

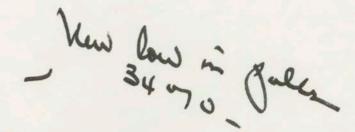
- . . . THE FOLKS FROM IOWA ARE VERY GRACIOUS, AND WANT NEW HAMPSHIRE TO GET ALL THE CREDIT.
- . . . THE CITIZENS OF NEW HAMPSHIRE, BEING A GENEROUS PEOPLE, OF COURSE THINK IOWA IS BEING OVERLY MODEST.

THERE ARE THOSE WHO WISH MR. CARTER WOULD STOP RUNNING FOR PRESIDENT AND DEVOTE A LITTLE OF HIS TIME TO RUNNING THE COUNTRY. THERE ARE OTHERS WHO SAY MR. CARTER IS RUNNING THE COUNTRY -- HE'S RUNNING IT INTO THE GROUND.

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I'M FLEXIBLE.

I CAN SUPPORT EITHER POSITION.



CURRENT ADMINISTRATION FLOUNDERING

ACROSS OUR LAND THERE IS A GROWING SENSE OF FRUSTRATION AND IT IS
FUELED BY THE ABSENCE OF ANY SENSE OF COMMON PURPOSE AT ALL. AND
THAT IS THE CRISIS OF OUR TIME. IT IS NOT A CRISIS WHICH THE PRESIDENT
AND HIS PEOPLE CAN MEET; IT IS, RATHER, A CRISIS OF THEIR OWN CREATION.

THE MAN WHO CLAIMED TO HAVE A CORNER ON INTEGRITY AND SAID HE WOULD RESTORE IT TO A GOVERNMENT, GAVE US BERT LANCE, AND THE MARSTON CASE, AND A PET POLLSTER WHO IS MAKING MILLIONS FROM CLIENTS WHO WANT TO BUY THE INFORMATION AND INSIGHTS TO WHICH HE ALONE IS PRIVY AS A RESULT OF HIS SPECIAL RELATIONSHIP WITH THE PRESIDENT.

THE ENERGY ESCAPADE

AS A REPUBLICAN, I SUPPOSE I SHOULD BE PLEASED AT THE SHENANIGANS IN WASHINGTON. BUT AS AN AMERICAN, I CAN FIND NO CAUSE FOR PLEASURE IN ANY OF IT.

WE HAVE HAD TWO BAD WINTERS, AND WE CAN BE GRATEFUL THAT OUR HARD-SHIPS HAVE NOT BEEN EVEN GREATER THAN THEY WERE, BECAUSE WE HAVE NO ENERGY POLICY TO ENSURE THE SUPPLIES WE NEED TO HEAT AMERICAN HOMES AND RUN AMERICAN INDUSTRY AND KEEP THE WHEELS OF COMMERCE TURNING. WE HAVE BEEN FORTUNATE. IN THE ENERGY FIELD, WE ARE LIVING ON BORROWED TIME AND SLIM STOCKPILES.

THE ONLY MOVEMENT INVOLVING THE CARTER ADMINSTRATION AND ENERGY HAS BEEN THE ADOPTION OF BERT LANCE BY SOME OIL-RICH ARABS.

THE REASON WE DON'T HAVE AN ENERGY POLICY

IS BECAUSE WE DON'T HAVE AN ENERGY PROPOSAL.

WE HAVE A SLAP DASH TAX PROPOSAL MASQUERADING AS AN ENERGY PROPOSAL.

IT WOULD INCREASE THE BURDEN ON THE AMERICAN TAXPAYERS BY \$ 125

BILLION OVER THE NEXT SEVEN YEARS AND THIS COMES FROM THE MAN WHO SAID

HE WOULDN'T RAISE TAXES.

TODAY WE HAVE ANOTHER SEVERE BLOW AT OUR ENERGY POSTURE, WITH THE UNITED MINE WORKERS ON STRIKE, AND MEN BEING BEATEN UP AND OTHERS SHOT,

AND INDUSTRY DRAWING DOWN ITS COAL SUPPLIES TO NOTHING, WHILE THE WHITE HOUSE SITS PARALYZED. DAY AFTER DAY, WE GET BREATHLESS ANNOUNCEMENTS THAT THE PRESIDENT IS GOING TO TAKE DRASTIC ACTION.

