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The Axe Files - Ep. 155: Sen. Elizabeth Warren

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Axelrod: [00:00:00] Elizabeth Warren so good to see you.

Warren: [00:00:02] Oh good to see you David.

Axelrod: [00:00:04] I really loved your book. And the reason that I loved it is the way you interwove your own story into the fabric of everyone else's stories. So I want to start there I want to start in Norman Oklahoma. And I know you're only the second most famous person who came from Norman Oklahoma because James Garner came from he did Norman Oklahoma.

Warren: [00:00:37] And my third grade teacher was his aunt. And James Garner came to my third grade class I stormed, jumped over a brick wall. He was the handsomest man I have ever seen

Axelrod: [00:00:49] In the old maverick days on TV.

Warren: [00:00:51] That's what it was. He was he was on maverick. And we argued afterwards the little girls in the front row who he looked directly at and I'm still to this day sure he looked directly at me and smiled.

Axelrod: [00:01:03] Life changing.

Warren: [00:01:04] I carry it in my heart.

Axelrod: [00:01:06] So tell me about Norman.

Warren: [00:01:08] So we lived in the last house on the last street in town and and the edge of this small town and then behind us were wheat fields and the wheat fields ran to Midwest City which was the next little town and then beyond that was Oklahoma City and it was a town that my folks moved there because my daddy was working at that time. He was selling household goods paint things like that at a store in Oklahoma City and it was cheaper to live in Norman and he caught the bus every day. And they were hopeful that the schools would be good. And my brothers might might go to the University of Oklahoma. And you know it was all about family.

Axelrod: [00:02:03] And you talked about living on the ragged edge of the middle class. That's I think the phrase you used. Tell me what the ragged edge was like.

Warren: [00:02:16] So we were a paycheck to paycheck family. You know that from my youngest memories it was always my mother doing the calculations on what what you could pay for this week what you needed to wait until next week when you bought a gallon of milk when you bought a half a gallon of milk based on how much mine always to this day remember my mother every time I get sick or or one of my brothers gets sick she should lay her hand on your forehead. And you know give you the mother look and assess how hot you were and then she'd stop and do the calculation from Dr. Buffington office. And that is how much you'd pay down on the doctor bill and whether or not she could reasonably take you back to the doctor again given that the bill wasn't paid off.

Axelrod: [00:03:11] Yeah I guess that gave you a rough measure of how much you are worth to you now.

Warren: [00:03:16] You gave me a measure early on that families hold together and they do the absolute

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best they can and that's how I always saw my mother my daddy. They were there for the four of us. My three older brothers and for me. And they would have done anything they could for us. That was just what it meant to be a mom or a dad.

Axelrod: [00:03:43] You mentioned illness and you write in the book about your father's illness. You had a heart attack when you were 12 and how life changing that was for you.

Warren: [00:03:54] So we'd been like I said paycheck to paycheck that you had different jobs. There were times we were a little more ahead a little little. Your mom was working in the home and mom was a stay at home mom the whole time. And by the time I was 12 my three older brothers they'd all headed off to the military. And so it was just mom and dad in me and we'd moved to Oklahoma City and things look like they were kind of on the upswing. Daddy was selling carpeting by then and we had a nice station wagon had a house in Oklahoma City and then daddy had a heart attack and it just it all turned upside down in what felt like the blink of an eye. And you know it's one of those. So daddy sick and you've got all the worries around you.

Axelrod: [00:04:43] Let me just interrupt you for one second do you. Was it a sudden thing had he been ill.

Warren: [00:04:48] No no. He had been my daddy was a rock. I mean I don't think my daddy that I ever remember had he ever been sick had ever missed a day of work or at least not. Not that I ever knew any been out working on the car and been under the car and he came in and sat down at the kitchen table and I was downstairs and I remember he looked up he looked waxy I don't know how else to describe it. Kind of this is this odd gray look and he.

Axelrod: [00:05:22] Must have beens scary

Warren: [00:05:23] He's looking off into the middle distance and then my mother comes in and starts in on what's the matter with you. What's the matter. What's the matter what's the matter. It's like a fight between the two of them. And finally she decides she's going to take him to the hospital and they leave me at home and then I find out that that they said he's had a heart attack and they keep him in the hospital for about a week. My Aunt and Uncle Stanley take me up there. My mother stays up there with him. And then when he comes home it's it's all that chaos of when he was in the hospital you know people coming in and out and people bringing covered dishes. There was food for my mother me to eat. But it's when he comes home that it all changes. It's it's that long long period that he just sat and my daddy never said my daddy's up and moving and always doing always fixing something around the house. He just had to. And we go a long stretch. There's still money coming in. Well is the family station wagon. And every night when I go to bed I hear my mother cry in the next room. She always wait. I never saw her cry during this time but I hear every night and then I hear them start to talk about the house and how we're going to lose the house. And it it's when I understood how ouches just one bad thing can happen to a family a family that works hard. A family does everything they can and just bam. And it's like the boat flips over and everybody's out of water.

Axelrod: [00:07:20] Now obviously safety for us you have to calculate whether you should pay down doctor. So you guys don't have insurance at the time.

