is using me, all the time, everywhere...God is training me. God is working with me...."

Yes, indeed: God does work in mysterious ways.

In addition to finding Jesus, Tom DeLay also discovered a secular ally to serve his ambitions. He found out the power of money to power his career. "Money is not the root of all evil in politics," DeLay once said. "In fact, money is the lifeblood of politics." By raising more than 2 million dollars from lobbyists and business groups and distributing the money to dozens of Republican candidates in 1994, the year of the Republican breakthrough in the House, DeLay bought the loyalty of many freshmen legislators and got himself elected Majority Whip, the number three man in Newt Gingrich's "Gang of Seven" who ran the House.

Here's how they ran it: On the day before the Republicans formally took control of Congress on January 3, 1995, DeLay met in his office with a coterie of lobbyists from some of the biggest companies in America. The journalists Michael Weisskopf and David Maraniss report that "the session inaugurated an unambiguous collaboration of political and commercial interests, certainly not uncommon in Washington but remarkable this time for the ease and eagerness with which these allies combined."

DeLay virtually invited them to write the Republican agenda. What they wanted first was "Project Relief" — a wide-ranging moratorium on regulations that had originally been put into place for the health and safety of the public. For starters, they wanted "relief" from labor standards that protected workers from the physical injuries of repetitive work. They wanted "relief" from tougher rules on meat inspection. And they wanted "relief" from effective monitoring of hazardous air pollutants.

Scores of companies were soon gorging on Tom DeLay's generosity, adding one juicy and expensive tid-bit after another to the bill. According to Weisskopf and Maraniss, on the eve of the debate 20 major corporate groups advised lawmakers that "this was a key vote, one that would be considered in future campaign contributions." On the day of the vote lobbyists on Capitol Hill were still writing amendments on their laptops and forwarding them to House leaders. The Speaker of the House, Newt Gingrich, famously told the lobbyists: "If you are going to play in our revolution, you have to live by our rules."

Tom DeLay became his enforcer. The rules were simple and blunt. Contribute to Republicans only. Hire Republicans only. When the electronics industry ignored the warning and chose a Democratic Member of Congress to run its trade association, DeLay played so rough — pulling from the calendar a bill that the industry had worked on two years, aimed at bringing most of the world in alignment with U.S. copyright law -- that even the House Ethics Committee, the watchdog that seldom barks and rarely bites, stirred itself to rebuke him — privately, of course.

DeLay wasn't fazed. Not only did he continue to make sure the lobbying jobs went to Republicans, he also saw to it that his own people got a lion's share of the best jobs. At least 29 of his former employees landed major lobbying positions — the most of any Congressional office. The journalist John Judis found that together ex-DeLay people represent around 350 firms, including thirteen of the biggest trade associations, most of the energy companies, the giants in finance and technology, the airlines, auto makers, tobacco companies, and the largest health care and pharmaceutical companies. When tobacco companies wanted to block the FDA from regulating cigarettes, they hired DeLay's man. When the pharmaceutical companies — Big Pharma — wanted to make sure companies wouldn't be forced to negotiate cheaper prices for drugs, they hired six of Tom DeLay's team, including his former chief of staff. The machine became a blitzkrieg, oiled by campaign contributions that poured in like a gusher.

Watching as DeLay, with the approval of the House leadership, become the virtual dictator of Capitol Hill, I was reminded of the card shark in Texas who said to his prey, "Now play the cards fair, Reuben, I know what I dealt you."

Tom DeLay and his cronies were stacking the deck. They centralized in their own hands the power to write legislation. Drastic revisions to major bills were often written at night, with lobbyists hovering over them, then rushed through as "emergency measures," giving members as little as half an hour to consider what they may be voting on. The Democratic minority was locked out of conference committees where the House and Senate are supposed to iron out their differences with both parties in the loop.

The Republican bosses even took upon themselves the power to rewrite a bill in secrecy and move it directly to a vote without any other hearings or public review. Sometimes this meant overruling what the majority of House members really wanted.

