REMARKS OF SENATOR BOB DOLE
REPUBLICAN DINNER
LANCASTER COUNTY, PENNSYLVANIA
TUESDAY, MAY 3, 1977

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TO VISIT A CONGRESSIONAL DISTRICT THAT HAS BEEN REPRESENTED BY A REPUBLICAN -- WITHOUT EXCEPTION -- EVER SINCE THE PARTY WAS FOUNDED IS A SPIRITUALLY UPLIFTING EXPERIENCE. I RELISH IT WITH A RARE AND INDESCRIBABLE JOY.

THE PARTY THAT IS OUT OF POWER IN WASHINGTON NEVER HAS AN EASY TIME OF IT, AND THESE ARE HARDLY THE BEST OF TIMES FOR REPUBLICANS.

THE NEW PRESIDENT CAME ON STAGE WITH HEAVY FANFARE.

FOR WEEK AFTER WEEK, HE WAS OUR CONSTANT COMPANION ON THE

TELEVISION SCREEN AND ON THE FRONT PAGES OF OUR NEWSPAPERS

AND MAGAZINES.

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IDEAS SHORT-LIVED

FOLLOWING THIS INTRODUCTORY SPLURGE OF SYMBOLISM,
THE PRESIDENT HAS BEEN IMPARTING A LOT OF IDEAS. THEY'RE
NOT ALL GOOD IDEAS. SOME OF THEM AREN'T VERY WELL THOUGHT
THROUGH. THEY AREN'T NECESSARILY CONSISTENT ONE WITH THE
OTHER. AND SOME OF THEM AREN'T VERY LONG LASTING. BUT I
MUST SAY HE HAS GOTTEN OUR ATTENTION.

IN THE MEANTIME, THE AMERICAN TELEVISION AUDIENCE IS

ABOUT TO BE TREATED TO A FAMILIAR PERSONALITY FROM THE RECENT

PAST -- COURTESY OF DAVID FROST. THE NEWS MAGAZINES HAVE A

FAMILIAR REPUBLICAN FACE ON THE COVER. THE NEWSPAPERS ARE

QUOTING FROM HITHERTO UNDISCLOSED TAPES OF WHITE HOUSE CONVERSATIONS.

AN ALL TOO FAMILIAR THEME. A HARSH NOISE -- FOR OUR PARTY.

WE ARE REMINDED ONCE AGAIN OF THE DIFFICULTY OF DISENTANGLING

OURSELVES, AS A PARTY, FROM THIS UNFORTUNATE CHAPTER IN

AMERICAN HISTORY.

BUT IT MUST BE DONE AND IT CAN BE DONE. ONE NEED ONLY COME TO LANCASTER COUNTY FOR SOME OF THE ANSWERS. THE REPUBLICAN PARTY CAN SUCCEED, AS IT HAS HERE, BY REACHING OUT TO THE VOTERS. BY TAKING RESPONSIBLE POSITIONS ON ISSUES, BASED ON SOUND PRINCIPLES AND GOOD COMMON SENSE, OUR PARTY CAN THRIVE ELSEWHERE, AS IT HAS HERE, BY BUILDING A STRONG YEAR-AROUND ORGANIZATION FROM THE GRASS ROOTS UP, AND NOT BY DECREE FROM ON HIGH. GOOD ORGANIZATION WILL COME FROM THE PRECINCTS -- NOT THE REPUBLICAN NATIONAL COMMITTEE. THAT OUGHT TO BE CLEAR BY NOW.

MOST OF ALL, WE CAN WIN BY RUNNING THE HIGHEST CALIBER CANDIDATES.

PENNSYLVANIA DUTCH SEAT

THE "PENNSYLVANIA DUTCH SEAT" IN CONGRESS HAS BEEN IN REPUBLICAN HANDS SINCE THE DAYS OF THADDEUS STEVENS BECAUSE THE PARTY PUT UP GOOD CANDIDATES -- UP TO AND INCLUDING YOUR PRESENT REPRESENTATIVE, BOB WALKER.

I AM SORRY THAT ED ESHLEMAN CANNOT BE WITH US TONIGHT.

HIS TEN YEARS OF DISTINGUISHED SERVICE IN THE HOUSE LEFT AN IMPRINT ON OUR NATIONAL EDUCATIONAL POLICY THAT WILL REMAIN FOR MANY YEARS. THE ESHLEMAN AMENDMENT THAT PROHIBITED FEDERALLY AIDED COLLEGES FROM ENFORCING A PREFERENTIAL QUOTA SYSTEM IN THE ADMISSION OF STUDENTS IS ONE EXAMPLE OF HIS LASTING CONTRIBUTION. PREFERENTIAL QUOTAS BASED ON ANYTHING OTHER THAN INDIVIDUAL ABILITY ARE CONTRARY TO THE AMERICAN TRADITION. WE CAN NEVER JUSTIFY DISCRIMINATING AGAINST SOME OF OUR YOUNG PEOPLE AND PUNISHING THEM TO MAKE UP FOR WHATEVER WRONGS THEIR ANCESTORS MAY HAVE BEEN RESPONSIBLE FOR IN THE PAST.

