# REMARKS OF SENATOR BOB DOLE

## MIDDLESEX CO. GOP FUNDRAISING DINNER

#### EDISON, NEW JERSEY

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1978 can be a watershed year in American politics, a year when the seemingly endless acceleration of power away from the people towards Washington is finally throttled-down, a year when traditional American notions of statecraft are firmly re-imprinted on the fabric of government.

It's year of hope -- and opportunity -- for the Republican party, for voters everywhere who share our philosophy of government, who believe we must chart a new course for America at home and abroad, a course that leads to lower taxes, more jobs for our people, and the resurgence of American prestige around the globe.

The issues are ours. The opportunities are there. Our electoral prospects have been greatly bolstered by President Carter's sagging fortunes in the public opinion polls. And we can and should reap the political benefits this year -- and in 1980.

But, as responsible men and women, people concerned more about the future of our country that the future of our Party, we should be alarmed by the apparent willingness of President Carter to let political considerations, not serious policy objections, dictate national policy at the White House.

After suffering defeat after defeat in his major foreign and domestic policy initiatives, President Carter has been searching desperately for a vehicle by which he could reassert Presidential authority and regain some of the prestige he has lost with the voters over the past year and one-half.

Last week, the Presidential image makers latched onto the military procurement bill as the launching point for a new "get tough" profile which they hope will reverse the President's sagging poll ratings.

It didn't seem to matter that the President had no visible support from his top military and foreign policy advisers for the defense veto. It didn't seem to matter that the military procurement bill contained important authorizations for essential national security projects. It didn't seem to matter that no President had vetoed a carefully constructed military authorization bill in this century. It didn't seem to matter that the President's veto message itself contained several misleading assertions of fact. It didn't seem to matter that the President clearly confused the defense appropriations bill with the defense authorization he was vetoing.

#### IMAGE OVER SUBSTANCE

What seemed to matter most to President Carter was the image of a firm, decisive President standing up to a clear congressional majority. Frankly, I don't think that's the way the American people expect Presidential decisions on key national defense bills to be made. And I don't

2

think that's the way to improve the President's prestige.

If the Administration's actions on the defense procurement legislation are an indication of the future decision-making process at the White House on important legislation, I'm not sure how much image-making the nation can afford.

Whether we agree with the President or not, I, for one, would prefer the secretary of defense, no the "secretary of symbolism", to give advice on defense bills. I think most Americans would agree with the Wall Street Journal's assessment: that the military procurement veto was a case "of the President dallying with defense in pursuit of cosmetic politics." It's a dangerous practice, one which we can all hope will not be repeated soon.

It's bad for the country and won't serve the President's short-term political aims. Because the voters in New Jersey -- and voters everywhere -- won't be fooled by cosmetics. They're concerned about the real problems they face everyday. And they're looking for political leaders who share their frustrations with government. For men and women who say what they mean and do what they say, not for political opportunists who mimic the mood of the moment just to win elections.

And that's the great strength of our party. Unlike our opponents, unlike President Carter, Republicans needn't change their philosophy of government to win in 1978. Because the concerns, the frustrations, the hopes of the American people this year are and have been Republican concerns, frustrations, and hopes for years.

But how do we articulate our concerns? How do we convince the people of New Jersey that what we stand for best serves their interests? How do we overcome the lingering image of our party as a group of nay-sayers, a party that cares for the rich, not the poor, those who can help themselves and not those who need help?

We do it by, talking about the issues, by contrasting our initiatives on tax reduction, spending restraint, economic growth and national defense with the lack of clearly focused policies from the White House and the Democratic majority in Congress. Of course, we should not hesitate to criticize our opponents when they advocate policies that will perpetuate the high tax, burgeoning bureaucracy philosophy which has permeated American government for too long.

But criticism of President Carter and the Democrats will not be enough. The people of New Jersey aren't going to vote for Republicans simply because we say the Democrats are bad and we're available. And neither will voters in other parts of the nation.

It's the positive Republican program, the taxpayer-oriented initiatives which will win elections in 1978.