Consider what happened with the bill to provide Medicare prescription drug coverage, as analyzed by Robert Kuttner in *The American Prospect*. As the measure was coming to a vote, a majority of the full House was sympathetic to allowing cheaper imports from Canada and to giving the government the power to negotiate wholesale drug prices for Medicare beneficiaries. But DeLay and his cronies were working on behalf of the big pharmaceutical companies and would have none of it. So they made sure there would be no amendments on the floor. They held off the final roll call a full three hours — well after midnight — in order to strong-arm members who wanted to vote against the bill. It was not a pretty sight out there on the floor of the House. At one point DeLay marched over to one reluctant Republican — Representative Nick Smith — who opposed the Medicare bill — and attempted to change his mind. Smith, who was serving his final term in office, later alleged that he was offered a bribe — \$100,000 for his son's campaign to succeed him. When he subsequently retracted his accusation, the House Ethics Committee looked into the charges and countercharges and wound up admonishing both Smith and DeLay, who admitted that he had offered to endorse Smith's son in exchange for Smith's support but that no money or bribe were involved.

Timothy Noah of *Slate.com* has mused about what DeLay's endorsement would nonetheless have meant in later campaign contributions if Smith had gone along. While the report of the ethics committee never did find out the true story, Noah asks: "Who did whisper '\$100,000' in Smith's ear? The report is full of plausible suspects, including DeLay himself, but it lacks any evidence on this crucial finding. You get the feeling the authors would prefer to forget this mystery ever existed."

There are no victimless crimes in politics. The price of corruption is passed on to you.

What came of all these shenanigans was a bill that gave industry what it wanted and gave taxpayers the shaft. The bill covers only a small share of drug expenses. It has a major gap in coverage — the so-called "donut hole." It explicitly forbids beneficiaries from purchasing private coverage to fill in the gap and explicitly forbids the federal government from bargaining for lower drug prices. More than one consumer organization has estimated that most seniors could end up paying even more for prescription drugs than before the bill passed.

Furthermore, despite these large flaws the cost of the bill is horrendous — between 500 billion and one trillion dollars in its first 10 years. The chief actuary for Medicare calculated a realistic estimate of what the bill would cost, but he later testified before Congress that he was forbidden from releasing the information by his boss, Thomas Scully, the head of the Center for Medicare and Medicaid Services, who was then negotiating for a lucrative job with the health care industry. Sure enough, hardly had the prescription drug bill become law than Scully went to work for the largest private equity investor in health care and at a powerful law firm focusing on health care and regulatory matters.

One is reminded of Senator Boies Penrose. Back in the first Gilded Age, Penrose was a United States senator from Pennsylvania who had been put and kept in office by the railroad tycoons and oil barons. He assured the moguls: "I believe in the division of labor. You send us to Congress; we

pass laws under which you make money... and out of your profits you further contribute to our campaign funds to send us back again to pass more laws to enable you to make more money."

Gilded Ages — then and now — have one thing in common: Audacious and shameless people for whom the very idea of the public trust is a cynical joke.

Tom DeLay was elected to Congress by the ordinary people of Sugar Land, Texas. They had the right to expect him to represent them. This expectation is the very soul of democracy. We can't all govern — not even tiny, homogenous Switzerland practices pure democracy. So we Americans came to believe our best chance of responsible government lies in obtaining the considered judgments of those we elect to represent us. Having cast our ballots in the sanctity of the voting booth with its assurance of political equality, we go about our daily lives expecting the people we put in office to weigh the competing interests and decide to the best of their ability what is right.

Instead, they have given the American people reason to believe the conservative journalist P.J. O'Rourke was right when he described Congress as "a parliament of whores." A recent CBS News/New York Times poll found that 70% of Americans believe lobbyists bribing members of Congress is the way things work. Fifty-seven percent think at least half of the members of Congress accept bribes or gifts that affect their votes. A Fox News poll reported that 65% believe most elected officials in Washington make policy decisions or take actions on the basis of campaign contributions.

Findings like these underscore the fact that ordinary people believe their bonds with democracy are not only stretched but sundered.

