

10/6/82

IT'S ALWAYS A PLEASURE FOR ME TO BE HERE IN _____.
AND IT'S NICE TO KNOW THAT SO MANY _____ REPUBLICANS,
INDEPENDENTS AND DEMOCRATS SHARE MY BELIEF IN _____'S
CANDIDACY. IT ISN'T EASY TO RUN FOR OFFICE THESE DAYS. A LOT OF
PEOPLE HAVE CONCLUDED THAT POLITICS IS A DIRTY BUSINESS, MORE
PROMISE THAN PERFORMANCE. IT'S NOT SURPRISING! IF YOU RELIED ON
THE MEDIA ALONE TO INTERPRET EVENTS IN OUR NATION'S CAPITAL, YOU'D
BE PRETTY SUSPICIOUS OF YOUR ELECTED OFFICIALS TOO. AFTER ALL,
WHEN HE ISN'T PUTTING HIS FOOT IN HIS MOUTH, HE'S PROBABLY PUTTING
HIS HAND IN YOUR POCKET. A LOT OF CONGRESSMEN AND SENATORS, IT
SEEMS, ARE CONTENT TO DRAW THEIR BREATH AND THEIR SALARIES - AND
NOT MUCH ELSE.

BUT _____ IS DIFFERENT. WHERE OTHERS IN WASHINGTON ARE
PART OF THE PROBLEM, HE REPRESENTS A SOLUTION TO THE PROBLEM.

- 2 -

WHERE THEY SETTLE FOR GESTURES, HE OFFERS REAL GUIDANCE. HE UNDERSTANDS THAT LEADERSHIP INVOLVES HARD DECISIONS AND DIFFICULT CHOICES. IT REQUIRES VISION AS WELL AS SKILL, AND AN APPRECIATION FOR THE LESSONS OF HISTORY, AS WELL AS YESTERDAY'S HEADLINES.

THERE ARE TWO DIFFERENT KINDS OF POLITICIANS YOU KNOW. ONE TELLS YOU THE TRUTH - THE OTHER SUGAR-COATS THE TRUTH OR DRAPES IT IN BLACK CREPE FOR HIS OWN PARTISAN PURPOSES. ONE APPEALS TO OUR BETTER NATURES - THE OTHER EXPLOITS OUR FEARS AND UNCERTAINTIES. ONE SAYS STRAIGHT OUT THAT THERE CAN BE NO PROSPERITY WITHOUT TOIL, AND NO SECURITY WITHOUT RISK. THE OTHER OFFERS QUICK FIXES FOR OUR ECONOMIC AILMENTS, AND BANDAIDS INSTEAD OF A CAPITAL TRANSFUSION. ONE UNDERSTANDS THAT IT TOOK MANY YEARS TO GET WHERE WE ARE TODAY; THE OTHER IGNORES EVERYTHING THAT HAPPENED PRIOR TO JANUARY 20, 1981. ONE ASKS YOU TO STAY THE COURSE, TO BUILD ON THE PROMISING ACHIEVEMENTS OF THE LAST 20 MONTHS AND PREPARE FOR A PROSPERITY THAT OUR

- 3 -

CHILDREN CAN ENJOY. THE OTHER WOULD HAVE YOU TURN TAIL AND RUN AT THE FIRST SIGN OF ADVERSITY.

IT'S KIND OF FUNNY, IN A WAY: IT USED TO BE THAT WE REPUBLICANS WERE LABELED THE PARTY OF TERMINAL NOSTALGIA. I CAN REMEMBER WHEN THEY USED TO ACCUSE US OF BEING BORN LOOKING OVER OUR SHOULDERS. CONSERVATIVES, AFTER ALL, WERE SUPPOSED TO BE AFRAID OF DOING ANYTHING FOR THE FIRST TIME.

