

REMARKS OF SENATOR BOB DOLE
DISTILLED SPIRITS COUNCIL OF THE UNITED STATES
PALM BEACH, FLORIDA
JANUARY 9, 1979

"DO THE DUTY OF THE DAY. JUST NOW, THE SUPREME DUTY OF ALL THINKING MEN IS TO ASSERT FREEDOM. GO WHERE IT IS THREATENED AND SAY 'I AM FOR IT, AND DO NOT WISH TO LIVE IN THE WORLD A MOMENT LONGER THAN IT EXISTS."

THOSE WORDS RING AS TRUE TODAY AS THEY DID WHEN RALPH WALDO EMERSON WROTE THEM OVER A CENTURY AGO. THEY HAVE GROWN IN STATURE AND IN URGENCY AS EMERSON'S DEMOCRATIC NATION HAS GROWN INCREASINGLY WARY OF THE PEOPLE'S ULTIMATE RIGHT TO SELF-RULE. ON HISTORY'S SCORECARD, FREEDOM HAS LOST AN ALARMING NUMBER OF BATTLES; IN OUR OWN DAY, IT STRUGGLES ALL TOO OFTEN AGAINST A GOVERNMENT INFATUATED WITH ITS POWER TO DIRECT THE LIVES OF INDIVIDUAL CITIZENS. BUT GOVERNMENT CAN CONFUSE POWER WITH AUTHORITY, AND MOST OF YOU CAN CITE EXAMPLES IN YOUR OWN CAREERS WHERE WELL-INTENTIONED EFFORTS TO REGULATE THE PRIVATE ECONOMY CAN MUSHROOM INTO OUTRIGHT HOSTILITY.

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I KNOW I CAN. IN THE TEN YEARS THAT I HAVE SERVED IN THE UNITED STATES SENATE, THE FEDERAL GOVERNMENT HAS RUSHED TO REGULATE NEARLY EVERY NOOK AND CRANNY OF OUR VAST DOMESTIC ECONOMY. AS A RESULT, AMERICAN BUSINESSMEN IN 1979 WILL BE SADDLED WITH UP TO \$100 BILLION IN PAPERWORK AND FEDERALLY INSPIRED RED TAPE. ULTIMATELY THE CONSUMER, YOU AND I, WILL BEAR THE BURDEN AT A TIME WHEN INFLATION UNDERMINES THE VERY FAITH WE PLACE IN THE DEMOCRATIC PROCESS TO CONTROL ITSELF.

A LOT OF PEOPLE IN GOVERNMENT THESE DAYS HAVEN'T LOOKED AT A HISTORY BOOK SINCE 1933. THEY SEEM TO OVERLOOK THE FACT THAT THE NEW DEAL ENDED THREE DECADES AGO. I WON'T BORE YOU, OR ENRAGE YOU, WITH A LONG LIST OF BUREAUCRATIC HORROR STORIES.

IT'S ALWAYS EASIER TO CRITICIZE THAN TO CREATE. SO
LET ME PUT ASIDE OUTRAGE FOR A FEW MINUTES TO FOCUS INSTEAD
ON WHAT POSITIVE THINGS CAN BE DONE TO STEM THE TIDE THAT
SAYS YOU WORK AND TOIL AND EARN BREAD AND GOVERNMENT WILL EAT IT.

THE FACT IS, REGULATION CAN BE REGULATED. AND SOMEONE IS
PROPOSING TO DO PRECISELY THAT.

THE FORUM ON REGULATION

UNTIL RECENTLY, REGULATION WAS LIKE MARK TWAIN'S DEFINITION
OF THE WEATHER: EVERYONE TALKED ABOUT IT, AND PRECIOUS FEW
DID ANYTHING ABOUT IT. ALL THAT IS ABOUT TO CHANGE--THANKS
TO THE FORUM ON REGULATION, AN INDEPENDENT, NATIONWIDE EFFORT
TO ASSESS THE GRASSROOTS IMPACT OF OUR CURRENT TANGLE OF
CONFLICTING AND COSTLY REGULATIONS. EQUALLY IMPORTANT, THE
E.O.R. SEEKS TO DEVELOP A WORKABLE PLAN OF REGULATORY REFORM,
A PLAN THAT CAN ENLIST THE SUPPORT OF BUSINESS, INDUSTRY AND
THE AMERICAN PEOPLE.