You see the breach clearly with Tom DeLay. As he became the king of campaign fundraising, the Associated Press writes, "He began to live a lifestyle his constituents back in Sugar Land would have a hard time ever imagining." Big corporations such as R.J. Reynolds, Phillip Morris, Reliant, El Paso and Dynegy provided private jets to take him to places of luxury most Americans have never seen — places with "dazzling views, warm golden sunsets, golf, goose-down comforters, marble bathrooms and balconies overlooking the ocean." The AP reports that various organizations — campaign committees, political action committees, even a children's charity established by DeLay — paid over \$1 million on hotels, restaurants, golf resorts and corporate jets in DeLay's behalf: at least 48 visits to golf clubs and resorts (the Ritz Carlton in Jamaica, the Prince Hotel in Hawaii, the Michelangelo in New York, the Phoenician in Scottsdale, the El Conquistador in Puerto Rico, where villas average \$1,300 a night); 100 flights aboard corporate jets arranged by lobbyists; and 500 meals at fancy restaurants, some averaging \$200 for a dinner for two. There was even a \$2,896 shopping spree at a boutique on Florida's Amelia Island offering "gourmet cookware, sabbatier cutlery and gadgets for your every need."

DeLay was a man on the move and on the take. But he needed help to sustain the cash flow. He found it in a fellow right wing ideologue named Jack Abramoff. Abramoff personifies the Republican money machine of which DeLay with the blessing of the House leadership was the major domo. It was Abramoff who helped DeLay raise those millions of dollars from campaign donors that bought the support of other politicians and became the base for an empire of corruption. DeLay praised Abramoff as "one of my closest friends." Abramoff, in turn, told a convention of college Republicans, "Thank God Tom DeLay is majority leader of the house. Tom DeLay is who all of us want to be when we grow up."

Just last month Jack Abramoff pleaded guilty to fraud, tax evasion, and conspiracy to bribe public officials, a spectacular fall for a man whose rise to power began 25 years ago with his election as Chairman of the College Republicans. Despite its innocuous name, the organization became a political attack machine for the Far Right and a launching pad for younger conservatives on the make. "Our job," Abramoff, then 22 years old, wrote after his first visit to the Reagan White House,

"is to remove liberals from power permanently [from] student newspaper and radio stations, student governments, and academia." Karl Rove had once held the same job as chairman. So did Grover Norquist, who ran Abramoff's campaign. A youthful \$200-a-month intern named Ralph Reed was at their side. These were the rising young stars of the conservative movement who came to town to lead a revolution and stayed to run a racket. They reeked piety. Like DeLay, who had proclaimed himself God's messenger, Ralph Reed found Jesus, was born again, and wound up running Pat Robertson's Christian Coalition, landing on the cover of Time as "the Right Hand of God." Reportedly after seeing "Fiddler on the Roof" Abramoff became an Orthodox religious Jew who finagled fake awards as "Scholar of Biblical and American History," "Distinguished Bible Scholar" (from an apparently non-existent organization), the "Biblical Mercantile Award" allegedly from the Cascadian Business Institute through which money was funded for DeLay's famous visit to a plush Scottish golf club, and the national order of merit from the USA Foundation, whose chairman was... Jack Abramoff.

It is impossible to treat all the schemes and scams this crowd concocted to subvert democracy in the name of God and greed. But thanks to some superb reporting from, The Associated Press, and Knight-Ridder, among others, we can touch on a few.

Abramoff made his name, so to speak, representing Indian tribes with gambling interests. As his partner he hired a DeLay crony named Michael Scanlon. Together they would bilk half a dozen Indian tribes who hired them to protect their tribal gambling interests from competition. What they had to offer, of course, was their well-known connections to the Republican power structure, including members of Congress, friends at the White House (Abramoff's personal assistant became Karl Rove's personal assistant), Christian Right activists like Ralph Reed, and right wing ideologues like Grover Norquist (according to The Texas Observer, two lobbying clients of Abramoff paid \$25,000 to Norquist's organization — Americans for Tax Reform — for a lunch date and meeting with President Bush in May 2001.)