Warren: [00:07:28] You know I don't know. They may have had some insurance. I honestly don't. I was 12 years old but boy not enough. And the thing is it's it's both halves. When somebody gets sick like that it's not only that the medical bills stack up. It's there's no money coming in. There's no money to pay for groceries there's no money to pay make the mortgage payment or the car payment. There's just there's nothing.

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Axelrod: [00:07:51] Yeah. And you know the thing that really moved me was your description of the sort of psychology of that for your dad your mom when you went to work.

Warren: [00:08:04] Yeah.

Axelrod: [00:08:05] And this sense you said of failure that he wasn't living up to his responsibilities.

Warren: [00:08:12] Yeah. I you know my dad he always worked he always worked. I mean he had a job and didn't always. Sometimes he lost that job. He was a man who was always trying to make it better. You know what I mean. He fixed everything at home. He mowed the lawn in the flower bed he put in a garden. He was always out there trying to take care of the rest of us. And when he had a heart attack and when there's no money coming in when we lost that car and when we're on the edge just had our toes on the line about losing our house like that he lost something of himself. And the.

Axelrod: [00:08:57] You know there's all this discussion now about universal basic income and and sort of strengthening this social compact and so on which I think is in the 21st century a worthy discussion have important discussion to have but it strikes me that it's not a substitute for also opportunity. And you know and I'll ask you about this labor I hear some of the leaders in Silicon Valley say well we need this because we're going to be automating all these jobs and people be idled. And you know they'll have to live in it seems to me just that's only half the equation. You know I don't think we want to tell people you know what you've lost your utility but. But here's a here's a check. So I think you know it's one of the great challenges for us as a society is how do we make sure that people have opportunity and productive work to do.

Warren: [00:10:00] It's so interesting you'd frame it that way David. Because the way I see this is that is one of the central functions of government is it sets the rules that determine opportunity and who's going to get that opportunity. I mean that's that's kind of the core of how I think about this. If we're going to have real opportunity in the 21st century not just for those at the top not just for those who who run the billion dollar business and take home these great salaries but for all of us then it's kind of two halves to the equation for me. Half of it is about the opportunities one by one how we build does the investment in education for example how all of our corn now. Exactly. More important than ever. All of our kids got a real chance to get started. We should talk more about that. But the other half is how it is that we build an economy that continues to produce opportunities not just for those at the top but for everyone. And every time I hear people talk about this and I talk about this in the book this fight is our fight. I talk about the government sets the rules and the rules determine in effect who's going to get to profit from all of this growth that we have in the economy how it's going to be distributed and how those opportunities are really going to be opportunities over in China which are great opportunities for investors here in the United States and around the world but not so much for workers. Or are we going to have a set of rules that really help build that robust economy here in America. I think of the investments for example in infrastructure not just roads and bridges and water and sewer which are all powerfully important but investment and things like come cheap and accessible Internet service all across the country and other parts of western Massachusetts right now where you can't get a signal.

[00:12:09] [Crosstalk.

Warren: [00:12:09] How do you build a 21st century economy. If he if he can't if you can't get online.

Axelrod: [00:12:15] Let me let me ask you. OK I I I I let's just.

Warren: [00:12:20] You know I always warm up when we start on this.

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Axelrod: [00:12:22] I know I know I know you do. But here's here's my question. You come from a state that's lost over decades lots of manufacturing in Massachusetts. It's also the hub of technology and a lot of those technologists are developing ways for corporations and smaller businesses to rationalize what they do so that because of robots because of artificial intelligence computers it just takes fewer people to do the work and that is consonant with sort of the theory of capitalism that you know you want to maximize your profit but there is collateral collateral impact of that. I mean the studies suggest that that that's where like 80 percent of the job loss is going to come in the coming decade. So what do we do about that because you're not going to as good as the technologists in Massachusetts tell you not turn you're not genie's not going back into the bottle. But that seems like a real tension in our democracy and in our in our economic system.

Warren: [00:13:39] So I want to make an argument here that we look at this as if it's a singular event. My goodness look at the changes that technology are causing in this in this country. Let's just back up. We've been we've been a changing economy from the very beginning. You know we started out as agrarian and fur trapping right and then big changes. Look what the Industrial Revolution changed in this country. Look what look at the things that went from it took a thousand guys with hand shovels to it suddenly. You know a couple of guys with steam shovels and then we went beyond steam shovels. Yes there's change there's always going to be change. That's the deal. That's that's what makes it exciting to be in this country is what makes it exciting to be in this world. The question is who's going to write the rules around what happens as everything changes. So let me just give you an example. 1930s we wrote a basic social contract around employment and it was premised on the the unspoken nobody had to write it down. But you're going to work for one employer for almost all your life. Maybe two. You're going to work 40 hours a week you know kind of the basic period. And that meant we could put a lot of the the benefits that people need a lot of the safety net a lot of the building toward a future toward retirement. We could put it in the employment relationship with and and you know put the Center on it with the employer and that way we could have good distribution of opportunity and security for wide wide swaths of Americans. That's not true anymore. And yet what's happening is nobody is talking about much I should say nobody but not many are talking about how we need to rewrite that basic contract. I'll give you one example. Uber drivers did you know that right now as a matter of law if Uber drivers are independent contractors as uber keeps claiming they are so-called ten ninety nine workers that is that's the kind of tax return they tax filing they get. They can't talk to each other about gee let's bargain together with the company to get some changes in our benefits and our wages.