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THERE IS AN EDUCATIONAL PROCESS INVOLVED HERE--IT IS NOT ENOUGH TO PROCLAIM TO THE AMERICAN PEOPLE THAT THEY HAVE NOTHING TO LOSE BUT THEIR PAPERCLIPS. THE FACT IS, A SIGNIFICANT PART OF THE CURRENT INFLATIONARY SPIRAL CAN BE TRACED TO REGULATION THAT RESULTS IN HIGHER PRICES AT THE MARKET WHILE DEFLATING THE NATURAL DESIRE TO PRODUCE.

AMERICAN PRODUCTIVITY IS FAST BECOMING A NATIONAL SCANDAL. FORGET ABOUT THE JAPANESE AND WEST GERMANS; WE ARE FALLING BEHIND THE FRENCH AND ENGLISH. AND ONE OF THE REASONS, AS MOST OF YOU KNOW, IS OUR GOVERNMENT'S RUSH TO REGULATE THE PROCESS BY WHICH CAPITAL IS TURNED INTO GOODS AND SERVICES.

THIS IS NOTHING NEW--EVERY ADMINISTRATION SINCE FRANKLIN ROOSEVELT'S HAS ATTEMPTED SOME SORT OF REGULATORY REFORM, AND EVERYONE HAS COME UP SHORT IN THE ATTEMPT. I BELIEVE THAT NO SUCH ATTEMPT CAN SUCCEED UNLESS IT ENLISTS THE AMERICAN PEOPLE, WHO UNTIL NOW HAVE BORNE THE BURDENS OF OVERREGULATION WITHOUT HOLDING ANY RESPONSIBILITY FOR IT.

IT WAS IN THIS SPIRIT THAT THE AGRICULTURE COUNCIL OF AMERICA, A NON-PROFIT, NON-LEGISLATIVE ORGANIZATION DEVOTED TO CLOSER COMMUNICATION AMONG THE NATION'S FARMERS, CREATED THE FORUM ON REGULATION. BY NO MEANS IS F.O.R. AN AGRICULTURAL PROJECT ALONE. IT IS, IN FACT, BEING IMPLEMENTED THROUGH A WIDE RANGE OF BUSINESSES AND INDUSTRIES. AS ONE OF THE PROGRAM'S ORIGINAL SPONSORS, I TAKE PRIDE IN THE FACT THAT F.O.R. IS A TRULY NON-PARTISAN EFFORT. THE SUPPORT OF OVER 160 SENATORS AND REPRESENTATIVES MAKES THAT CLEAR.

HOW F.O.R. WORKS

THE FORUM ON REGULATION IS BEING CARRIED OUT IN FOUR PHASES OVER A TWO YEAR PERIOD. AT THE REQUEST OF THOSE 160 CONGRESSPERSONS, THE LIBRARY OF CONGRESS DEVELOPED A SPECIAL QUESTIONNAIRE WHICH FORMED THE BASIS OF "A NATIONWIDE CITIZEN'S AUDIT". OVER 25 MILLION OF THESE SURVEYS HAVE BEEN DISTRIBUTED NATIONWIDE--THROUGH CONGRESSIONAL MAILINGS, TRADE ASSOCIATION NEWSLETTERS, FARM AND TRADE JOURNALS, AND THE MEDIA.