Abramoff and Scanlon came up with one scheme they called "Gimme Five": Abramoff would refer tribes to Scanlon for grassroots public relations work, and Scanlon would then kick back about 50% to Abramoff, all without the tribes' knowledge. Before it was over the tribes had paid them \$82 million dollars, much of it going directly into Abramoff's and Scanlon's pockets. And that doesn't count the thousands more that Abramoff directed the tribes to pay out in campaign contributions.

Some of the money found its way into an outfit called the Council of Republicans for Environment Advocacy (CREA), founded by Gale Norton before she became Interior Secretary, the cabinet position most responsible for Indian gaming rights (as well as oil and gas issues, public lands and parks, and something else we'll get to in a moment). Some of the money went to so-called charities set up by Abramoff and DeLay that filtered money for lavish trips for members of Congress and their staff, as well as salaries for Congressional family members and DeLay's pet projects.

And some of the money found its way to the righteous folks of the Christian Right. One who had his hand out was Ralph Reed, the religious right's poster boy against gambling. "We believe gambling is a cancer on the American body politic," Reed had said. "It is stealing food from the mouths of children... (and) turning wives into widows." When he resigned from the Christian Coalition (just as it was coming under federal investigation and slipping into financial arrears), Reed sought a cut of the lucre flowing to Abramoff and Scanlon. He sent Abramoff an email: "Now that I am leaving electoral politics, I need to start humping in corporate accounts ... I'm counting of you to help me with some contacts."

Abramoff came through. According to Susan Schmidt and R. Jeffrey Smith, he and Scanlon paid Reed some \$4 million to whip up Christian opposition to gambling initiatives that could cut into the profits of Jack Abramoff's clients. Reed called in some of the brightest stars in the Christian firmament — Pat Robertson, Jerry Fawell, James Dobson, Phyllis Schlafly — to participate in what

became a ruse in Abramoff's behalf: They would oppose gambling on religious and moral grounds in strategic places (Texas, Louisiana, Alabama) at decisive moments when competitive challenges threatened Abramoff's.

Bogus Christian fronts were part of the strategy. Baptist preachers in Texas rallied to Reed's appeals. Unsuspecting folks in Louisiana heard the voice of God on radio — with Jerry Fawell and Pat Robertson doing the honors — thundering against a riverboat gambling scheme, which one of Abramoff's clients feared would undermine its advantage. Reed even got James Dobson, whose nationwide radio "ministry" reaches millions of people, to deluge phone lines at the Interior Department and White House with calls from indignant Christians.

In 1999 Abramoff arranged for the Mississippi Choctaws, who were trying to stave off competition from other tribes, to contribute over \$1 million to Norquist's Americans for Tax Reform, which then passed the money along to the Alabama Christian Coalition and to another anti-gambling group Reed had duped into aiding the cause. It is unclear how much these Christian soldiers, "marching as to war," knew about the true purpose of their crusade, but Ralph Reed knew all along that his money was coming from Abramoff. The emails between the two men read like Elmer Gantry.

It gets worse. Some of Abramoff's money from lobbying went to start a non-profit organization called the U.S. Family Network. Nice name, yes? An uplifting all-American name, like so many others that fly the conservative banner in Washington. Tom DeLay wrote a fundraising letter in which he described the U.S. Family Network as "a powerful nationwide organization dedicated to restoring our government to citizen control." Fund raising appeals warned that the American family "is being attacked from all sides: crime, drugs, pornography... and gambling." So help me, I'm not making this up. You can read R. Jeffrey's Smith mind-boggling account of it on the Washington Post website, where he writes that the organization did no discernable grassroots organizing and its money came from business groups with no demonstrated interest in the "moral fitness" agenda that was the network's professed aim.

Let's call it what it was: a scam — one more cog in the money-laundering machine controlled by DeLay and Abramoff. A former top assistant founded the organization. It bought a townhouse just three blocks from DeLay's Congressional quarters and provided him with fancy free office space where he would go to raise money. DeLay's wife also got a sizeable salary.

But that's the least of it. Working with Abramoff through a now-defunct law firm in London and an obscure off-shore company in the Bahamas, Russian oil and gas executives were using the U.S. Family Network to funnel money to influence the majority leader of the House of Representatives — yes, that chamber of American government once known as "The People's House."