Axelrod: [00:16:12] If ever it was needed it's among Uber drivers.

Warren: [00:16:14] No kidding. I mean that's the whole point. So we have a set of laws that right now would treat that as an anti-trust violation because if they are independent contractors that are those are a whole bunch of separate businesses and they can't collude against the company labor and that makes no sense at all. So I say that by way of saying the rules the basic legal rules and understanding of the relationship is negotiated. Let's be blunt right here in Washington D.C. And right now it's being captured by all those who have already made it big. It's been captured by the money interest so the rules the discussion around it is always about how it is that we protect the profitability of those at the top and not about how we think about how this is going to work for most of America.

Axelrod: [00:17:10] I hear you on that and that's there's no doubt that there's a lot of concentrated power in this town and you come head to head with him and butted heads more than many occasion and I think in the next few months and years even more so. I do think what you say is partially true which is that we've had we had the industrial revolution. It was it was profound but nothing compared to the scope and scale of the pace at which technology is advancing now it's churning at a faster rate than ever and across more industries at once and more businesses at once a lot of middle management jobs for example are

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going to be done by computers now. And and this is true in every realm of our lives and communications is a big example. Technology is churning so fast it's hard for us to get our arms around it fast enough so the rule writing is certainly important but there are I mean we also need a national strategy for how we convert the what are we going where where are these 40 percent of Americans are going to lose their job in next couple of decades because of technology. Where are they going in our economy. Where are the dry weather. Who's the people who you talk about Uber drivers.

Warren: [00:18:28] Right.

Axelrod: [00:18:29] They can organize till the cows come but when there are driverless cars.[crosstalk]

Warren: [00:18:32] It's not it's not going to matter. But you know that goes back though. I'm just going to make the point again. It goes back to where we make these core investments So for example for you know forever we've kind of taken the position in America. You finish your education at eighth grade a century and a half ago right at 12th grade at maybe two years of technical school or four years of college maybe even a graduate degree. And thank you very much. We're done. That's not going to work in the 21st century. You know people repaint their houses every five years they're going to have to repaint their brains every five years that the notion in a in a world of great technological change that people can sort of box up that they have their education at a certain point in time and they're done. It's just wrong. It means that's why I go back to the the rules made here in Washington the kind of investments we need to make people to keep them in the game is going to be about lifetime learning.

Axelrod: [00:19:36] Right.

Warren: [00:19:36] It's going to be about like that.

Axelrod: [00:19:37] So we need a national strategy for how we deal with this. We're going to take a short break. We'll be right back with Senator Elizabeth Warren.

Axelrod: [00:19:51] I'm glad you raised education because it's a good segue to get back to your story because you moved to Oklahoma City and you went to a very very good high school. That also seemed life changing to you and in your experience. Talk a little bit about that because you it didn't seem like there were class distinctions in Norman but there were an Oklahoma City and you went to go with a group of kids not all of whom were struggling as your family struggle.

Warren: [00:20:23] You know when I went to high school was when I really started seeing the kids how many of them were college bound. How many smart kids there were in school and that's when that's when I got my chance and my chance was debate. I didn't belong anywhere in high school I'm a case of like a lot of kids you know I was always tall I was tall then as I am now I was even skinnier and awkward and knew my parents didn't have much on as much as most of the other kids in that high school and I had no place where I belonged. I couldn't I couldn't sing I couldn't join the chorus I couldn't play a musical instrument I couldn't couldn't join the band. I got I tried softball and got hit in the face like that every time.

Axelrod: [00:21:17] Good preparation for politics.

Warren: [00:21:19] Exactly. No kidding. Man the ball just bang right in the face right in the face. And so I ended up in speech class because it always kind of seem like to me speech and I don't say this but all the speech majors can stop listening for once. It seemed I didn't mean to like any talent. I really need some grit. And that yeah it is scary to stand up in front of a bunch of people that you just stand up and do it. And I really didn't have to stay on key or catch the ball before it hit me in the face. And from there I got exposed to to debate. And again I just felt like OK the one thing I got going for me is man I can sink my

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teeth in and you know hang on to an argument. And learned that I could even think on my feet and debate what's my chance. It was it was my chance to get in there with the smart kids and the kids whose parents were getting them ready for college and and to compete to be part of it and for that I'll always be grateful.

Axelrod: [00:22:32] And you on your own initiative because you're your mom was skeptical about the notion of you going to college. She didn't think it was worth thinking about or attainable.

Warren: [00:22:44] Right. Well look she was skeptical even about debate. She pointed out to me on a pretty regular basis that boys don't like girls who argue. And my mother thought and God bless her. She thought my best chance was to marry a good provider that that would be what would keep me safe for the rest of my life. And every time I didn't move in that direction every time I talked about how I wanted to be a schoolteacher every time I talked about you know I'm going to this debate tournament this weekend. Every time I pushed back my mother would remind me that's.