THE RESPONSE TO THIS UNPRECEDENTED EFFORT HAS BEEN MORE THAN HEARTENING. OVER 2½ MILLION AMERICANS RESPONDED WITH THEIR IDEAS AS WELL AS THEIR FRUSTRATIONS. IN MAKING THIS THE LARGEST SUCH SURVEY EVER UNDERTAKEN, THEY WILL UNDERSCORE DRAMATICALLY JUST HOW BADLY THE PUBLIC DESIRES POSITIVE REFORM OF THE REGULATORY TANGLE. THAT FACT ALONE IS THE MOST ENCOURAGING YET FOR THOSE OF US WHO WISH TO PUT OUR REGULATORY HOUSE IN ORDER.

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RESULTS OF THE F.O.R. SURVEY

NO POLL, HOWEVER REPRESENTATIVE, HOWEVER CAREFULLY UNDERTAKEN, CAN OF ITSELF SET WASHINGTON POLICY. AND NO REPORT CAN INFLUENCE GOVERNMENT ACTIONS IF ALLOWED TO GATHER DUST ON SOME DISTANT AGENCY SHELF. BUT IF THOSE WHO SHARE OUR INTEREST IN REGULATORY REFORM DISTRIBUTE THE RESULTS OF OUR SURVEY WIDELY, IF WE FOLLOW UP THAT DISTRIBUTION WITH PRESSURE ON THE WHITE HOUSE, CONGRESS, THE REGULATORS THEMSELVES AND THE MEDIA, IF WE UTILIZE THE SURVEY AS A STARTING POINT FOR CONCRETE REFORMS TO FOLLOW, THEN THOSE 2½ MILLION AMERICANS CAN TRULY POINT THE WAY FOR ALL OF US.

THE JOB HAS BEGUN. ALREADY, F.O.R. IS ORGANIZING INDUSTRY WIDE TASK FORCES TO FOLLOW UP THE POLLING DATA WITH A WORKABLE PLAN OF ACTION.

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OVER 70 EXECUTIVES FROM BUSINESS, INDUSTRY AND TRADE ASSOCIATIONS GATHERED AT A WASHINGTON LUNCHEON LAST MONTH TO HEAR THE FORUM ON REGULATION OUTLINE SPECIFICS OF PHASE TWO. MANY INDUSTRIES HAVE ALREADY COMMITTED THEMSELVES TO THE EFFORT AHEAD, AND HAVE BEGUN TO IDENTIFY INDUSTRY CHAIRMEN FOR A NUMBER OF DIFFERENT TASK FORCES.

WE CANNOT HOPE TO SUCCEED IN SO VAST AN UNDERTAKING WITHOUT THE ACTIVE PARTICIPATION OF PEOPLE LIKE YOURSELVES. I AM DETERMINED, AS ARE MANY OF MY COLLEAGUES AT F.O.R., THAT OUR WORK WILL NOT GO THE WAY OF MOST OF OFFICIAL WASHINGTON'S STUDIES. WE ARE NOT CONTENT WITH A FEW NEWSPAPER HEADLINES. EDITORIAL SUPPORT IS NOT ENOUGH. WE WILL NEED EACH ONE OF YOU, INDIVIDUALLY AND ON BEHALF OF YOUR CONCERNED INDUSTRY, IF WE ARE TO BEGIN TO ROLL BACK THE TREND TOWARD OMNISCIENT GOVERNMENT IN AMERICA.

PUBLIC PARTICIPATION

THE FORUM ON REGULATION IS ONE RESPONSE TO THE GROWING MALAISE OF REMOTE AND ALL-POWERFUL GOVERNMENT. IT IS NOT ENOUGH TO SAY THAT PEOPLE ARE FED UP WITH BIG GOVERNMENT. IT IS DISHONEST TO EXPLOIT THEIR CONTEMPT FOR INEPT OR WASTEFUL GOVERNMENT, UNLESS YOU PROPOSE SPECIFIC AND POSITIVE ALTERNATIVES. THAT'S WHAT F.O.R. IS ALL ABOUT. BUT IT IS ONLY A BEGINNING.