ED IS MISSED IN WASHINGTON. I AM GLAD TO KNOW THAT
HE IS TAKING ADVANTAGE OF HIS BACKGROUND AS A TEACHER AND HIS
EXPERIENCE IN CONGRESS TO GIVE COLLEGE AND HIGH SCHOOL STUDENTS
THROUGHOUT THIS REGION A UNIQUE INSIGHT INTO THE WORLD OF
PUBLIC AFFAIRS BEYOND WHAT COULD BE GLEANED FROM ANY TEXTBOOK.

BOB WALKER GETS RUNNING START

BUT I WANT YOU ALL TO KNOW THAT BOB WALKER IS CARRYING ON IN THE BEST TRADITIONS OF THE 16TH CONGRESSIONAL DISTRICT. HIS EXPERIENCE ON ED'S STAFF MADE IT POSSIBLE FOR BOB TO BEGIN HIS NEW RESPONSIBILITIES WITH A RUNNING START. YOU CAN BE PROUD OF THE JOB HE IS DOING.

BOB WALKER AND I ARE MEMBERS OF THE MINORITY -- THE "LOYAL OPPOSITION" IN CONGRESS. AS SUCH, AND AS AMERICANS, I KNOW BOTH OF US WISH PRESIDENT CARTER WELL.

OUR POSITION AS REPUBLICANS IN CONGRESS SHOULD BE -AND WILL BE -- TO SUPPORT HIM WHEN HE IS RIGHT. WHEN HE IS
WRONG, WE CAN SERVE OUR COUNTRY BEST -- AND MERIT THE CONFIDENCE
OF THE VOTERS -- BY OFFERING ALTERNATIVE IDEAS IN A SPIRIT OF
CONSTRUCTIVE CRITICISM.

SAYING "NO" TO MORE AND BIGGER GOVERNMENT IS NOT ENOUGH BY ITSELF. We've got to spell out how the forces of our private enterprise system can be harnessed to deal with problems that are of immediate concern to many of our citizens. And that it can be done more effectively that way than by expanding the government bureaucracy and raising taxes.

THE PRESIDENT FINALLY SAW THE WISDOM OF OUR ARGUMENT AGAINST A ONE-SHOT INCOME TAX REBATE. THE REBATE WOULD HAVE HEAPED FUEL ON THE FIRES OF INFLATION AT JUST THE WRONG TIME. BUSINESS CONFIDENCE WOULD HAVE BEEN SEVERELY IMPAIRED.

Unfortunately, the President did <u>not</u> follow our lead by also supporting a permanent reduction of income tax rates, to ease the load on low and middle income Americans for whom the rising cost of living is a constant problem -- and by acting to bring the federal budget closer to balance.

Speaking of fuel, I hope the Administration will see the light and withdraw the President's proposed gasoline tax increase. A huge boost in the gas tax -- even if the revenue is returned to the general taxpaying public -- would discriminate unfairly against people who must drive their cars long distances. A redistribution of income based on use of the automobile makes no sense -- at least not until there has been an opportunity to find out whether providing greater economic incentives to producers will, in fact, result in significant increases in the supply of oil and natural gas.

TACKLING INFLATION

How to give the consumer dependable sources of energy,
A SECURE JOB, AND REASONABLY STABLE PRICES WON'T BE EASY.

INFLATION IS A PERPLEXING PROBLEM. PRESIDENT FORD CUT THE INFLATION RATE FROM 13%, WHEN HE TOOK OFFICE, TO LESS THAN 5%, WHEN HE LEFT THE WHITE HOUSE. AND NOW, EVEN WITHOUT THE ENERGY TAX INCREASE THAT PRESIDENT CARTER HAS REQUESTED, THE RATE OF INFLATION HAS BEEN CLIMBING SINCE JANUARY.

THE FASTEST GROWING ITEM IN THE COST OF LIVING IS

THERE ARE SO MANY VARIETIES OF TAXES THAT ONE IS CERTAIN TO SPRING UP (LIKE THE PROPOSED GAS TAX) WHILE OTHERS ARE KEPT IN PLACE. THE PAYROLL TAX TAKES A BIG BITE OUT OF MOST PAYCHECKS. MORE THAN HALF THE WORK FORCE NOW PAYS MORE IN SOCIAL SECURITY TAXES THAN IN INCOME TAXES. SINCE 1973, THAT TAX RATE HAS ALMOST DOUBLED SO THAT A WORKER EARNING THE FULL TAX BASE OF \$16,500 THIS YEAR WILL PAY \$965 -- A SUM MATCHED BY HIS EMPLOYER, FOR A TOTAL OF \$1,930. UNDER CURRENT LAW, THE TAKEOUT IS SCHEDULED TO GO TO \$2,360 IN 1980, NOT ALLOWING FOR AUTOMATIC INCREASES IN THE TAX BASE TIED TO AVERAGE EARNINGS.