Axelrod: [00:23:24] Colored by her own experience. So you but I was really touched by this image of you running home and opening up the mailbox to see if you had heard from you on your own with your own savings from babysitting and the other stuff you were doing you mailed off a couple of college applications.

Warren: [00:23:46] I looked through a book and talked to some of the other kids and found two schools that said affirmatively they had debate scholarships. And so I took some of my babysitting money I went down to the 7-Eleven and bought Money orders. And so that I had an application fee and sent it off to those two schools. That was it. All my hopes were Northwestern. George was fourth Western in George Washington. And then once I'd applied I'd run home every day at lunch and see if the mail had come round that corner. We were the second house in the corner and we had this little mailbox out in front that had the flag on it and I round the corner to see if the mail had arrived because you could tell by the flag and then Chuck open that box to see if there was anything for me. And just day after day it stretched into weeks there was nothing for me and you know my other friends in high school are already in some place already talk about where they're going to college. And I'm still running home at lunch to see what's there. And then the letters arrived. Both of them on the same day and I ripped

[00:25:02] [crosstalk]

Warren: [00:25:05] That's exactly right. And of course all I've been looking for is the bottom line on the dollars.

Axelrod: [00:25:10] Yeah. And did your folks know that you had done this.

Warren: [00:25:13] By this time they did. They didn't know at the beginning but then I found out you had to fill out a financial aid form. And I couldn't do it without help. And that's when I went to my my folks about this. And my mother was not happy. And you know we're sitting at the dinner table and boy she's really given it to me about this is not right. This is not the right direction. And finally my dad he said let her try. Polly and my daddy spoke very little at home but like lots of people who don't speak very much people listen when he does. And he said it in a pretty clear we're shutting this one down. And then that was that was it. They filled out the form. So when I found out wow we really don't have much money. And then we sent it off and nobody talked about it at home. I mean this went on for months. It just it just didn't exist. I didn't talk about what the kids were saying at school about going to school I didn't talk about GW or Northwestern. We just had I'd send in the paperwork and that was it. And then I just waited.

Axelrod: [00:26:25] And GW gave you.

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Warren: [00:26:26] More money.

Axelrod: [00:26:28] Enough to go.

Warren: [00:26:31] Enough to go.

Axelrod: [00:26:32] So you went and then you left.

Warren: [00:26:34] I know.

Axelrod: [00:26:35] So your mother's voice must have been ringing in your head because you're your high school sweetheart.

Warren: [00:26:42] Well the first boy that date of being the first boy who dumped me I'm not I'm not sure what the word is for that guy but.

Axelrod: [00:26:48] Fickle.

Warren: [00:26:51] But he came back over a weekend he'd graduated from college he was three and a half years older than I was and he had already graduated and was working downtown Houston on the NASA space project and worked for IBM. Oh wow. Yeah. Regular salary health insurance. The whole thing.

Axelrod: [00:27:12] Your mom's dream.

Warren: [00:27:13] It was and Jim came back over Labor Day weekend ended up proposing to me and it took me about a nanosecond to say yes and I gave it all up. I gave up my scholarship I gave up college. I gave up my dream of being a schoolteacher. I I now had the prize. I had a good provider. And and I loved him and I thought this is it. And we got married in the space of time a few weeks. I made my wedding dress my cousin Susan was my maid of honor. I made her dress too. And. And then we moved down to Houston and I I started working. You know like a temp you know where they'd move you around to different offices and that's when I found out about the University of Houston that it was about I don't know a 35 minute drive away maybe something like that. I'd never seen it but one of the people at work told me about it and said oh you know you want to be a teacher how come you're not going back to school and you know I said I can't afford it. Fifty bucks a semester. And man I got home that night and said Jim here's the deal. I can go back to school and of course you immediately raise costs I said whoa \$50 a semester I could cover that waiting tables one night a week. And so I ended up going back to school.

Axelrod: [00:28:53] So you didn't give up your dream of being a teacher.

Warren: [00:28:55] I didn't I didn't. But you know this goes back to the core point. Yeah. I worked hard. And here I am the graduate of a commuter college that costs \$50 a semester and I end up as a United States senator. That's because America invested in opportunity for kids like me get up.

Axelrod: [00:29:17] Yeah. And it's disturbing now when you look at all these public colleges and and how states are making fewer investments in them tuition is going up. Accessibility to these institutions is becoming much more difficult.

Warren: [00:29:32] Did you know that 70 percent of kids who graduate from state universities have to borrow money now to get there. And here's the here's the twist the knife. The federal government that

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lends them that money is making a profit off the kids who've got to borrow money to go to school. These kids end up with thousands and thousands of dollars in debt depending on what they do sometimes tens of thousands or even meet young people today who have a hundred thousand dollars in student loan debt. And it's exactly upside down. The kids who are born into families that can pay for all of it. College costs one price. But for kids who are born into families they can't just write a check for school. The price is higher and the federal government is charging an extra fee to them. You can't get much more wrong than that in America and I say that not just on economics it's on values. When I was a kid I really felt like America wanted me to succeed. I mean that that they were investing in the schools that I went to. They were they were investing in in creating this economy that was going to work was going to create these opportunities. Lord you know when I graduated I had partly from the GW days and NDEA loan, National Defense Education Act and you know part of what they would do. Not only did they subsidize that the United States government they did loan forgiveness for anybody who worked ill love this in the national defense and do you know one of the things that was considered national defense in a public school teacher and I was a special needs teacher. So they gave me an extra about 15 percent off a year.