FOR TOO MANY YEARS WE AMERICANS HAVE TOLERATED A SORT OF WE VERSUS THEY SOCIETY. WE HAVE ENCOURAGED A POLITICAL DIALOGUE THAT SEPARATES PRODUCER FROM CONSUMER, MIDDLE CLASS FROM RICH AND POOR, URBAN DWELLER FROM RURAL RESIDENT. WE HAVE GOVERNED AS IF DIVIDE AND CONQUER WERE THE WAY TO ACHIEVE DOMESTIC HARMONY.

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WE HAVE NOT GIVEN ENOUGH ATTENTION TO EDUCATING OUR
PEOPLE TO THE WORKINGS OF THE FREE ENTERPRISE SYSTEM.
WE HAVE TOO OFTEN BEEN BLIND TO THE NEED FOR BETTER
PUBLIC RELATIONS AND, ULTIMATELY, BETTER PRIVATE RELATIONS
BETWEEN INDUSTRY AND THE CONSUMER.

IF WE SUCCEED, WE MAY WELL REVOLUTIONIZE THE OLD
CONCEPTS OF POLITICAL VIABILITY IN AMERICA. THE COST
OF FAILURE IS TOO GREAT TO PONDER--AT LEAST AT THIS HOUR
OF THE MORNING.

PROSPECTS IN THE 96TH CONGRESS

NEXT WEEK THE 96TH CONGRESS WILL CONVENE AND I AM HOPEFUL THAT REGULATORY REFORM WILL BE A PRIORITY ISSUE. IT WILL BE IF THE FORUM ON REGULATION HAS ANYTHING TO SAY. IN THE DAYS AHEAD, WE MUST DO ALL IN OUR POWER TO DEMONSTRATE THE CONCRETE BENEFITS WHICH MORE RESPONSIBLE REGULATION WOULD HAVE FOR THE WORKING MEN AND WOMEN OF AMERICA. IT IS THEY, AFTER ALL, WHO FACE THE LOSS OF THOUSANDS OF JOBS BECAUSE A BLOATED BUREAUCRACY HAS BLUNTED THE INCENTIVE TO INVEST IN NEW PLANTS AND THEREBY EXPAND EMPLOYMENT OPPORTUNITIES. IT IS THEY, AFTER ALL, WHO WILL SUFFER FROM THE DECLINE OF INNOVATION IN AMERICAN INDUSTRY.

A 50% DECLINE IN PATENTS GRANTED OVER THE LAST DECADE SUGGESTS FAR MORE THAN A LOSS OF INDIVIDUAL KNOWHOW. IT SUGGESTS THAT WE ARE ON THE VERGE IN THIS COUNTRY OF DISCOURAGING THE INNOVATORS AMONG US. IT SUGGESTS THAT HIGH TECHNOLOGY, WHICH HAS HISTORICALLY PLAYED AN IMPORTANT PART IN BALANCING OUR FOREIGN TRADE, IS ENDANGERED BY A LACK OF CAPITAL AND A CONCURRENT FLABBINESS ON THE PART OF GOVERNMENT ITSELF.

IT IS NOT ENOUGH FOR AN OPPOSITION PARTY ONLY TO OPPOSE. OPPOSITION MUST BE INTELLIGENT ENOUGH TO WARRANT VICTORY IN THE NEXT ELECTION. THE PARTY OUT OF POWER MUST DISPLAY A CAPACITY TO GOVERN CREATIVELY. NOTHING SHORT OF THAT WILL EARN THE CONFIDENCE OF THE AMERICAN PEOPLE.

THE PRIVATE SECTOR HAS BEEN UNDER ATTACK FOR TWO GENERATIONS NOW, AS IF THE WALL STREET CRASH WHOSE 50TH ANNIVERSARY WE MARK THIS OCTOBER WAS YOUR FAULT. FOR MUCH OF THAT HALF CENTURY, BUSINESS AND INDUSTRY HAVE ALLOWED THEMSELVES TO BE PORTRAYED NEGATIVELY. TOO MANY TIMES, THEY, LIKE SOME POLITICAL PARTIES I KNOW, HAVE BEEN CONTENT WITH MERE OPPOSITION.