A WORKER WHO GETS A PAY RAISE THINKS HE'S GOING TO KEEP PACE WITH RISING PRICES. NOT ONLY WILL HE BE PAYING MORE SOCIAL SECURITY TAXES. BUT HE ALSO FACES THE PROSPECT OF BEING AUTOMATICALLY PUSHED INTO A HIGHER INCOME TAX RATE BRACKET. THIS IS ONE OF THE MOST INSIDIOUS EFFECTS OF INFLATION: PAY RAISES AND PURCHASING POWER EATEN AWAY BY HIGHER PRICES AND INDIRECT INCREASES IN TAXES.

ADJUST RATES FOR INFLATION

When Mr. Carter recently came out with some antiINFLATION RECOMMENDATIONS, HE FORGOT ONE OF THE MOST LOGICAL
STEPS. HE NEGLECTED TO ENDORSE LEGISLATION I FAVOR WHICH WOULD
ADJUST TAX RATES DOWNWARD AUTOMATICALLY AS THE COST OF LIVING
GOES UP. THAT WOULD PREVENT A WORKER FROM BEING PUSHED INTO
A HIGHER TAX BRACKET EVEN THOUGH HIS EFFECTIVE PURCHASING
POWER HAD NOT IMPROVED ANY.

BECAUSE THE DEMOCRATIC PARTY IS SO COMMITTED TO GOVERNMENT ACTION, SO TRADITION-BOUND, SO TIED TO PAST PROGRAMS THAT NEVER WORKED, IT IS THE REPUBLICAN PARTY THAT OFFERS THE EXCITING OPPORTUNITIES FOR NEW APPROACHES. THE POSITIONS THAT WE TAKE ARE IN TUNE WITH THE INTERESTS OF ALL AMERICANS IN ALL WALKS OF LIFE. ALL CLASSES AND ALL RACES -- A SLUM YOUTH WHO CAN'T FIND A JOB, A YOUNG COUPLE STRUGGLING TO SAVE THE DOWN PAYMENT FOR A HOUSE, A SMALL FARMER -- ALL FEEL THE IMPACT OF INFLATION AND UNDERSTAND THE FUTILE WASTEFULNESS OF GOVERNMENT PROGRAMS THAT DON'T WORK.

WHEN IT COMES TO INNOVATIVE SOLUTIONS TO NAGGING PROBLEMS, THE TRUTH IS OUR PARTY IS UNDER FEWER CONSTRAINTS AND INHIBITIONS THAN IS THE OTHER PARTY. WE CAN OFFER FRESH IDEAS THAT DRAW ON THE STRENGTH OF THE PRIVATE SECTOR, REVERSE THE BURGEONING GROWTH OF GOVERNMENT, AND WIND UP COSTING THE TAXPAYERS LESS.

IT IS TOO EARLY TO TELL WHETHER THE CARTER ADMINISTRATION WILL PRESENT THE AMERICAN PEOPLE WITH A WELL-DEFINED CONSISTENT PHILOSOPHICAL POSITION. PERHAPS THE PRESIDENT WILL, AND PERHAPS HIS ADMINISTRATION WILL APTLY REFLECT THE VALUES AND ASPIRATIONS OF A MAJORITY OF THE AMERICAN PEOPLE. BUT SO FAR, THE PRESIDENT HAS BEEN RUSHING OUT WITH PARTIAL PROGRAMS EASILY BACKED AWAY FROM THE FIRST TENTATIVE SIGN OF OPPOSITION.

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GOP DOES HAVE IMPACT

FOR A PARTY WITH SO FEW TOEHOLDS IN THE SOURCES OF POWER, THE REPUBLICAN PARTY IS HAVING ITS IMPACT ON POLICY. THE COMMON SITE PICKETING BILL FAILED TO PASS THE HOUSE BECAUSE WE WERE ABLE TO ILLUSTRATE THE EFFECT OF WORK STOPPAGES ON THE PRICE OF A NEW HOUSE. THE PRICE OF A NEW HOUSE IS NOW BEYOND THE REACH OF MOST YOUNG COUPLES. THAT'S SOMETHING EVERYONE CAN UNDERSTAND. FARM POLICY IS ANOTHER EXAMPLE. THE ADMINISTRATION RECONSIDERED ITS UNREALISTIC POSITION ON THE PENDING FARM BILL BECAUSE REPUBLICANS WERE ABLE TO POINT UP ITS INADEQUACY.

MR. CARTER SHOWS EVERY SIGN OF GETTING READY TO FLOOD
THE CONGRESS WITH ILL-PREPARED, INCOMPLETE, LEGISLATIVE
PROPOSALS -- DROPPING THEM OVERBOARD -- AND THEN RUNNING FOR
REELECTION AGAINST THE DEMOCRATIC-CONTROLLED HOUSE AND SENATE.

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If we do not allow ourselves to be distracted by factional strife, and insist on unwise pledges of ideological purity, the future of the Republican party can be promising. If we remain true to our principles, while doing a better job of relating our positions to the every-day interests of the American people, our cause will prevail, because our positions are in the interests of a majority of the people. All of David Frost's interviews eventually will pale alongside that verifiable, untaped truth.

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