Our witness for this is the Christian pastor who served as the titular president of the U.S. Family Network, the Reverend Christopher Geeslin. He told The Washington Post that the founder of the organization, the former DeLay aide, told him that a million dollars was passed through from sources in Russia who wanted DeLay's support for legislation enabling the International Monetary fund to bail out the faltering Russian economy without demanding the country raise taxes on its energy industry. As Molly Ivins pointed out in a recent column, right on cue DeLay found his way onto Fox News Sunday to argue the Russian position. That same titular head of the U.S. Family Network, the Christian pastor, said DeLay's former chief of staff also told him, "This is the way things work in Washington."

This is the way things work in Washington.

Twenty-five years ago Grover Norquist had said that "What Republicans need is 50 Jack Abramoffs in Washington. Then this will be a different town."

Well, they got what they needed, and the arc of the conservative takeover of government has now been completed. As Abramoff had once said his goal was to banish liberals from college campuses, and later that "All of my political work is driven by philosophical interests, not by the desire to gain wealth," now his intentions, as he admitted to Michael Crowley of The New York Times, were "to push the Republicans on K Street to be more helpful to the conservative movement." Money, politics, and ideology became one and the same in a juggernaut of power that crushed everything in sight, including core conservative principles.

Here we come to the heart of darkness.

One of Abramoff's first big lobbying clients was the Northern Marianas Islands in the Pacific. After World War II the Marianas became a trusteeship of the United Nations, administered by the U.S. Government under the stewardship of the Interior Department. We should all remember that thousands of Marines died there, fighting for our way of life and our freedoms. Today, these islands are a haven for tourists — first-class hotels, beautiful beaches, championship golf course.

But there is a dark side. The islands were exempted from U.S. labor and immigration laws, and over the years tens of thousands of people, primarily Chinese, mostly women, were brought there as garment workers. These so-called "guest workers" found themselves living in crowded barracks in miserable conditions. The main island, Saipan, became known as America's biggest sweatshop. In 1998 a government report found workers there living in substandard conditions, suffering severe malnutrition and health problems and subjected to unprovoked acts of violence. Many had signed "shadow contracts" which required them to pay up to \$7,000 just to get the job. They also had to renounce their claim to basic human rights, including political and religious activities, socializing and marrying. If they protested, they could be summarily deported. As Greg McDonald wrote in The Houston Chronicle, the garments produced on Saipan were manufactured for American companies from tariff-free Asian cloth and shipped duty- and quota-free — to the United States. Some of the biggest names in the retail clothing industry — Levi Strauss, The Gap, J. Crew, Eddie Bauer, Reebok, Polo, Tommy Hilfeger, Nordstrom's, Lord and Taylor, Jones New York, and Liz Claiborne -- had been able to slap a "made in the USA" label on the clothes and import them to America, while paying the workers practically nothing.

When these scandalous conditions began to attract attention, the sweatshop moguls fought all efforts at reform. Knowing that Jack Abramoff was close to Tom DeLay, they hired him to lobby for the islands. Conservative members of Congress lined up as Abramoff's team arranged for them to visit the islands on carefully guided junkets. Conservative intellectuals and journalists, for hire at rates considerably above what the women on the islands were making, also signed up for expense-free trips to the Marianas. They flew first-class, dined at posh restaurants, slept in comfort at the beachfront hotel, and returned to write and speak of the islands as "a true free market success story" and "a laboratory of liberty."

Abramoff took Tom DeLay and his wife there, too. DeLay practically swooned. He said the Marianas "represented what is best about America." He called them "my Galapagos" — "a perfect petri dish of capitalism."

These fellow travelers — conservative members of Congress, their staffs and their lapdogs in the rightwing press and think tanks — became a solid phalanx against any and all attempts to provide the workers on the islands with a living wage and decent living conditions. For instance, when a liberal California Democrat, George Miller, and a conservative Alaskan Senator, Frank Murkowski, indignant at the "appalling conditions," wanted to enact a bill to raise minimum wages on the islands and at least prevent summary deportation of the workers, DeLay and Abramoff stopped them cold. As Representative Miller told it, "They killed my reform bill year after year. And even

when an immigration reform bill by Senator Frank Murkowski, a Republican, was approved by the full Senate, they blocked it repeatedly in the House."