BUT HOW MUCH DIFFERENCE A COUPLE YEARS CAN MAKE. TODAY, WE ARE THE PARTY DISSATISFIED WITH THE STATUS QUO. WE ARE THE PARTY OF CHANGE, OF NEW IDEAS AND FRESH SOLUTIONS. AND IT IS OUR OPPONENTS IN CONGRESS AND ELSEWHERE WHO WANT TO TURN THE CLOCK BACK, TO REVISIT THAT HALLOWED LAND OF YESTERYEAR WHEN GOVERNMENT PROMISED TO REALIZE OUR DREAMS - AND WOUND UP SLEEPWALKING INSTEAD.

THE AMERICAN PEOPLE IN 1980 PRONOUNCED AN END TO THE LIBERAL PIPE DREAM. THEY SAID THEY WERE FED UP WITH MORE TAXES, MORE

- 4 -

GOVERNMENT INTRUSION, MORE RED TAPE AT HOME AND MORE HUMILIATION ABROAD. THEY WANTED A LEADER INSTEAD OF A DRIFTER, A DESTINATION, INSTEAD OF A VACUUM. THEY DIDN'T REPEAL GOVERNMENT'S MANDATE TO BE GENEROUS - BUT THEY INSISTED THAT WASHINGTON'S FIRST OBLIGATION IS TO BE GENEROUS WITH THE TAXPAYER. THEY DIDN'T WANT TO ABANDON GOVERNMENT'S GOOD INTENTIONS - BUT THEY DID WANT THE COBWEBS DUSTED OFF.

ALL OF THIS WE PROMISED TO DO. WHAT'S MORE, WE'VE KEPT OUR PROMISES. IN CASE YOU DOUBT MY WORD, THEN I ASK YOU TO STOP AND REMEMBER WHAT IT WAS LIKE HERE IN _____ JUST A COUPLE OF YEARS AGO. REMEMBER DOUBLE-DIGIT INFLATION, AND WHAT IT FELT LIKE EVERY TIME YOU WALKED INTO A GROCERY STORE OR DROVE UP TO A GAS PUMP.

REMEMBER 21.5% INTEREST RATES, WHICH CRIPPLED OUR INDUSTRIES AND CRUSHED THE HOPES OF SMALL BUSINESSES AND PROSPECTIVE HOME-BUYERS ALIKE.

- 5 -

REMEMBER A NATIONAL DEFENSE ERODED BY TWENTY YEARS OF NEGLECT,
REMEMBER A FOREIGN POLICY MARKED BY CONFUSION INSTEAD OF COHERENCE,
AND WISHFUL THINKING IN PLACE OF HARD-HEADED REALITY. REMEMBER
STREET MOBS ATTACKING U.S. EMBASSIES, AND LEADERS WHO FORGOT THE
OBLIGATION OF A GREAT NATION TO STAND UP FOR ITS LEGITIMATE RIGHTS.

REMEMBER A GOVERNMENT IN WASHINGTON GOBBLING UP MORE AND MORE
OF OUR NATIONAL WEALTH. IT GREW BY 17% JUST IN JIMMY CARTER'S LAST
YEAR IN OFFICE. AND ALONG WITH IT GREW A HOST OF SOCIAL PROGRAMS,
ALL WELL-INTENTIONED BUT MOST RIDDLED WITH WASTE AND GUARANTEED TO
PRODUCE DEPENDENCE RATHER THAN INDEPENDENCE.

AND REMEMBER THE PESSIMISTIC PREDICTIONS THAT POURED FORTH FROM
ALL THE SO-CALLED EXPERTS. A LOT OF ECONOMISTS TOLD US THAT INFLATION
WAS BUILT INTO THE STRUCTURE OF SOCIETY. IT WOULD TAKE A DECADE OR
MORE TO GET UNDER CONTROL. BUT IT'S UNDER CONTROL NOW - SLASHED
FROM MORE THAN 12% IN 1980 TO AROUND FIVE AND A HALF PERCENT NOW.