I SUPPOSE IT COULD BE ARGUED THAT THE COAL CRISIS CREPT UP ON THE ADMINISTRATION. IT HAD ONLY BEEN BREWING FOR A YEAR, AND MR. CARTER'S ATTENTION HAS BEEN DIVERTED MOST RECENTLY TO THE PROBLEM OF HIS PANAMA CANAL TREATIES. THIS WAS THE MAN WHO ADVOCATED OPEN GOVERNMENT. YET IN THE ONE INSTANCE IN WHICH THE AMERICAN PEOPLE SHOULD HAVE BEEN INFORMED OF THE COURSE THEIR GOVERNMENT WAS TAKING, MR. CARTER CHOSE TO PROCEED IN SECRET.

MANY OF US WHONDERED WHY.

THE PANAMA CANAL PROBLEM

THE REASONS BEGAN TO BECOME APPARENT WHEN WE FOUND CABLE TRAFFIC BETWEEN THE U.S. EMBASSY IN PANAMA AND THE U.S. STATE DEPARTMENT STATING THAT THE PANAMANIAN INTERPRETATION OF THE FRESHLY SIGNED TREATIES WAS VERY DIFFERENT FROM THE INTERPRETATION WHICH THE U.S. GOVERNMENT WAS PRESENTING TO THE AMERICAN PEOPLE. SO WE HAD TO

ASSUME EITHER THAT THE AMERICAN GOVERNMENT HAD BEEN MISLED --WHICH SUGGESTED ENORMOUS INEPTITUDE ON THE PART OF THE ADMINISTRATION; OR, THAT THE AMERICAN PEOPLE WERE BEING MISLED -- WHICH SUGGESTED DUPLICITY ON THE PART OF THE ADMINISTRATION.

WE MADE THAT CABLE TRAFFIC PUBLIC, AND IN LESS THAN A MONTH PRESIDENT CARTER AND GENERAL TORRIJOS HAD TO GET TOGETHER TO FIGURE OUT THE MEANING OF WHAT IT WAS THEY'D SIGNED AND TO PATCH IT UP A LITTLE.

MORE RECENTLY, WE WERE ENGAGED IN ANOTHER QUESTION, AND THAT HAS TO DO WITH THE INVOLVEMENT OF THE TORRIJOS FAMILY IN THE INTERNATIONAL DRUG TRADE.

PRESIDENT CARTER SAYS DRUG TRAFFICKING BY HIGH PANAMANIAN OFFICIALS IS IRRELEVANT TO THE TREATIES. WE URGED THAT HE MAKE THE INFORMATION REGARDING THE DRUG TRAFFIC AVAILABLE TO THE AMERICAN PEOPLE SO THEY COULD DERIVE IF IT IS RELEVANT OR NOT. BUT THE WHITE HOUSE WAS AFRAID THIS WOULD ALL BE MISUNDERSTOOD. SO MUCH FOR THE OPEN ADMINISTRATION.

DURING THIS PAST WEEK, THE SENATE AND THE AMERICAN PEOPLE LEARNED
-THROUGH A SANITIZED REPORT - THAT TOP LEVEL PANAMANIAN OFFICIAL IN
FACT "KNEW ABOUT NARCOTICS TRAFFICKING . . . AND DID NOT TAKE
SUFFICIENT ACTION" TO STOP IT. WITHIN A WEEK, FURTHER DETAILS
MAY BE PUBLICALLY AVAILABLE THROUGH TRANSCRIPTS OF OUR CLOSED
SESSION PROCEEDINGS. AND AT THAT POINT THE AMERICAN PEOPLE
CAN DECIDE FOR THEMSELVES WHETHER THIS EVIDENCE SHOULD BEAR
UPON THE TREATIES.

FOR MY PART, I HAVE NOT TAKEN THE POSITION THAT THERE MUST BE NO TREATIES WITH PANAMA. I DO NOT COUNT MYSELF AMONG THE HARDLINERS WHOSE POSITIONS BEGIN WITH THE WORD "NEVER" AND END WITH THE WORD "NEVER". WE LIVE IN AN EVOLVING WORLD AND OUR CREDIBILITY AND OUR CONFIDENCE AS A GREAT POWER ARE REFLECTED IN OUR ABILITY TO MEET CHANGE AND MAKE IT WORK TO THE BENEFIT OF FREEDOM AND JUSTICE IN THE WORLD.

