

REMARKS OF SENATOR BOB DOLE
CONSUMER CREDIT INSURANCE ASSOCIATION

TARPON SPRINGS, FLORIDA

MONDAY, MARCH 28, 1977

THE NEW ADMINISTRATION HAS BEEN IN OFFICE FOR A LITTLE OVER TWO MONTHS NOW. SO FAR, THE PRESIDENT'S RELATIONSHIP WITH THE MEMBERS OF HIS OWN PARTY IN CONGRESS HAS BEEN UNSTEADY -- WARM ONE DAY, COOL THE NEXT. THE CHIEF EXECUTIVE AND THE MEMBERS OF HIS FAMILY HAVE BEEN OUR CONSTANT COMPANIONS ON THE TELEVISION SCREEN, THE RADIO, AND THE FRONT PAGES OF OUR NEWSPAPERS AND MAGAZINES.

THE TRANSITION FROM THE EASY RHETORIC OF THE OPPOSITION CANDIDATE TO THE AWESOME RESPONSIBILITIES OF GOVERNING THIS NATION IS ALWAYS DIFFICULT. IT IS NATURAL FOR A NEW LEADER TO WANT TO PUT HIS BEST FOOT FORWARD, TO IMPRESS THE AMERICAN PEOPLE WITH THE FULL RANGE OF HIS EARNEST INTENTIONS. BUT WE HAVE BEEN TREATED TO A PUBLIC RELATIONS BLITZ THAT IS UNPRECEDENTED IN THE HISTORY OF THE PRESIDENCY. IT IS CUSTOMARY FOR SUCH CONCENTRATED DOSES OF SYMBOLISM TO COME AFTER AND NOT BEFORE YOU HAVE SOMETHING TO BRAG ABOUT.

- 2 -

OFF-THE-CUFF REMARKS

IF IT CONTINUES MUCH LONGER, THIS PREFERENCE FOR STYLE OVER SUBSTANCE COULD BECOME TROUBLESOME. IT IS TIME FOR SERIOUS AND SYSTEMATIC ATTENTION TO SERIOUS AND STUBBORN PROBLEMS. THE ADMINISTRATION HAS BEEN SLOW FILLING MANY OF ITS MOST IMPORTANT TOP-LEVEL POSITIONS. THE PRESIDENT IS GIVEN TO MAKING OFF-THE-CUFF PRONOUNCEMENTS ABOUT COMPLICATED ISSUES BEFORE HIS ADVISORS HAVE ASSEMBLED AND ANALYZED ALL THE FACTS. HIS POSITIONS HAVE TENDED TO VEER SHARPLY FROM ONE SIDE TO THE OTHER IN BOTH DOMESTIC AND FOREIGN AFFAIRS -- NOW CAREFUL, THEN BOLD. THOUGH GENERALLY CAUTIOUS IN FOREIGN AFFAIRS, FOR EXAMPLE, HE EVIDENTLY ENCOURAGES HIS UN AMBASSADOR TO ISSUE INTERVENTIONIST STATEMENTS ABOUT THE VERY SENSITIVE SITUATION IN AFRICA. I THINK IT IS FAIR TO SAY THAT THERE IS NO CONSISTENT PHILOSOPHICAL THREAD RUNNING THROUGH HIS ADMINISTRATION THUS FAR -- BEYOND THE DESIRE TO APPEAR TO THE AMERICAN PEOPLE TO BE UNCONVENTIONAL. HIS ATTITUDE SEEMS TO ALTERNATE WILDLY BETWEEN THOUGHTFUL CONSULTATION WITH CONGRESS AND THE DICTATORIAL DISMISSAL OF THE LEGISLATIVE BRANCH AS JUST ANOTHER BOTHERSOME PROBLEM TO BE DEALT WITH.

- 3 -

BUT, YOU MIGHT ASK, WHAT DOES ALL THIS MEAN TO YOU? HOW WILL CONGRESS REACT? WILL THERE BE A CONSENSUS? WHAT DOES IT PORTEND FOR THE FUTURE OF OUR COUNTRY?

THE ANSWER IS: IT'S TOO EARLY TO SAY. THERE ARE TOO MANY UNCERTAINTIES.