- 6 -

A LOT OF PEOPLE SAID THAT INTEREST RATES WOULD NEVER COME DOWN. BUT THEY'VE FALLEN EIGHT POINTS SINCE THE START OF 1981, AND THE TUMBLE IS JUST NOW SPREADING TO MORTGAGE RATES AND AUTO LOANS - TWO KEY ELEMENTS OF ANY LONG-RANGE RECOVERY. A LOT OF PEOPLE SAID WE COULDN'T EVER CUT THE RATE OF GROWTH IN FEDERAL SPENDING. BUT WE'VE BROUGHT IT DOWN NEARLY IN HALF - AND WITH A CONGRESS WILLING TO DO MORE THAN NIBBLE THE BULLET IN 1983, WE'LL CONTINUE TO REDUCE WASHINGTON'S APPETITE SO THAT PEOPLE LIKE YOU DON'T HAVE TO TIGHTEN YOUR BELT STILL FURTHER.

A CONSTITUTIONAL AMENDMENT TO REQUIRE A BALANCED BUDGET WOULD HAVE HELPED US OUT A LOT. BUT TIP O'NEILL AND HIS WRECKING CREW OVER IN THE HOUSE DIDN'T WANT ANY SUCH THING. THEY PREFER THE OLD WAY OF DOING THINGS - THE EXPENSIVE WAY. THEY'RE TOO COMFORTABLE WITH THE OLD POLICIES OF TAX AND TAX, SPEND AND SPEND TO CHANGE NOW. SO WE HAVE TO MAKE SOME CHANGES FOR THEM.

- 7 -

WE HAVE TO FACE FACTS, AND BE WILLING TO MAKE USE OF THE MANDATE GIVEN US. THAT MEANS LIVING UP TO THE CONGRESSIONAL BUDGET RESOLUTION CUTTING THREE DOLLARS IN SPENDING FOR EVERY ONE DOLLAR IN NEW REVENUES. IT MEANS CONTINUING TO SCAN THE TAX CODE FOR PROVISIONS THAT ARE UNFAIR. BECAUSE NO ONE EVER CLAIMED CONSERVATISM AS THE EXCLUSIVE PROPERTY OF THE RICH. ON THE CONTRARY, WE'RE THE PEOPLE WHO CARE ABOUT PROTECTING THE INCOMES AND LIVING STANDARDS OF AMERICAN WORKERS. THAT'S WHY WE'RE COMMITTED TO SAFEGUARDING THE THIRD YEAR OF THE PRESIDENT'S ACROSS-THE-BOARD TAX CUT FROM THOSE MONEY-HUNGRY TYPES WHO WOULD LIKE NOTHING BETTER THAN TO APPROPRIATE IT FOR THEIR OWN USE. THAT'S WHY WE'RE DRAWING A LINE AROUND TAX INDEXING, WHICH ASSURES THAT WORKING PEOPLE WON'T BE PENALIZED FOR THEIR WORK BY BEING SHOVED INTO A HIGHER TAX BRACKET. AND THAT'S ALSO WHY WE'RE WORKING HARDER THAN EVER TO REDUCE REGULATION THAT STARVES THE ECONOMY OF CAPITAL AND STRANGLES

- 8 -

JOB-PRODUCING ACTIVITIES IN FEDERAL RED TAPE. IN 1981 ALONE, WE REDUCED THE NUMBER OF NEW REGULATIONS BY 50%. WE SAVED CONSUMERS AND BUSINESSES ALIKE \$15 BILLION.

NOW, WE HAVE TO TAKE A FRESH, HARD LOOK AT ENTITLEMENT PROGRAMS THAT HAVE GROWN BY MORE THAN 1000% SINCE 1964. WE HAVE TO BE EQUALLY WILLING TO LOOK AT THE PENTAGON - TO MAKE SURE THAT DEFENSE SPENDING DOESN'T BECOME A SCAPEGOAT - OR A HOG. WE HAVE TO KEEP THE PRESSURE ON, SO THE DEFICIT IS CUT AND INTEREST RATES CONTINUE THEIR DOWNWARD MOMENTUM.

EVEN THAT DOESN'T EXHAUST THE LIST OF RESPONSIBILITIES FACING THE NEXT CONGRESS. THERE'S A RAFT OF NEW IDEAS - FROM TUITION TAX CREDITS AND URBAN ENTERPRISE ZONES TO THE NEW FEDERALISM AND THE PRESIDENT'S MIDDLE EAST PEACE INITIATIVE THAT CRY OUT FOR ACTION.

