

FOR IMMEDIATE RELEASE
THURSDAY, OCTOBER 11, 1984

CONTACT: WALT RIKER,
SCOTT RICHARDSON 202/224-6521

DOLE QUESTIONS MONDALE'S MEMORY ON SOCIAL SECURITY, MEDICARE

WASHINGTON -- Kansas Senator Bob Dole, Chairman of the Senate Finance Committee, which has jurisdiction over Social Security and Medicare, today called on Walter Mondale to stop frightening senior citizens with "horror stories" about cuts in Social Security benefits.

SOCIAL SECURITY

Way behind in the polls, Mondale is desperate for news so I am not surprised about his efforts to intimidate millions of Social Security recipients with horror stories.

Let's get the facts straight: Ronald Reagan saved the Social Security system! Mondale knows that seven years ago, the Carter/Mondale Administration initiated the "Social Security Amendments of 1977," the largest tax increase in American history, which was to preserve the Social Security system until the year 2002. We got the taxes alright, but by 1981 the Mondale rescue plan was bankrupt.

So when Mr. Mondale tries to grab votes and headlines with horror stories which frighten our senior citizens, he is not telling the truth.

Since enactment, the 1977 Carter/Mondale amendments, approved by a Democratic Administration and a Democratic Congress, have increased Social Security taxes by \$358 billion and cut benefits by \$21.6 billion. The Carter plan not only contained five tax rate increases, but also imposed new increases in the taxable wage base.

MEDICARE

It's not enough that Mondale wants to frighten the elderly about their Social Security benefits, now he wants them to believe that President Reagan is threatening Medicare.

Medicare will be broke by the mid-1990's if we don't act now. Jimmy Carter and Walter Mondale had the chance to fix both Social Security and Medicare and they failed. Candidate Mondale's budget plan has only one proposal dealing with health care programs and it's a repeat of the old Carter/Mondale regulatory control that was rejected overwhelmingly by their own Democratic controlled House of Representatives. The "new" Mondale version merely calls for "price controls" which puts the government back in the business of deciding what is best for everybody, and offers no blueprint for real change.

The fact is, Carter/Mondale left us a health care system in crisis when they left office, hospital costs were soaring, confidence in Medicare was sinking, and the entire program was rushing towards bankruptcy. Let's make it clear. The Reagan Administration is committed to saving Medicare for those benefiting today and for those who hope to benefit in the future.

TRADE: AG EXPORTS A KEY

As Chairman of the Senate Finance Committee, Senator Dole also has jurisdiction over international trade. In that capacity, Dole says boosting agriculture exports would be a significant step toward reviving the farm economy.

- The export trade area is a major concern of the Minnesota Agri-Growth Council. The 1985 farm bill will give Congress an opportunity to develop a formalized agricultural trade policy consistent with domestic policy. The newly signed National Commission on Agricultural Trade and Export Policy is scheduled to issue an interim report by March of 1985 with a final report due in July of 1986. The Commission will make recommendations on how to improve our export programs and make them more consistent and competitive in the world marketplace. Hopefully this type of initiative will lead to higher commodity prices as farmers increase demand for their products.

- The U.S. will want to evaluate the possible use of export subsidies on a targeted basis to prevent loss of foreign markets to unfair price-cutting practices of foreign competition. We would not want an across-the-board trade war.

- Congressional passage of the Trade and Tariff Act of 1984 (TTA) represents a victory for the American agricultural community.

- The TTA includes a renewal of the Generalized System of Preferences for 8 1/2 years, thus permitting the underdeveloped world to continue generating the foreign reserve with which to purchase U.S. agricultural exports.

- The Senate conferees refused to include in the TTA a change in the trade laws known as the natural resources provision which would have increased the cost of fertilizer to U.S. farmers and invited retaliation against U.S. farm exports.

- Reducing the exchange rate of the dollar is probably the greatest contribution we could make in helping U.S. farm exports, and there seems to be a consensus that reducing the federal budget deficit would lead to bringing down the value of the dollar.

- Reduction of budget deficits has been a top priority for the Finance Committee and we will continue to wage this struggle next year.