TOO MANY INCONSISTENCIES

THE PRESIDENT TELLS HIS AIDS THEY'LL HAVE TO DRIVE TO WORK, THEY CAN'T USE WHITE HOUSE CARS; ECONOMY MOVE. THEN HE GIVES THEM A BIG FAT PAY RAISE, AND PERMITS THE SECRETARY OF HEW TO PUT HIS PERSONAL CHEF AND A \$44,000 A YEAR PERSONAL BODYGUARD ON THE FEDERAL PAYROLL.

HE UNLOCKED THE MAIN DOORS OF THE JUSTICE DEPARTMENT IN A SYMBOLIC GESTURE OF OPENNESS TO THE AMERICAN PEOPLE -- AND THEN HIRED MORE ARMED GUARDS TO MAKE SURE NOBODY COULD GET THROUGH THOSE DOORS WITHOUT A SPECIAL PASS.

- 4 -

HE TALKS UP TO THE RUSSIANS ON HUMAN RIGHTS --
AND APPOINTS AN ARMS CONTROL NEGOTIATOR WHO HAS A HISTORY
OF ADVOCATING UNILATERAL DISARMAMENT.

HE LOOKS FOR WAYS TO EASE THE TAX LOAD ON LOW-INCOME
GROUPS; AND NOW, ACCORDING TO NEWS REPORTS, HE IS CONSIDERING
A STIFF INCREASE IN THE GASOLINE TAX, WHICH WOULD HIT LOW-INCOME
MOTORISTS THE HARDEST.

HE HOLDS OUT THE VISION OF A BALANCED BUDGET WITHIN
FOUR YEARS, AND BOOSTS THE EXPENDITURE SIDE OF PRESIDENT
FORD'S BUDGET FOR THE NEXT FISCAL YEAR BY OVER \$19 BILLION.

HE ENDORSES AN INCREASE IN PRICE SUPPORTS FOR DAIRY
FARMERS, YET TURNS HIS BACK ON THE DROUGHT-STRICKEN WHEAT
FARMERS IN THE MIDWEST WHO ARE UP AGAINST THE WALL FINANCIALLY.

- 5 -

SUPPORT WHEN RIGHT

I SINCERELY HOPE THAT RESPONSIBLE DEMOCRATS IN CONGRESS ARE ABLE TO PERSUADE THE PRESIDENT TO PUT ASIDE HIS POSTURING AND HIS PLAY-ACTING AND WORK TOGETHER WITH THE SENATE AND THE HOUSE TO FASHION WORKABLE SOLUTIONS FOR OUR PUBLIC PROBLEMS.

THE ONLY WISE COURSE FOR OUR PARTY "OF THE LOYAL OPPOSITION" IS TO SUPPORT THE PRESIDENT WHEN HE IS RIGHT AND OFFER SPECIFIC CONCRETE ALTERNATIVE IDEAS IN A SPIRIT OF CONSTRUCTIVE CRITICISM WHENEVER THAT CRITICISM IS CALLED FOR. REPUBLICANS IN CONGRESS SHOW EVERY SIGN OF HAVING LEARNED A VALUABLE LESSON. AND THAT IS THAT SAYING "NO" TO MORE AND BIGGER GOVERNMENT IS NOT ENOUGH. IT IS NECESSARY FOR US TO SPELL OUT HOW THE FORCES OF OUR PRIVATE ENTERPRISE SYSTEM CAN BE HARNESSSED TO DEAL WITH PROBLEMS THAT ARE OF IMMEDIATE CONCERN TO MANY OF OUR CITIZENS MORE EFFECTIVELY THAN BY EXPANDING THE GOVERNMENT BUREAUCRACY AND RAISING TAXES.

- 6 -

WE ARE FINDING THAT THE OUTNUMBERED REPUBLICAN MINORITIES CAN BE EFFECTIVE WHENEVER WE PRESENT OUR CASE IN TERMS THAT CAN BE UNDERSTOOD IN TERMS OF THE EVERYDAY LIVES OF PEOPLE. THE COMMON SITE PICKETING BILL IS AN EXAMPLE. ORGANIZED LABOR HELPED TO ELECT THE MAJORITIES IN THE HOUSE AND SENATE. BUT THE PICKETING BILL WAS DEFEATED LAST WEEK IN THE HOUSE. AND THE REASON WHY WAS THAT OPPONENTS WERE ABLE TO PHRASE THEIR ARGUMENTS IN TERMS OF THE PRACTICAL EFFECT OF BUILDING TRADES WORK STOPPAGES ON THE COST OF A NEW HOUSE. THIS IS SOMETHING THAT ORDINARY PEOPLE CAN UNDERSTAND. THEY KNOW THAT PRICES OF HOUSES HAVE GONE OUT OF SIGHT FOR YOUNG COUPLES WITH GOOD JOBS -- AND FOR MANY OLDER COUPLES WITH GOOD JOBS. COMMON SITUATIONS SOUND LIKE A DISEASE. THE MAN AND WOMAN ON THE STREET MIGHT NOT BEGIN TO UNDERSTAND WHAT THE ISSUE IS ALL ABOUT UNTIL IT IS TRANSLATED INTO THE PRICE OF A HOUSE FOR SALE. THEN YOU ARE TALKING HIS LANGUAGE.