IN THE FACE OF ALL THIS, I ASK YOU: WHO IS BETTER SUITED TO CONFRONT THE CHALLENGES OF THE 1980's - _____OR HIS OPPONENT?

- 9 -

I THINK THE ANSWER IS SELF-EVIDENT. IF YOU HAVE ANY DOUBTS, THEN I SUGGEST YOU LOOK AT THE NATIONAL DEMOCRATIC PARTY. THERE'S AN OLD SAYING: YOU CAN'T BEAT SOMETHING WITH NOTHING. AND NOTHING, IN CASE YOU HAVEN'T LOOKED LATELY, IS EXACTLY WHAT THE DEMOCRATS ARE OFFERING IN 1982. AT A TIME WHEN THE ECONOMY IS SUFFERING, AS THE PRESIDENT SAID A FEW DAYS AGO, FROM THE MIGRAINE HEADACHE FOLLOWING A FIFTY YEAR BINGE, THE DEMOCRATS DON'T SEEM TO UNDERSTAND THAT THE PARTY IS OVER. THEY'RE STILL WEARING THE LAMPSHADE ON THEIR HEAD. AND THOSE WHO ARE AWARE OF THE NATIONAL HANGOVER THEY'VE BROUGHT ON SEEM WILLING TO OFFER THE PATIENT A QUICK PICK-ME-UP - OR EVEN WORSE, A DOSE OF ECONOMIC EXTRA-STRENGTH TYLENOL.

THEY CAN'T SEEM TO MAKE UP THEIR MIND JUST WHO THEY'RE SUPPOSED TO BE. ARE THEY WARMED-OVER CARTER - HALF-BAKED KENNEDY - OR MOON-BEAMS AND MEDFLIES FROM YOU KNOW WHO? THE ONE THING THEY DO OFFER IS OPPOSITION, AUTOMATIC AND UNTHINKING, TO EVERYTHING OUR PARTY

- 10 -

STANDS FOR. HAVING NO ALTERNATIVE PROGRAM OF THEIR OWN, TIP AND COMPANY ARE CONTENT TO POINT THEIR FINGERS AT OUR PROGRAM. IT ISN'T FAIR, THEY SAY. WELL, LET ME INQUIRE: WHAT WAS FAIR ABOUT DOUBLE-DIGIT INFLATION - OR A 1970 DOLLAR WORTH 47¢ A DECADE LATER? WHAT WAS FAIR ABOUT SKYHIGH INTEREST RATES, THAT MADE IT IMPOSSIBLE FOR THE AVERAGE CITIZEN TO BORROW FOR AN AUTO OR APPLIANCE WHILE THE WEALTHY GOT BY UNSCATHED? WHAT WAS FAIR ABOUT DEMOCRATIC TAXES ON WORKING PEOPLE THAT TRIPLED BETWEEN 1965 AND 1980? AND WHAT, IN GOD'S NAME, WAS FAIR ABOUT AN ECONOMY GROWN SO SLUGGISH IT WAS UNABLE TO ACCOMMODATE ALL THOSE WHO ENTERED THE LABOR MARKET FOR THE FIRST TIME?

NONE OF THIS HAPPENED OVERNIGHT - BUT ALL IF IT HAPPENED BEFORE RONALD REAGAN TOOK OFFICE.

WHAT ABOUT THE 20 MONTHS SINCE THEN?

WELL, INFLATION AND TAXES ARE DOWN. PURCHASING POWER IS UP;

- 11 -

ABOUT \$2000 FOR THE AVERAGE FAMILY OF FOUR WITH AN ANNUAL INCOME AROUND \$24,000 - EVEN MORE PROPORTIONATELY FOR THE POOR AND THE ELDERLY LIVING ON FIXED INCOMES.