WE HAVE THAT IN COMMON. IN THE MONTHS TO COME, I TRUST WE'LL HAVE MORE IN COMMON. FOR IF 1978 HAS PROVEN ANYTHING, IT IS THAT THE AMERICAN PEOPLE ARE ANGRY AND DISATISFIED WITH WHAT GOVERNMENT HAS PROMISED TO DO AND FAILED. THEY WANT A GOVERNMENT THAT KEEPS ITS PROMISES WITHIN THE SCOPE OF ITS FINANCIAL CAPACITY, AND KEEPS ITS PROMISES PERIOD.

IT IS NOT ENOUGH TO CALL FOR BALANCED BUDGETS. WE MUST ACHIEVE A FAIRER SYSTEM OF TAXATION. I BELIEVE IT IS UNFAIR FOR GOVERNMENT TO TAX ARTIFICIALLY INFLATED MONEY. I BELIEVE IT ROBS GOVERNMENT OF ANY INCENTIVE TO BALANCE ITS BUDGET AND I BELIEVE IT IS TERRIBLE ECONOMICS. THAT IS WHY I AM COMMITTED TO A SYSTEM OF TAX INDEXING, UNDER WHICH TAX WITHHOLDING RATES WOULD BE DIRECTLY KEYED TO THE CONSUMER PRICE INDEX. IF INFLATION RAISES YOUR INCOME, IT WOULD NOT CATAPULT YOU INTO A HIGHER BRACKET, PRECISELY BECAUSE THAT BRACKET WOULD BE TIED TO THE SAME INDEX.

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NOW THAT'S WHAT I CALL TAX REFORM. BY THE SAME TOKEN, I HAVE SOUGHT TO POSTPONE A SUBSTANTIAL SOCIAL SECURITY TAX INCREASE WHICH, COMBINED WITH THE RAVAGES OF DOUBLE DIGIT INFLATION, WILL COMBINE TO GUT THE SO-CALLED TAX REDUCTION VOTED IN THE CLOSING DAYS OF THE LAST CONGRESS.

THE YEAR AHEAD WILL ALSO SEE PROLONGED DEBATE OVER THE CONCEPT OF A NATIONAL HEALTH CARE PLAN. ONCE AGAIN, IT IS NOT ENOUGH TO OPPOSE A CRADLE TO GRAVE HEALTH INSURANCE PLAN AS IMPOSSIBLY COSTLY AND PRONE TO BUREAUCRATIC MISMANAGEMENT; THE AMERICAN PEOPLE WANT SOME FORM OF HEALTH COST CONTROL AND ANY RESPONSIBLE OPPOSITION OWES IT TO THEM TO COME UP WITH ITS OWN RATIONAL ALTERNATIVE. IN THIS CASE, I BELIEVE THAT THE TIME HAS COME FOR GOVERNMENT-SUPPORTED CATASTROPHIC HEALTH INSURANCE. ANYTHING SHORT OF THAT WILL ONLY PERPETUATE THE OLD AND TIRED MYTH THAT REPUBLICANS, IN CONCERT WITH MUCH OF THE PRIVATE SECTOR, CARE MORE FOR PROFITS THAN PEOPLE. AND ANY SUCH ATTITUDE, IF ALLOWED TO PREDOMINATE, WILL UNDERMINE THE POTENTIAL WE HAVE WORKED SO HARD TO BRING ABOUT FOR GENUINE REFORM OF THE REGULATORY AND OTHER GOVERNMENTAL CODES.

A PRESCRIPTION FOR LEADERSHIP

CONGRESS HAS, IN RECENT YEARS, BEGUN TO REASSERT ITS PREROGATIVE IN A NUMBER OF AREAS OF NATIONAL GOVERNMENT. A KEY ROLE THAT YOUR REPRESENTATIVES MUST ASSUME IF BALANCED GOVERNMENT IS TO FUNCTION IS THAT OF OVERSIGHT. IT ISN'T THE STUFF OF HEADLINES, AND YOU'LL RARELY SEE A BUDGET DISECTED OR A REGULATION INVESTIGATED ON THE EVENING NEWS.