BUT I WOULD HOPE THAT MY COLLEAGUES IN THE SENATE WHO EXPRESS SUCH NOBLE SENTIMENTS ABOUT PANAMANIAN SOVEREIGNTY WILL BE PREPARED TO STAND BEHIND THOSE VIEWS IN OUR RELATIONS WITH OTHER NATIONS, SUCH AS THE SOVIET UNION, AND TO LECTURE THE SOVIET UNION ON THE QUESTION.

AMERICA AND PANAMA MAY NOT SEE EXACTLY EYE-TO-EYE ON HOW OUR RESPECTIVE RIGHTS IN THAT PART OF THE WORLD SHOULD BE REALIZED. THE SENSIBILITIES OF SOME OF THE MORE RADICAL PANAMANIAN NATIONALISTS MAY BE OFFENDED AND WE MAY BE ACCUSED OF CALLOUSNESS AND COLONIALISM --THOUGH I SAY WE ARE FALSELY ACCUSED. BUT LET THE ACUSATIONS STAND FOR THE MOMENT, AND PUT THE OUTRAGED PANAMANIAN NATIONALISTS IN A CLOSED ROOM WITH THE OUTRAGED NATIONALISTS OF HUNGARY AND POLAND AND EAST GERMANY AND CZECHOSLOVAKIA AND THE PEOPLE OF THE KURIL ISLANDS WHICH HAVE BEEN OCCUPIED BY RUSSIA SINCE THE END OF WORLD WAR II AND WHICH BELONG TO JAPAN, AND LET EACH COMPARE THEIR GRIEVANCES.

I BELIEVE WE MUST DO RIGHT IN PANAMA. BUT WE MUST FIRST CONSIDER CAREFULLY WHAT IS RIGHT TO DO. FOR THAT WE MUST HAVE ALL THE INFORMATION INVOLVING OUR RELATIONS WIHT PANAMA, AND PRESIDENT CARTER HAS DIFFICULTIES WITH THAT BECAUSE HE IS AFRAID IT MAY ROB HIM OF THE FOREIGN RELATIONS SPECTACULAR THAT HE HAS BEEN TRYING SO DESPERATELY TO ACHIEVE.

IF HE HAS EXAMINED ALL THE FACTS AND HAS CONCLUDED THAT WE SHOULD HAVE THESE TREATIES, THEN I THINK WE SHOULD TRUST THE AMERICAN PEOPLE TO AGREE WITH HIM AFTER THEY HAVE EXAMINED THE SAME FACTS.

OTHER CONCERNS

THE MIDDLE EAST IS SMOLDERING. THE FIRST PROGRESS WAS MADE THERE WHEN THE PRINCIPALS PROCEEDED ON THEIR OWN, PUSHING THE U.S. OUT OF THE PICTURE AFTER WE TRIED TO BRING RUSSIA BACK INTO THE MIDDLE EAST. THE BREAKDOWN IN THE PEACE-MAKING PROCESS HAS BEEN CONTEMPORANEAOUS WITH THE ADMINISTRATION GETTING BACK INTO THE PICTURE. THERE ARE NOT MANY DIFFERENT CONCLUSIONS TO BE DRAWN FROM THAT DEPRESSING FACT.

OUR CITIES ARE TEETERING ON THE EDGE OF RUIN, WHILE THE WHITE HOUSE FAILS AGAIN AND AGAIN TO PRODUCE AN URBAN POLICY. IT WAS TO BE REVEALED LAST FALL. THEN IT WAS TO BE REVEALED IN THE STATE OF THE UNION ADDRES. NOW IT WAS TO BE REVEALED NEXT MARCH. SO WE HAVE A PHANTOM URBAN POLICY, AND IF IT TURNS OUT TO BE ANYTHING LIKE THE ENERGY POLICY, AND THE MIDDLE EAST POLICY, AND THE POLICY TOWARD

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PANAMA, AND THE AGRICULTURE POLICY, THEN MAYBE WE ARE ALL BETTER OFF WITH NO POLICY AT ALL.