The battle for tax relief for the American people has just begun. President Carter has proposed more tax increases and opposed more tax reductions than any president in recent history. He's already signed a \$225-billion Social Security tax hike, proposed another \$125 billion in energy taxes, and threatened to impose \$12 billion in oil import fees-a particularly drastic action which would hit hardest at New Jersey and other Northeastern states. Yet he has repeatedly resisted Republicansponsored tax reduction initiatives.

Indeed, nearly every effort to reduce the tax burden on the American people has been met with strong opposition by this Administration, by demagogic charges of tax windfalls for the wealthy, by trumped-up statistics designed to lead the people to believe that our tax reduction programs will benefit only a chosen few.

Fortunately, the American people aren't falling for such demagoguery. Republican tax reduction proposals have received strong support in Washington, even from many Democrats. Because responsible tax reductions make good economic sense, not just appealing campaign rhetoric. 3

Republicans have surged ahead of their Democratic colleagues in grabbing the tax reduction banner. And we must make sure the voters in New Jersey and throughout the nation know about our leadership on this key issue, that the tax reduction initiatives of Congressman Kemp, Senator Roth, Senator Javits, and others become important campaign issues in 1978.

I, for one, think we have an obligation to the American people, to the taxpayers, to do something about inflation-induced tax increases which year after year push working men and women into higher and higher tax brackets. That's why I'm sponsoring legislation to exclude inflationary, phantom wage "increases" from federal income taxes. This so-called "indexing" of the tax system would force Congress to actually vote for tax increases and not permit the inflation produced by the machinery of government to do the dirty work.

Frankly, that's not a very attractive prospect to many in Washington. It would eliminate the need for election year tax "reduction" bills and force government to ask the American people for higher taxes instead of taking a dollar without asking, then "giving back" half a dollar a year or so later.

By the same token, we should be concerned about counterproductive high taxes on businesses, investors and homeowners. As Republicans, we understand that a strong private sector is the key to economic prosperity-not because we're lackeys for big business or proponents of "loopholes" for the wealthy, but because tax policies that encourage investment mean jobs for the American people. That's why the Republican effort to reduce capital gains taxes on investors and homeowners has been so well received.

For too long, the federal government has been trying to generate investment and employment simply by priming the federal pump. But it has succeeded only in increasing government spending five-fold since the mid-1960's, reintroducing double-digit inflation, and diminishing the savings of retired people, many of whom are forced to sell their homes and other assets just to obtain enough cash to live on in their later years.

Tax relief for individuals, families and investors is an idea -- a Republican idea -- whose time has come. And restraining growth of federal revenues will also force government to get its fiscal house in order, reduce unnecessary spending, and keep more money in the hands of the people who earn it.

We should carry the tax relief message into every state, every city, every precinct of this land in 1978.

But we should not advocate unrealistic spending and tax reduction schemes that could force government to abandon its commendable efforts to help the needy, turn a deaf ear to the unquestioned needs of our cities, or dismantle the defense establishment. Because government can and should provide a wide range of important public services. And it <u>can--</u> without extracting unnecessary billions of dollars in taxes each year from the American people and without double-digit inflation.

We can cut out needless government regulation. We can reduce the now unrestrained growth of bureaucracy. We can provide for a national defense posture second to none. We can do all these things and still fund necessary and prudent human service programs for our people.

On the foreign policy front, we should stand firm for the observance of fundamental human rights around the globe. New Jersey can be proud that Congresswoman Millicent Fenwick is one of the true leaders in Congress on the human rights issue. Her outstanding leadership on the Helsinki human rights commission has done much to raise the human rights banner around the world. And I am proud to serve on the commission with her. As Republicans, as the legatees of a party born in the greatest struggle for human freedom this nation has ever seen, ours should be a leading voice on this key issue. Yes, 1978 can be a banner year for the Republican party.

With candidates like Jeff Bell and Charles Wiley and Christopher Smith, we have tremendous opportunities in New Jersey.

And throughout the nation, the issues this year are our issues. This can be the year when we take the first steps towards restoring balance and rebuilding the two-party system in America.

Spurred on by what unites us, not inhibited by what divides us, we can chart a new course for America. And, if we're successful, if we make meaningful gains in New Jersey and elsewhere, the hopes and dreams of the average American can be realized.

It's a challenge, an opportunity, we must not let pass.



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