BUT THE FACT REMAINS THAT RESPONSIBLE CONGRESSIONAL OVERSIGHT IS CRITICAL FOR THE CREATION OF WHAT THOMAS JEFFERSON CALLED "THAT GOOD AND GENTLE GOVERNMENT" AND MODERN POLITICIANS HAVE SLIGHTED IN FAVOR OF GOVERNMENT THAT IS ONLY OCCASIONALLY GOOD AND ALMOST NEVER GENTLE.

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ULTIMATELY, OF COURSE, IT IS NOT THE CONGRESS, HOWEVER ASSERTIVE, THAT SETS THE TONE OF DEBATE AND DECISION THAT MARKS THE NATION'S CAPITAL. THAT ROLE HAS BEEN RESERVED BY HISTORY FOR THE PRESIDENCY, AN OFFICE ONCE DEEMED THE WORLD'S MOST POWERFUL, BUT LATELY FALLEN INTO DISREPUTE AT HOME AND ABROAD. FOR TWO YEARS WE HAVE BEEN WITNESS TO A PRESIDENCY OF PUBLIC RELATIONS, A DAZZLING MEDIA FACADE THAT ALL TOO OFTEN OBSCURES CONTRADICTORY AND SOMETIMES DOWNRIGHT BIZARRE DIRECTIONS.

WE HAVE WATCHED A GOVERNMENT OF GESTURES RATHER THAN CONVICTIONS. WE HAVE SEEN A BLIZZARD OF NEW PROGRAMS, MANY POORLY PREPARED AND INTRODUCED WITH A MINIMUM OF POLITICAL SPADEWORK, CLOG THE CONGRESSIONAL PIPELINE. WE HAVE LOOKED ON IN AMAZEMENT AT ENOUGH ECONOMIC FLIPFLOPS AND SOMERSAULTS TO DO JUSTICE TO ANY THREE RING CIRCUS.



NEWS from U.S. Senator Bob Dole

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REMARKS OF SENATOR BOB DOLE

DISTILLED SPIRITS COUNCIL OF THE UNITED STATES

PALM BEACH, FLORIDA

JANUARY 9, 1979

"Do the duty of the day. Just now, the supreme duty of all thinking men is to assert freedom. Go where it is threatened and say 'I am for it, and do not wish to live in the world a moment longer than it exists.'"

Those words ring as true today as they did when Ralph Waldo Emerson wrote them over a century ago. They have grown in stature and in urgency as Emerson's democratic nation has grown increasingly wary of the people's ultimate right to self-rule. On history's scorecard, freedom has lost an alarming number of battles; in our own day, it struggles all too often against a government infatuated with its power to direct the lives of individual citizens. But government can confuse power with authority, and most of you can cite examples in your own careers where well-intentioned efforts to regulate the private economy can mushroom into outright hostility.

I know I can. In the ten years that I have served in the United States Senate, the federal government has rushed to regulate nearly every nook and cranny of our vast domestic economy. As a result, American businessmen in 1979 will be saddled with up to \$100 billion in paperwork and federally inspired red tape. Ultimately the consumer, you and I, will bear the burden at a time when inflation undermines the very faith we place in the democratic process to control itself.

A lot of people in government these days haven't looked at a history book since 1933. They seem to overlook the fact that the New Deal ended three decades ago. I won't bore you, or enrage you, with a long list of bureaucratic horror stories.

It's always easier to criticize than to create. So let me put aside outrage for a few minutes to focus instead on what positive things can be done to stem the tide that says you work and toil and earn bread and government will eat it.

The fact is, regulation can be regulated. And someone is proposing to do precisely that.