OUTLOOK FOR THE REPUBLICAN PARTY

NOW WE HAVE SOME ELECTIONS COMING UP, AND BEFORE THAT WE HAVE SOME PRIMARIES, AND I THINK AS WE LOOK AT WHAT THE ADMINISTRATION HAS DONE AND WHAT IT HAS FAILED TO DO, AND WE LOOK AT WHAT A DEMOCRATIC CONGRESS HAS DONE, AND WE LOOK AT THE POLLS, I THINK WE HAVE THE MAKINGS OF A POLITICAL AND PUBLIC RELATIONS DISASTER -- FOR THE REPUBLICAN PARTY.

THE PRESS SAYS WE SHOULD HAVE A GREAT YEAR, AND THEY ARE RIGHT.

BUT IF WE DON'T MEET THE EXPECTATIONS THEY ARE CREATING,

THEY WILL SAY WE FAILED AND JIMMY CARTER WON AND WHILE THAT

WON'T BE TRUE, IT WON'T MATTER IF THE PRESS SAYS IT. AND IF THAT

HAPPENS, THERE WILL BE DEMORALIZATION AND NAME-CALLING AND FINGER
POINTING AMONG OURSEVLES AND WE CAN'T AFFORD THAT.

I AM GLAD TO SEE SO MANY PEOPLE GOING INTO REPUBLICAN PRIMARIES. IT MEANS WE ARE STRONG, THAT WE HAVE ABLE PEOPLE WILLING TO JUMP

INTO THE BATTLE. IT ALSO MEANS A LOT OF PEOPLE ANTICIPATE AN EASY RIDE IN NOVEMBER. THERE ISN'T GOING TO BE AN EASY RIDE. IT'S GOING TO BE A TOUGH BATTLE IN EVERY DISTRICT AND EVERY STATE. VOTERS ARE NOT GOING TO HOLD THEIR INDIVIDUAL CONGRESSMEN AND SENATORS RESPONSIBLE FOR THE BUNGLING OF THE ADMINISTRATION. THE FACT THAT THE ADMINISTRATION HAS GONE OUT OF ITS WAY TO DESTROY ITS RELATIONS WITH CONGRESS IS GOING TO HELP A LOT OF DEMOCRATS. ON THE OTHER HAND, NONE OF THOSE DEMOCRATS ARE GOING TO BE ABLE TO SAY "RE-ELECT ME BECAUSE I'VE GOT THE EAR OF THE MAN IN THE WHITE HOUSE."

BUT WE'RE NOT GOING TO GET AWAY WITH JUMPING UP AND DOWN AND SAYING CARTER! CARTER! CARTER! CARTER! THE ISSUES ARE GOING TO BE PREDOMINANTLY LOCAL ISSUES, AND OUR CANDIDATES ARE GOING TO HAVE TO MOUNT POSITIVE CAMPAIGNS, WITH HARD POLICY PROPOSALS AND ALTERNATIVES TO WHAT EXISTS, AND THEY'RE GOING TO HAVE TO HAVE REPUBLICANS UNITED BEHIND THEM. THAT INCLUDES THEIR PRIMARY OPPONENTS. I HAVE NOT PROBLEM WITH OUR CANDIDATES GOING INTO THE PRIMARIES SEEKING IDEOLOGICAL VICTORIES. EVERY VOICE SHOULD BE HEARD IN THIS PARTY. OUR PHILOSOPHY IS BROAD ENOUGH TO ACCOMODATE MANY VIEWS. BUT I WANT TO SEE EVERY-

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ONE COME OUT OF THESE PRIMARIES GEARED UP TO ACHIEVE POLITICAL VICTORIES, AND NOT SITTING BACK WORRYING ABOUT HOW TO AVENGE AN IDEOLOGICAL DEFEAT.

WHEN WE'RE THE MAJORITY PARTY AGAIN, WE CAN AFFORD THE LUXURY OF WORRYING ABOUT WHO'S LIBERAL AND WHO'S CONSERVATIVE. FOR THE TIME BEING, THE OVERRIDING QUESTION IS WHO'S REPUBLICAN. I INTEND TO CAMPAIGN FOR REPUBLICANS WHEREVER I CAN BE HELPFUL AND I'M NOT GOING TO CHECK THEIR ACU AND ADA RATING BEFORE I DO. I BELIEVE WITH LINCOLN THAT A HOUSE DIVIDED AGAINST ITSELF CANNOT STAND, AND A PARTY DIVIDED AGAINST ITSELF ISN'T GOING TO WIN MANY ELECTIONS.

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