Axelrod: [00:31:21] Yeah let me ask you quickly about that. Because I have a child with special needs you know that. So I have a special place in my heart for people who work with kids who have special needs. What led you there.

Warren: [00:31:35] Oh God I love that work. So I knew I wanted to be a public schoolteacher from second grade on that was Mrs. Lee This was my second grade teacher and I love her. She gave the best hugs in the world. She's the one who opened the door who took me aside and told me that it was possible that I could I could do this too. And I still. I can remember what her face looked like when I announced later that to Mrs. Lee that I was going to be a schoolteacher like her. So that was my dream all the way through I went off to GW and I show up in my and my first classes as a freshman. And this is where the door gets kicked up in and I end up in a class that starts talking about the range of kids who are in public schools or who should have who should be able to get to public schools. And I start learning more about special needs kids and about how differential diagnosis is how you understand and different ways of teaching. And I was just I was just immediately drawn in that direction. So it was college it opened another door for me another way to see the world and and from there it was different. Work.

Axelrod: [00:33:01] Hard though I mean.

Warren: [00:33:02] Oh it's hard.

Axelrod: [00:33:03] Those are it's require a lot of a lot of care and attention and love and.

Warren: [00:33:09] It's it's it's from the heart. I mean it's the it was it was the best work I ever did was with little kids.

Axelrod: [00:33:20] So what provoked you to do to go into the law.

Warren: [00:33:25] I got pregnant. And in those.

[00:33:33] [crosstalk]

Warren: [00:33:33] Exactly. Exactly. But that actually is the line. When I got pregnant while I was doing special needs work the school and gym made it pretty clear that I was going to have to I was going to have to to quit. So there I was always home with a little baby and I really tried hard to stay home. I mean I really did. I thought it was the right thing back in those days there was this whole you know this is what moms were supposed to do was stay home if you could if you could afford it. And Jim kept saying I'm

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taking care of family we can afford this. And I really tried and I was really terrible at it. And finally I came up with the idea of going back to school and there was a law school that was again about 35 40 maybe 45 minute drive. It was a public law school cost about four hundred sixty dollars a semester and I could go to law school and it wasn't the same as having a full time job. And I felt law sounded great. Sounded like you could get out there and fight for people and fight for opportunities. And that's how I ended up in law school. So Amy My Daughter and I would get up four mornings a week and you know have our breakfast and pack our lunch. And I would drop her off at the babysitter and headed to law school and I would attend classes and then raced back and.

Axelrod: [00:35:10] She didn't go. She didn't get a degree as well.

Warren: [00:35:12] She did not get out not get a degree but I do remember of listen I sit back because the idea was I try to study in the afternoon which meant I needed to get back. She'd had her lunch. But before she went down for a nap These are the crucial things you learn when you are a parent and trying to balance it all. And I can remember driving my little Volkswagen and she's in the back in her in her car seat and I would shake her foot the entire way from the from the baby sitter back home because I needed to keep her awake so I could get her into her crib to go down for her naps. But that's how I made it through law school.

Axelrod: [00:35:46] So people would be surprised to know that you were a Republican you know until like the mid 90s you were a Republican what drew you to to do that. Well because listening to you these you you're espousing a lots of progressive sort of message you know I don't mean to make a partisan point out of this. That doesn't seem consistent with your experience doesn't seem consistent necessarily not it's brothers in the military that may have something to do with it.

Warren: [00:36:19] And I was just not very politically active. I mean I never never did anything politically. I voted.

Axelrod: [00:36:26] Your folks did they talk about it.

Warren: [00:36:28] No not much. My Aunt B did and she was she was a rock ribbed Democrat. But I was never never very politically active. I was a registered Republican when we lived in in Pennsylvania. And I felt like by 94 95 when I move up we move up to Massachusetts. I just felt like this is a party that reflects my values. I had kind of been attracted to the fiscally conservative as you well know.

Axelrod: [00:37:03] That was the old Reagan period 80s.

Warren: [00:37:05] When I thought fiscal conservatives is good. Right. It's good to have a government that tries to live within its budget and I was kind of I thought that may made some sense because.

Axelrod: [00:37:16] In your book you trace part of what's happened to the country to the sort of very very steep tax cutting that Reagan did.

Warren: [00:37:24] Yup yup the very steep tax cutting and turning the big corporations loose again, deregulation, letting the big banks kind of do whatever they want. What could possibly go wrong. And a big part of what's happening by this point in my life is that by the 90s I'm doing a lot more of the bankruptcy work and a lot more studying about families that have been a lot like mine. Families that had looked pretty middle class on the surface. And then one bad medical diagnosis one job loss a family breakup and bang they were upside down. And those were the families I studied and began to just see the whole world connect up. Maybe my personal life with with public policy.