THE FORUM ON REGULATION

Until recently, regulation was like Mark Twain's definition of the weather; everyone talked about it, and precious few did anything about it. All that is about to change--thanks to the Forum on Regulation, an independent, nationwide effort to assess the grassroots impact of our current tangle of conflicting and costly regulations. Equally important, the F.O.R. seeks to develop a workable plan of regulatory reform, a plan that can enlist the support of business, industry and the American people.

There is an educational process involved here--it is not enough to proclaim to the American people that they have nothing to lose but their paperclips. The fact is, a significant part of the current inflationary spiral can be traced to regulation that results in higher prices at the market while deflating the natural desire to produce.

American productivity is fast becoming a national scandal. Forget about the Japanese and West Germans; we are falling behind the French and English. And one of the reasons, as most of you know, is our government's rush to regulate the process by which capital is turned into goods and services.

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This is nothing new--every Administration since Franklin Roosevelt's has attempted some sort of regulatory reform, and everyone has come up short in the attempt. I believe that no such attempt can succeed unless it enlists the American people, who until now have borne the burdens of overregulation without holding any responsibility for it.

It was in this spirit that the Agriculture Council of America, a non-profit, non-legislative organization devoted to closer communication among the nation's farmers, created the Forum on Regulation. By no means is F.O.R. an agricultural project alone. It is, in fact, being implemented through a wide range of businesses and industries. As one of the program's original sponsors, I take pride in the fact that F.O.R. is a truly non-partisan effort. The support of over 160 Senators and Representatives makes that clear.

HOW F.O.R. WORKS.

The Forum on Regulation is being carried out in four phases over a two year period. At the request of those 160 Congresspersons, the Library of Congress developed a special questionnaire which formed the basis of "a nationwide citizen's audit". Over 25 million of these surveys have been distributed nationwide--through Congressional mailings, trade association newsletters, farm and trade journals, and the media.

The response to this unprecedented effort has been more than heartening. Over 2½ million Americans responded with their ideas as well as their frustrations. In making this the largest such survey ever undertaken, they will underscore dramatically just how badly the public desires positive reform of the regulatory tangle. That fact alone is the most encouraging yet for those of us who wish to put our regulatory house in order.

RESULTS OF THE F.O.R. SURVEY

No poll, however representative, however carefully undertaken, can of itself set Washington policy. And no report can influence government actions if allowed to gather dust on some distant agency shelf. But if those who share our interest in regulatory reform distribute the results of our survey widely, if we follow up that distribution with pressure on the White House, Congress, the regulators themselves and the media, if we utilize the survey as a starting point for concrete reforms to follow, then those 2½ million Americans can truly point the way for all of us.

The job has begun. Already, F.O.R. is organizing industry wide task forces to follow up the polling data with a workable plan of action.

Over 70 executives from business, industry and trade associations gathered at a Washington luncheon last month to hear the Forum on Regulation outline specifics of Phase Two. Many industries have already committed themselves to the effort ahead, and have begun to identify industry chairmen for a number of different task forces.

We cannot hope to succeed in so vast an undertaking without the active participation of people like yourselves. I am determined, as are many of my colleagues at F.O.R., that our work will not go the way of most of official Washington's studies. We are not content with a few newspaper headlines. Editorial support is not enough. We will need each one of you, individually and on behalf of your concerned industry, if we are to begin to roll back the trend toward omniscient government in America.

PUBLIC PARTICIPATION

The Forum on Regulation is one response to the growing malaise of remote and all-powerful government. It is not enough to say that people are fed up with big government. It is dishonest to exploit their contempt for inept or wasteful government, unless you propose specific and positive alternatives. That's what F.O.R. is all about. But it is only a beginning.

For too many years we Americans have tolerated a sort of We versus They society. We have encouraged a political dialogue that separates producer from consumer, middle class from rich and poor, urban dweller from rural resident. We have governed as if divide and conquer were the way to achieve domestic harmony.

We have not given enough attention to educating our people to the workings of the free enterprise system. We have too often been blind to the need for better public relations and, ultimately, better private relations between industry and the consumer.