THERE IS NO CHALLENGE MORE URGENT FOR BOTH OUR PARTIES TODAY THAN TO PASS OVER THE TEMPTATION FOR OVERSIMPLIFYING OUR NATIONAL PROBLEMS. TOO OFTEN, IT HAS BEEN EASIER TO LASH OUT AT THE OIL COMPANIES AND DEFENSE CONTRACTORS THAN ARRIVE AT SOUND LONG-RANGE ENERGY AND DEFENSE POLICIES.

- 7 -

I WANT TO TALK BRIEFLY ABOUT THREE R'S -- ISSUES THAT WILL AFFECT YOUR BUSINESS -- REGULATION, REORGANIZATION (OF THE EXECUTIVE DEPARTMENTS), AND REVENUE (TAXES).

REGULATION

COMPLYING WITH FEDERAL REGULATIONS COST THE AMERICAN PEOPLE AN ESTIMATED \$130 BILLION LAST YEAR -- IN LEGAL FEES AND OTHER EXPENSES. EVEN AFTER APPROVING THE NO-STRINGS RETURN OF SOME FEDERAL REVENUES TO THE STATES AND LOCALITIES, CONGRESS KEEPS ON INVENTING NEW NARROWLY CONCEIVED GRANT PROGRAMS -- MANY OF THEM OVERLAPPING, AND ALL WITH THEIR SEPARATE SETS OF OFTEN CONFLICTING GUIDELINES AND RULES. IN JANUARY OF THIS YEAR, ONE MONTH ALONE, NEW FEDERAL REGULATIONS FILLED 5,966 PAGES OF THE FEDERAL REGISTER. THERE ARE NOW MORE THAN 1,000 SEPARATE FEDERAL GRANT-IN-AID PROGRAMS. IN HIS REVISIONS OF PRESIDENT FORD'S BUDGET, PRESIDENT CARTER SAID HE WAS DISCARDING THE RECOMMENDATIONS OF HIS PREDECESSOR THAT SOME OF THE GRANT PROGRAMS BE CONSOLIDATED INTO BLOCK GRANTS, THUS ELIMINATING OR SIMPLIFYING SOME OF THE RED TAPE.

- 8 -

HOW MUCH EASIER IT WOULD BE FOR MR. CARTER TO REORGANIZE THE EXECUTIVE BRANCH AND MERGE SOME OF THE AGENCIES IF HE FIRST ELIMINATED OR MERGED SOME OF THE PROGRAMS THEY WERE ADMINISTERING.

REORGANIZATION

THE SENATE HAS ALREADY PASSED A BILL GIVING THE PRESIDENT THE AUTHORITY HE REQUESTED TO REORGANIZE THE EXECUTIVE AGENCIES. ASSUMING THAT HE WANTS TO CARRY OUT A MEANINGFUL REORGANIZATION -- RATHER THAN A TOKEN RESHUFFLING OF BUREAUCRATS -- IT REMAINS TO BE SEEN HOW MUCH OF THIS THE DEMOCRATIC MAJORITIES IN CONGRESS ARE WILLING TO PERMIT. MORE OFTEN THAN NOT, THE POLICIES THAT EMERGE FROM THE DEMOCRATIC CONGRESS INVOLVES THE HAND OF THE GOVERNMENT IN YOUR POCKET AND ON YOUR SHOULDER. WE'LL SEE.

- 9 -

REVENUE

THIS WEEK, THE SENATE WILL BE VOTING ON AN ECONOMIC STIMULUS PLAN WHICH WILL CERTAINLY CONTAIN SOME REDUCTION IN 1976 TAXES.