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Axelrod: [00:38:23] We're going to take another short break and we'll be right back with Senator Elizabeth Warren.

Axelrod: [00:38:41] I would be remiss if I didn't ask you. This is a pretty active time as we sit here in Washington and you know I guess I should start by asking you about the president. I think he would insist and he wants everyone to talk about it. He talked you know he campaigned and he talked about the rig the economy and that's something you have in common you both talked about the rigged economy. So sort out your divergent paths.

Warren: [00:39:15] Right. So the economy is rigged now. It it works better and better for those at the top and worse and worse for everyone else. I you've you've seen you know you've read my book. This fight is our fight. And that's a big part of what I talk about is documenting not just how it is now but how it once was very different. That 1935 to 1980 we really had an economy that worked for everybody that was working for the upper middle class and the middle class and the working class and the working poor and the poor poor the pie was getting bigger and everybody was getting wages grew with a GED. That's right. That's right. And how that really changed. Starting in 19 around 1980 and changes profoundly and 1980 to 2016 how the GDP keeps going up. But basically the 90 percent of America gets left out and gets none of the new income growth in this country. Now that's made a lot of people in this country angry and justifiably so. Donald Trump tapped that anger and then he told a story around it. It's their fault and that there was where he pointed his finger was everybody who doesn't look like everybody who doesn't worship like you everybody who's not same color as you everybody who doesn't speak same language is it their fault. That's that's the the the narrative that Donald Trump told the story I tell in the story I tell in the book in the story is that I believe is true is that the big difference is that people with money have seized our government our our federal government our national government and they now make it work for them. And so we've got you know billionaires and bankers who run the economy and surprise surprise they run the economy. They help the giant banks to help the biggest corporations to help the investor class not to help everybody else.

Axelrod: [00:41:17] That was kind of Bernie Sanders message in the primaries last year you stayed studiously neutral in those primaries. Given the fact that his campaign was predicated on that very notion what caused you to stay out of that race.

Warren: [00:41:33] So you know I always remember that these are we had two primaries going on simultaneously and the Republicans really were. It was a clown car over there right as they just kept piling out and doing all kinds of crazy stuff. And you know lurched from one crazy issue to another. And you know kind of the who was going to get voted off the island stuff that you kept watching. It was a it was a time when I was I was actually really proud to be a Democrat because Bernie Sanders and Hillary Clinton were out debating issues and they talked about how we should pay for education in America. You know what. What priority it should have. They talked about healthcare. They talked about trade. They talked about all those issues and I thought during the primary for me it was to keep urging them on to to have this debate to get America to pay attention to this set of issues to draw people out and to say I like Bernie because of this issue or I like Hillary because of that issue. It made me proud to be a Democrat

Axelrod: [00:42:40] Do you think that in the general election campaign that Democrats writ large and the ticket emphasized these economic issues was there a clear economic message from your perspective and.

Warren: [00:42:54] Not nearly enough. No. I mean as I said in the book we obviously didn't make the sale and the election. Look Hillary Clinton did get three million more votes than Donald Trump in any democracy on the face of this earth other than ours. She would be the president of the country. But I get what the rules are. And I also get that we really did get out there to a lot of working people and make it

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clear here's the difference between being a Democrat and being a Republican. And you know you watch this right now in Washington this health care bill that the Republicans are writing behind closed doors 13 men will not let down any one else.

Axelrod: [00:43:38] Yes it could be it could be that this week as early as this week they'll be a vote on a on a rewrite of the health care law. We haven't seen that will come without a public hearing. And that you haven't yet seen because Senator McConnell has exercised a rule within the Senate rules that allows him to do that.

Warren: [00:44:05] But for me right there. Look at the health care bill the one that came from the house that got a majority got all the repub. Not all but nearly all the Republicans in the house and no Democrats. And there's the big difference between what it means to be a Republican and what it means to be a Democrat. So the Republicans say no here's how we're going to reform health care in America. We're going to knock 23 million people off their health care coverage. We're going to raise costs for everybody over 50. We're going to open the door to discriminating against people who have preexisting conditions or mental health issues or opioid addiction. Why. Why would you do all that so that you could give tax breaks to a handful of millionaires and billionaires. OK. That's what it means to be a Republican. Democrats have said look we believe in coverage for everybody. We're trying to aim in that direction and we're trying to bring costs down for everyone. Have we gotten it perfect. And the Affordable Care Act now. But we're sure headed in that direction. And yeah we're willing to work on it right now. Right now I've got a bill pending with Bernie and others to say prescription drugs. We really need to bring down the price of prescription drugs. One way we could do that is let's import from Canada something the president said he wanted it exactly right. Let's import from Canada. So but but here's the heart of it.

Warren: [00:45:30] Democrats believe that health care is a basic human right and that it is government's job to help make sure there is coverage and to help bring down costs. Republicans say it's more important to have tax breaks for those at the top than it is to have health care coverage forever isn't going to there is a sense that that that McConnell has the 50 votes he needs it. Look I don't think it's guaranteed. That's why I'm in this fight that's why I want everybody who hears this to be in this fight. This is the clang clang clang what sound all the alarms all hands on deck. We've got to be in this fight and push on the Republicans we've got 48 votes on our side. The Democrats and the independents are saying no to the kind of bill they passed over in the house. But we've got to pick up a few Republicans a few Republicans who care more about providing health care coverage to millions of Americans than about giving tax breaks to some billionaires.