If we succeed, we may well revolutionize the old concepts of political viability in America. The cost of failure is too great to ponder--at least at this hour of the morning.

PROSPECTS IN THE 96TH CONGRESS

Next week the 96th Congress will convene and I am hopeful that regulatory reform will be a priority issue. It will be if the Forum on Regulation has anything to say. In the days

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ahead, we must do all in our power to demonstrate the concrete benefits which more responsible regulation would have for the working men and women of America. It is they, after all, who face the loss of thousands of jobs because a bloated bureaucracy has blunted the incentive to invest in new plants and thereby expand employment opportunities. It is they, after all, who will suffer from the decline of innovation in American industry.

A 50% decline in patents granted over the last decade suggests far more than a loss of individual knowhow. It suggests that we are on the verge in this country of discouraging the innovators among us. It suggests that high technology, which has historically played an important part in balancing our foreign trade, is endangered by a lack of capital and a concurrent flabbiness on the part of government itself.

It is not enough for an opposition party only to oppose. Opposition must be intelligent enough to warrant victory in the next election. The party out of power must display a capacity to govern creatively. Nothing short of that will earn the confidence of the American people.

The private sector has been under attack for two generations now, as if the Wall Street crash whose 50th anniversary we mark this October was your fault. For much of that half century, business and industry have allowed themselves to be portrayed negatively. Too many times, they, like some political parties I know, have been content with mere opposition.

We have that in common. In the months to come, I trust we'll have more in common. For if 1978 has proven anything, it is that the American people are angry and dissatisfied with what government has promised to do and failed. They want a government that keeps its promises within the scope of its financial capacity, and keeps its promises period.

It is not enough to call for balanced budgets. We must achieve a fairer system of taxation. I believe it is unfair for government to tax artificially inflated money. I believe it robs government of any incentive to balance its budget and I believe it is terrible economics. That is why I am committed to a system of tax indexing, under which tax withholding rates would be directly keyed to the Consumer Price Index. If inflation raises your income, it would not catapult you into a higher bracket, precisely because that bracket would be tied to the same index.

Now that's what I call tax reform. By the same token, I have sought to postpone a substantial Social Security tax increase which, combined with the ravages of double digit inflation, will combine to gut the so-called tax reduction voted in the closing days of the last Congress.

The year ahead will also see prolonged debate over the concept of a national health care plan. Once again, it is not enough to oppose a cradle to grave health insurance plan as impossibly costly and prone to bureaucratic mismanagement; the American people want some form of health cost control and any responsible opposition owes it to them to come up with its own rational alternative. In this case, I believe that the time has come for government-supported catastrophic health insurance. Anything short of that will only perpetuate the old and tired myth that Republicans, in concert with much of the private sector, care more for profits than people. And any such attitude, if allowed to predominate, will undermine the potential we have worked so hard to bring about for genuine reform of the regulatory and other governmental codes.

A PRESCRIPTION FOR LEADERSHIP

Congress has, in recent years, begun to reassert its prerogative in a number of areas of national government. A key role that your representatives must assume if balanced government is to function is that of oversight. It isn't the stuff of headlines, and you'll rarely see a budget dissected or a regulation investigated on the evening news.

But the fact remains that responsible Congressional oversight is critical for the creation of what Thomas Jefferson called "that good and gentle government" and modern politicians have slighted in favor of government that is only occasionally good and almost never gentle.

Ultimately, of course, it is not the Congress, however assertive, that sets the tone of debate and decision that marks the nation's capital. That role has been reserved by history for the presidency, an office once deemed the world's most powerful, but lately fallen into disrepute at home and abroad. For two years we have been witness to a presidency of public relations, a dazzling media facade that all too often obscures contradictory and sometimes downright bizarre directions.

We have watched a government of gestures rather than convictions. We have seen a blizzard of new programs, many poorly prepared and introduced with a minimum of political spadework, clog the Congressional pipeline. We have looked on in amazement at enough economic flipflops and somersaults to do justice to any three ring circus.