THE ADMINISTRATION ALSO PROPOSED SUBSTANTIAL ADDITIONS TO PRESIDENT FORD'S OUTGOING BUDGET. UNLESS FEDERAL SPENDING CAN BE CUT BACK, THAT MEANS MORE INFLATIONARY PRESSURE. CONSUMER PRICES WENT UP IN FEBRUARY AT AN ANNUAL RATE OF 12.7%, A JUMP THAT CANNOT BE ALLOWED TO HAPPEN AGAIN.

I FAVOR PERMANENT TAX CUTS FOR THE MIDDLE-CLASS AS WELL AS LOW-INCOME FAMILIES -- INSTEAD OF THE ONE-SHOT REBATE ON 1976 TAXES. I DON'T SEE HOW THE REBATE IS GOING TO BEGIN TO MAKE UP FOR LAST WINTER'S SOARING FUEL BILLS. IT WON'T PUT ANY SIGNIFICANT AMOUNT OF ADDITIONAL SPENDING MONEY IN THE POCKETS OF CONSUMERS. IT'S HARD TO SEE HOW IT WILL GENERATE MANY MORE JOBS RIGHT NOW WHEN THE STIMULUS IS NEEDED MOST.

- 10 -

ONE OF THE INSIDIOUS EFFECTS OF INFLATION THAT YOU ARE ALL FAMILIAR WITH HAS BEEN THE AUTOMATIC BOOSTING OF WAGE EARNERS INTO HIGHER TAX BRACKETS. A WORKER GETS A SMALL RAISE TO BARELY KEEP UP WITH THE HIGHER COST OF LIVING. AND EVEN THOUGH CONGRESS MAY VOTE TAX CUTS, HE WINDS UP PAYING MORE INCOME TAXES BECAUSE HE FINDS HIMSELF IN A HIGHER TAX BRACKET.

I FAVOR THE COMBINATION OF AN INCREASE IN THE INVESTMENT TAX CREDIT AND A SPECIAL EMPLOYMENT TAX CREDIT WHICH REPUBLICANS IN CONGRESS HAVE BEEN PROPOSING AS AN ALTERNATIVE TO THE DEMOCRAT-SPONSORED INCREASES IN THE BUDGET FOR PUBLIC SERVICE JOBS. THE JOBS TAX CREDIT WOULD BE AN INCENTIVE FOR EMPLOYERS TO STEP UP THEIR OPERATIONS AND HIRE ADDITIONAL WORKERS, BECAUSE PART OF THE EXTRA WAGES COULD BE CHARGED OFF AGAINST THEIR TAXES. THESE WOULD BE PERMANENT JOBS IN THE PRIVATE SECTOR AND WOULD HAVE MANY ADVANTAGES OVER THE PUBLIC SERVICE JOBS PROGRAM. THESE ARE TEMPORARY JOBS. TOO OFTEN THEY HAVE BEEN MAKE-WORK PROJECTS OF DUBIOUS PUBLIC VALUE.

- 11 -

NONE OF THESE PROBLEMS WILL BE EASY TO SOLVE. I WAS DISAPPOINTED THAT THE WOODCOCK COMMISSION DID NOT RETURN WITH MORE INFORMATION ABOUT THE MISSING AMERICAN SERVICEMEN IN SOUTHEAST ASIA. SENDING THE COMMISSION OVER TO HANOI WAS A GOOD IDEA, BUT THE MEMBERS CAME BACK WITH NO TANGIBLE ACCOUNTING FOR THE 2,500 MISSING AMERICANS. AND I AM CONCERNED THAT THE MOMENTUM SEEMS TO BE BUILDING TOWARD EARLY NORMALIZATION OF U.S. RELATIONS WITH VIETNAM.

NONE OF THE PROBLEMS FACING US OVERSEAS OR AT HOME WILL BE EASY. WE REPUBLICANS KNOW THAT AS WELL AS THE PRESIDENT DOES. WE WISH HIM WELL. BUT THE PROMOTIONAL OVERTURE OUGHT TO BE FINISHED BY NOW. IT'S TIME TO GET ON WITH THE MAIN PERFORMANCE.

IF THE PRESIDENT'S TEAM USES HALF AS MUCH CREATIVE ENERGY GOVERNING THE NATION AS IT HAS USED SETTING THE SYMBOLIC STAGE FOR THE ADMINISTRATION, WE'LL BE IN TOP SHAPE SOON.

#####