Axelrod: [00:46:34] At the risk of running out of this conversation. And I don't want to because I got a couple of other things sure I ask you about but I'd be remiss if I didn't ask you about the the repeal essentially the repeal of Dodd-Frank passed the House last week and we should have that you know that there are elements of that bill with which you were deeply involved. You really helped create the Consumer Financial Protection Bureau. Well you and the president were also.

Axelrod: [00:47:05] And that was fairness. The idea was predicated on something that you'd been advocating for a decade.

Axelrod: [00:47:12] What would the do without going into great detail what would the impact of that path a passage of that bill be.

Warren: [00:47:22] So so two or three key points and the first one has costs would go up on loans. Can you believe this on student loans on mortgages because it's got this mathematical formula in it that would just force people to pay more. Unbelievable. Second part is we leveled the playing field with the Consumer Financial Protection Bureau. We're not all the way there but helped that agency has now been

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in place for five years and it has forced the biggest banks in this country to return more than 12 billion dollars directly to people. They cheated. Now that's government that works for the people. It's handled more than a million complaints by the way. Anyone listening and they've got a complaint a credit card company that won't reverse a \$10 charge or a bank that won't give back. Fourteen thousand dollars in a downpayment on a mortgage that didn't go through. Go to CFP dot gov and you can file a complaint. You can also check out who's gotten complaints it's an open database that you can look at helping level the playing field what they want to do is they want to take the consumer watchdog and leash it up. So that's the second part. And then the third part is they want to say hey let's get rid of a big chunk of those regulations that are there for the biggest financial institutions. Remember the ones that broke the economy and you remember it right. Had to have a \$700 billion bailout cost the economy an estimated 14 trillion dollars and people losing their homes their jobs their savings. They want to say let's roll back those protections to where they were before the crash. What could possibly go wrong. You know you just want to say to these guys are you for real. I care that you've completely sold out to the big financial institutions but you think you can go home and say to the people who elected you to come to Washington that hey my big achievement for this year was to turn loose the biggest financial institutions to let them roll over this economy and blow it up.

Axelrod: [00:49:27] One how much of that how much of that could pass the Senate.

Warren: [00:49:31] I don't know.

Axelrod: [00:49:33] On the day was 60 votes for that.

Warren: [00:49:36] Well yes I think they will need 60 votes for that. And look where that means it's going to be harder for them to do it. On the other hand they're going to pick them off where ever they can pick off votes from the Democrats. This is one of those if everybody gets what's at stake here. The Republicans have no chance but on the other hand if everybody gets what's at stake here they never would have passed the House to begin with that this town is not consumed by these issues which are getting too little attention. But not to suggest that what's going on relative to the Russia investigation shouldn't get attention but it's such a there's such high absorption with that that it's hard to get other messages through as we sit here tomorrow.

Axelrod: [00:50:25] Your old colleague Jeff Sessions will be testifying publicly before the House Intelligence the Senate Intelligence Committee. What was your impression of of Jim Comins testimony last week and what is your impression of sessions and and and his conduct before and as attorney general.

Warren: [00:50:47] Yeah. I thought Comey was pretty straight. He he got out there and and and was a straight shooter in trying to tell what had happened and to leave it to the United States Congress to decide what the implications are of what he said. SESSIONS look I oppose sessions for being attorney general of the United States. And you may remember to shut down for like I got I got sent away from the Senate for that and got shut down and not allowed to speak again until after the vote. That was the rule. I could not speak again until the Senate had had a chance to vote on Jeff Sessions. And then when it came out that Jeff Sessions had lied to Congress and lied to the Senate during his confirmation hearing I called again for that. He needs to be fired. He needs to be taken out of that job if you're not going to be honest during your confirmation hearing. Then you ought to be gone. So what did he say to try to tamp down the rising anger. He said well I'll recuse myself from anything to do with Rush investigation since that's what he had lied about. And then according to Comey's testimony last week it looks like Jeff Sessions was somehow in the middle of all this so that's what we'll learn more about tomorrow.

Warren: [00:52:07] But what we know he was involved in the firing. Exactly. We know he was right in the

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middle of it that's a matter of public record now.

Axelrod: [00:52:13] And Donald Trump himself I think has seen Would that be in your view given the fact that Trump said that the he fired me because of the rush investigation would would would sessions be involved that be a violation of his recusal in your view.

Warren: [00:52:29] Yes yes yes.

Axelrod: [00:52:36] Let me ask you about the Democratic Party. I'm not going to ask you whether you're going to run for president in 2020 because I don't want to put that quarter in and get the recording and I know you're up for re-election in 2018. But tell me what you think the Democratic Party has to do and what kind of candidate the Democratic Party needs to field to be successful in 2020.