After the 2000 election, when the spoils of victory were being divided up, Abramoff got himself named to the Bush transition team for the Interior Department. He wanted to make sure the right people wound up overseeing his clients, the Marianas. He enlisted Reed, who said he would raise the matter with Rove, to stop at least one appointment to Interior that might prove troublesome. Small wonder that about this time Reed wrote an email to Enron's top lobbyist touting his pal Abramoff as "arguably the most influential and effective gop lobbyist in congress. I share several clients with him and have yet to see him lose a battle. He also is very close to DeLay and could help enormously on that front. raised \$ for bush...he [sic] assistant is Susan Ralston [who would become Rove's assistant.]"

For his services to the Marianas Jack Abramoff was paid nearly \$10 million dollars, including the fees he charged for booking his guests on the golf courses and providing them copies of Newt Gingrich's book. One of the sweatshop moguls with whom Abramoff was particularly close contributed half a million dollars to — you guessed it — the U. S. Family Network that laundered money from Russian oligarchs to Tom DeLay.

To this day, workers on the Marianas are still denied the federal minimum wage while working long hours for subsistence income in their little "petri dish of capitalism" — "America at its best."

Both ends of Pennsylvania Avenue were now in sync. George W. Bush had created his own version of the K Street Project. Remember how he emerged from the crowded field of Republican candidates in early 1999 and literally blew several of them out of the water? He did so by drowning his opponents with money. In just his first six months of fundraising, Bush collected some \$36 million — nine times more than his nearest opponent, John McCain. The money came from the titans of America business and lobbying who understood their contributions would be rewarded. You've heard of the Pioneers and Rangers — people who raised at least \$100,000 and \$200,000 for Bush. Among them were people like Tom DeLay's brother, also a lobbyist; the CEO of Enron, Kenneth ("Kenny Boy") Lay; and hundreds of executives from the country's banks, investment houses, oil and gas companies, electric utilities, and other companies.

While Tom DeLay kept a ledger on K Street, ranking lobbyists as friendly and unfriendly, the Bush campaign gave every one of his Pioneers and Rangers a tracking number, making sure to know who was bringing in the bucks and where they were coming from. In May of 1999 the trade association for the electric utility industry sent a letter to potential contributors on Bush campaign stationery. He told his colleagues that Bush's campaign managers "have stressed the importance of having our industry incorporate the tracking number in your fundraising efforts...it does ensure that our industry is credited and that your progress is listed..."

The bounty was waiting. A score of Pioneers and Rangers were paid off with ambassadorships. At least 37 were named to post-election transition teams, where they had a major say in selecting political appointees at key regulatory positions across the government. Remember the California energy crisis, when Enron traders boasted of gouging grandmothers to drive up the prices for energy? Well, Enron's Kenneth Lay had been Bush's biggest campaign funder over the years and what he asked now as a pay-off was appointment to the Energy Department transition team. This is how Enron's boss got to name two of the five members of the Federal Energy Regulatory Commission, who looked the other way while Enron rigged California's energy prices and looted billions right out from the pockets and pocketbooks of California's citizens.

There are, as I said, no victimless crimes in politics. The cost of corruption is passed on to you. When the government of the United States falls under the thumb of the powerful and privileged, regular folks get squashed.

This week I visited for the first time the Museum of the Presidio in San Francisco. From there American troops shipped out to combat in the Pacific. Many never came back. On the walls of one corridor are photographs of some of those troops, a long way from home. Looking at them, I wondered: Is this what those Marines died for on the Marianas — for sweatshops, the plunder of our public trust, the corruption of democracy? Government of the Abramoffs, by the DeLays, and for the people who bribe them?

I don't think so. But this crowd in charge has a vision sharply at odds with the American people. They would arrange Washington and the world for the convenience of themselves and the transnational corporations that pay for their elections. In the words of Al Meyeroff, the Los Angeles attorney who led a successful class action suit for the workers on Saipan, the people who now control the U.S. Government today want "a society run by the powerful, oblivious to the weak, free of any oversight, enjoying a cozy relationship with government, and thriving on crony capitalism."

America as their petri dish — the Marianas, many times over.

This is an old story and a continuing struggle. A century ago Theodore Roosevelt said the central fact of his time was that corporations had become so dominant they would chew up democracy and spit it out. His cousin Franklin Roosevelt warned that a government of money was as much to be feared as a government by mob. One was a progressive Republican, the other a liberal Democrat.

Their sentiments were echoed by an icon of the conservative movement, Barry Goldwater, in 1987: The fact that liberty depended on honest elections was of the utmost importance to the patriots who founded our nation and wrote the Constitution. They knew that corruption destroyed the prime requisite of Constitutional liberty, an independent legislature free from any influence other than that of the people...representative government assumes that elections will be controlled by the citizenry at large, not by those who give the most money. Electors must believe their vote counts. Elected officials must owe their allegiance to the people, not to their own wealth or to the wealth of interest groups who speak only for the selfish fringes of the whole community.

I have painted a bleak picture of democracy today. I believe it is a true picture. But it is not a hopeless picture. Something can be done about it. Organized people have always had to take on organized money. If they had not, blacks would still be three-fifths of a person, women wouldn't have the vote, workers couldn't organize, and children would still be working in the mines. Our democracy today is more real and more inclusive than existed in the days of the Founders because time and again, the people have organized themselves to insist that America become "a more perfect union."

It is time to fight again. These people in Washington have no right to be doing what they are doing. It's not their government, it's your government. They work for you. They're public employees — and if they let us down and sell us out, they should be fired. That goes for the lowliest bureaucrat in town to the senior leaders of Congress on up to the President of the United States.

They would have you believe this is just "a lobbying scandal." They would have you think that if they pass a few nominal reforms, put a little more distance between the politician and the lobbyist, you will think everything is okay and they can go back to business as usual.

They're trying it now. Just look at Congressman John Boehner, elected to replace Tom DeLay as House Majority Leader. Today he speaks the language of reform, but 10 years ago Boehner was handing out checks from the tobacco executives on the floor of the House. He's been a full player in the K Street Project and DeLay's money machine, holding weekly meetings with some of the most powerful lobbyists in the Speaker's suite at the Capitol. He has thought nothing of hopping on corporate jets or cruising Caribbean during winter breaks with high-powered lobbyists. Moreover,

the man Boehner beat to succeed DeLay — Congressman Roy Blunt — has been elected to DeLay's first job as Majority Whip despite being deeply compromised by millions upon millions of dollars raised from the same interests that bought off DeLay.

And what now of DeLay? He's under indictment for money laundering in Texas and had to resign as Majority Leader. But the other day the party bosses in Congress gave him a seat on the powerful House Appropriations Committee where big contributors get their rewards. And — are you ready for this? — they put him on the subcommittee overseeing the Justice Department which is investigating the Abramoff scandal, including Abramoff's connections to DeLay.

Business as usual. The usual rot. The power of arrogance.

You may say, see? These forces can't be defeated. They're too rich, they're too powerful, they're too entrenched.

But look at what has happened in Connecticut, one of the most corrupt states in the union. Rocked by multiple scandals that brought down a state treasurer, a state senator, and the governor himself with convictions of bribery, tax evasion, and worse, the people finally had enough. Although many of the parties had to be forced, kicking and screaming to do it, **last December the legislature passed clean money reform and the new governor signed it into law.** The bill bans campaign contributions from lobbyists and state contractors and makes Connecticut the very first state in the nation where the legislature and governor approved full public funding for their own races.

Connecticut isn't the only place where the link between public officials and private campaign contributions has been broken. Both Arizona and Maine offer full public financing of statewide and legislative races. New Jersey, New Mexico, North Carolina, and Vermont have clean money systems for some races. The cities of Portland, Oregon and Albuquerque, New Mexico recently approved full public financing for citywide races. In these places, candidates for public office — executive, legislative, and in some cases judicial — have the option of running on a limited and equal grant of full public funding, provided they take little or no private contributions. To qualify they have to pass a threshold by raising a large number of small contributions from voters in their district. The system allows candidates to run competitive campaigns for office even if they do not have ties to well-heeled donors or big money lobbyists, a near impossibility when public elections are privately funded.