Warren: [00:53:01] I think we need to get out there and talk about our values and. And for me the heart of that is is about opportunity what we've been talking about for nearly an hour now. The Republicans think the world is supposed to run for those at the top and that that's the heart of trickle down. Right. And somehow the rest of us get along fine. Democrats believe every body counts and that means we make investments to give opportunities to everybody to all our kids to to to to our people. We try to build a country that works not just for those at the top but that works for the rest of us. We try to build a country that's about strengthening the middle class not only so the middle class is strong but so that so that people who aren't there yet people like my family right out at the edges have the opportunity to make it happen. There are open doors. There are real opportunities. And it's to drive home. This is what the Democrats have got to do to drive home those values our values that we believe all the way to our toes and we will get out there and fight for them. We won't just sit around and talk about them. We'll get out there and fight for them.

Axelrod: [00:54:27] And do you see people out there present company excluded because I already said I'm not going to ask you about that but are there people out there who you think are delivering that message will deliver that message. Are you confident that that's because you know you read the Times did a story the other day about the civil war within the Democratic Party and so on do you perceive that.

Warren: [00:54:49] You know I don't David. I I don't see this as a civil war. I think when we talk about these core economic issues that that for me are the real heart of what it means to be a Democrat. This is how we value people. I think that's what brings us together as a party. I think that's what it means to be a Democrat.

Axelrod: [00:55:11] So there may be differences in how you implement that but not in the overall value statement.

Warren: [00:55:17] The value statement and the willingness to fight for it state.

Warren: [00:55:20] For me that's you know that's the heart of the whole thing.

Axelrod: [00:55:25] You had to I know I wrote a biography and it was an interesting exercise because you find yourself thinking about your life in ways you never thought about them before and much more deeply and profoundly about experiences that you have. How often do you find yourself kind of looking back at where you came from and asking yourself how this happened.

Warren: [00:55:54] You know writing this book really was an exercise in rethinking parts of your life that you just accept and move on. All three my brothers served in the military. My oldest brother was career military and one of them flew like 88 88 combat missions in Vietnam. For long long years in our family we

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we would not know from day to day where my brother was and whether he was safe. That's that's one of those things that just gets woven into your life. The idea of of public service. All three my brothers went into the military and it's a kind of. Of course they did. That's that's how they served you ask the question Why are my parents political. And the answer was no but the answer is also yes. My my grandmother got her little check from the government and that was the check. She lived with my aunt B lived with us sometimes she'd lived with my uncle Travis and Aunt Lucy sometimes.

[00:57:03] [crosstalk]

Warren: [00:57:16] Aunt B's always been there. She never she never had children and I I was I was her her baby too.

Axelrod: [00:57:23] But when you think your mom would say about you now.

Warren: [00:57:29] I think most of all my mother would be she would approve that I not only had a family and taken care of my family and with my husband a divorced and remarried. And our kids but also that I'm close with my brothers and that they mean a lot to me. And we help each other in lots of different ways. But but we're there we're there. And I think that that that's something my mother was very big on you helped family. And then when you've helped family neighbors and when you've helped neighbors then you help the town. That's that's what my mom did.

Axelrod: [00:58:17] And what's that thing that your dad said to you when things were were were glum.

Warren: [00:58:23] You know life gets better punkin.

Axelrod: [00:58:26] Yeah.

Warren: [00:58:28] That's always the story that that for me ties all of this together. It's like you said about when you write your own story when you go back and try to write your biography the story about my mother going off to work after my daddy had had a heart attack and we're you know we've lost the family car we're about to lose the house. It's right down to the wire and she pulls on her best dress and she's crying and she walks to the Sears and she gets a job a minimum wage job at Sears and that job saves our house and it saves our family. And I always thought of that story as a story of a woman with grit and you know when she got out there and did what she needed to do for her family and our family held together and it was in writing this book that it's like you turn the cube around and look at it from a different direction. And I saw two parts to it that had not been so obvious to me. The first was what had happened to my daddy. Not not to be able to provide for us but the second was how when I was a kid a minimum wage job would keep a family of three afloat. That's how it was designed. That was the filter that this Congress right here in Washington used and that is set the minimum wage. We're a family one. One person working 40 hours a week can keep a family of three just above water just just hanging on. And today a mama and a baby cannot survive on a minimum wage job there is nowhere in America that they can rent a two bedroom apartment on a minimum wage job 40 hours a week. And this Congress right here in Washington. Yeah it looks at the minimum wage it looks at it in terms of the profitability of McDonald's and Wal-Mart not and whether or not somebody working 40 hours a week can keep themselves and a little family out of poverty and that's when I understood it up and they hit you right in the face moment that the reason my family survived back when I was a little girl was because a policy set right here in Washington and the reason many families just like mine are failing today is because a policy set right here in Washington. Those are the choices we make as a country. Those are the choices we make every time we go out to vote. And that is the reason I am in this fight all the way we got to make. We got to make these choices to make this country work for us.

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Axelrod: [01:01:15] This Fight is our fight is the is the name of the book. Senator Elizabeth Warren I can't ask another question because that seems like a great simulation of viewpoint point here and always great to be with you. Always great to chat.

Warren: [01:01:30] It's always good to visit with you David. Thank you. Let's do it again.

Axelrod: [01:01:33] Yes