In places where clean elections are law, we see more competition for legislative seats and a more diverse group of people running for office. In David Sirota's words, they "are encouraged to run on their ideas, their convictions and their integrity instead of on how effectively they can shake down the big money."

And there are policy results as well. In Arizona, one of the first acts of Governor Janet Napolitano, elected under the state's public financing program, was to institute reforms establishing low-cost prescription drug subsidies for seniors. Compare that to the Medicare debacle going on at the national level. In Maine, where clean elections has been in place since 2000, there have also been advances in providing low cost pharmaceutical drugs for residents, and in making sure that every state resident has medical coverage.

Why? Because the politicians can do what's right, not what they're paid to do by big donors. They, not the lobbyists, write the legislation. As one blogger put it this past weekend, instead of dialing for dollars, they might have time even to read bills like 'The Patriot Act' and find the small print establishing a secret police.

California may soon follow Connecticut. Calling for the political equivalent of electro-shock therapy, the Los Angeles Times recently urged Californians: "Forget half-measures. The cure is voluntary public financing of election campaigns." Already the Clean Money and Fair Elections Bill has passed the state assembly and is headed for the senate. Check it out at cacean.org.

Think about this: Californians could buy back their elected representatives at a cost of about \$5 or \$6 per California resident. Nationally we could buy back our Congress and the White House with full public financing for about \$10 per taxpayer per year. You can check this out on the website Public Campaign.

Public funding won't solve all the problems. There's no way to legislate truly immoral people from abusing our trust. But it would go a long way to breaking the link between big donors and public officials and to restoring democracy to the people. Until we offer qualified candidates a different source of funding for their campaigns — "clean," disinterested, accountable public money — the selling of America will go on. From scandal to scandal. The people out across the country on the front lines of this fight have brought the message down to earth, in plain language and clear metaphors. If a player sliding into home plate reached into his pocket and handed the umpire \$1000 before he made the call, what would we call that? A bribe. And if a lawyer handed a judge \$1000 before he issued a ruling, what do we call that? A bribe. But when a lobbyist or CEO sidles up to a member of Congress at a fundraiser or in a skybox and hands him a check for \$1000, what do we call that? A campaign contribution.

Representative Barney Frank likes to say of Congress: "We are the only people in the world required by law to take large amounts of money from strangers and then act as if it has no effect on our behavior." What law is he talking about? The unwritten law that says your Congressman has to raise \$2,000 per day from the day he or she is sworn in to the next election days — weekdays, Saturdays, Sundays, Christmas Eve and the Fourth of July. As long as elected officials need that constant stream of cash, someone will run our country but it won't be you.

Even some business lobbyists are having second thoughts. One of them, Stanton Anderson, was recently quoted in Business Week: "As a conservative, I've always opposed government involvement. But it seems to me the real answer is federal financing of congressional elections." Mr. Anderson understands this isn't about a "few bad apples." This is about the system. We can change the system. But we have to believe democracy is worth fighting for.

Listen to what Theodore Roosevelt said one hundred years ago when he took on the political bosses and big money of his time for committing "treason to the people." We are standing for the great fundamental rights upon which all successful free government must be based. We are standing for elementary decency in politics. We are fighting for honesty against naked robbery. It is not a partisan issue; it is more than a political issue; it is a great moral issue. If we condone political theft, if we do not resent the kinds of wrong and injustice that injuriously affect the whole nation, not merely our democratic form of government but our civilization itself cannot endure.

We need that fighting spirit today — the tough, outraged and resilient spirit that knows we have been delivered a great and precious legacy, you and I — "government of, by and for the people" — and, by God we're going to pass it on.

Bill Moyers is president of the Schumann Center for Media and Democracy, which gives financial support to AlterNet. Rebecca Wharton, Karen Kimball, Micah Sifry and Nancy Walzman contributed to this speech.

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