THE BUDGET IS GROWING MORE SLOWLY - BUT RETRENCHMENT DOES NOT MEAN RETREAT FROM BASIC SOCIAL COMMITMENTS. IN FACT, LOOK AT THIS YEAR'S BUDGET AND YOU'LL FIND RECORD AMOUNTS FOR SUCH "PEOPLE PROGRAMS" AS EDUCATIONAL OPPORTUNITY GRANTS - UPWARD BOUND - LOW-INCOME ENERGY ASSISTANCE - AND SUMMER YOUTH EMPLOYMENT. BY 1985, MEDICAL, NUTRITION AND HOUSING ASSISTANCE FOR THE POOR WILL BE ONE-THIRD HIGHER THAN IN 1980. AND INSTEAD OF THE PHONY COMPASSION PRACTICED BY THE BIG SPENDERS, WE'LL HAVE A JOB TRAINING PROGRAM THAT SPENDS MORE ON TRAINING THAN ADMINISTRATION.

OBVIOUSLY, ALL IS NOT PERFECT. MILLIONS OF PEOPLE WHO ARE OUT OF WORK STAND AS TRAGIC TESTIMONY TO THE HUMAN COST OF SPEND NOW, PAY LATER POLICIES. FOR THE 10% UNEMPLOYED, IT PROBABLY MAKES

- 12 -

LITTLE DIFFERENCE THAT THE OTHER 90% ARE ALREADY BEGINNING TO ENJOY THE BENEFITS OF REDUCED INFLATION AND TAXES. SO WE HAVE TO ASK: HOW DO YOU PUT THOSE PEOPLE BACK TO WORK?

YOU DO IT BY GENERATING REAL ECONOMIC GROWTH. THAT MEANS GIVING THE PRIVATE SECTOR THE TOOLS TO INNOVATE, TO COMPETE AND EMPLOY. IT MEANS REWARDING THE SAVERS AND INVESTORS OF AMERICA - AS WE'VE STARTED TO DO WITH IRAs AND OTHER INCENTIVES. IT MEANS ATTRACTING CAPITAL INVESTMENT IN NEW PLANTS AND PRODUCTS, THROUGH ACCELERATED DEPRECIATION AND SIMILAR TAX REFORMS. MOST OF ALL, IT MEANS GOVERNMENT RECOGNIZING ONCE AND FOR ALL THAT ITS PRIMARY ECONOMIC FUNCTION IS TO STIMULATE PRIVATE JOB ACTIVITIES - AND NOT COMPETE WITH THEM.

IT ISN'T EASY. YOU DON'T TURN A THREE BILLION DOLLAR ECONOMY AROUND ON A DIME. BUT WE ARE MAKING PROGRESS. AND THE WORST THING WE COULD DO RIGHT NOW WOULD BE TO ABANDON THE EFFORT JUST WHEN IT'S STARTING TO PRODUCE POSITIVE RESULTS. AS WINSTON CHURCHILL SAID AT

- 13 -

ANOTHER CRITICAL TURNING POINT, "I DON'T CLAIM THIS IS THE END OF THE BATTLE, NOR EVEN THE BEGINNING OF THE END. BUT IT IS THE END OF THE BEGINNING."

IT'S CUSTOMARY FOR POLITICIANS A MONTH BEFORE ELECTION DAY TO TALK IN OMINOUS TONES ABOUT THE IMPORTANCE OF THIS RACE OR THAT. WE DEAL IN HYPERBOLE AS WELL AS HEADLINES, AND A LOT OF YOU MAY BE WEARY OF HIGH-BLOWN RHETORIC FOLLOWED BY MEAGER RESULTS.

BUT THE LAST TWO YEARS HAVE REVERSED THAT TREND, ALONG WITH SO MANY OTHERS. 1980 WAS A REFERENDUM ON MUCH MORE THAN JIMMY CARTER'S PRESIDENCY. IT WAS A REJECTION OF STALE SLOGANS AND FAILED DOGMAS FROM A DISTANT PAST. IT WAS AN ENCOURAGING SIGN THAT THE AMERICAN PEOPLE RECOGNIZED THAT GOVERNMENT COULD NEVER ACHIEVE THEIR ASPIRATIONS HALF SO WELL AS THEY COULD THEMSELVES, IF ONLY GIVEN A CHANCE TO TRY.

FOR 20 MONTHS, WE'VE BEEN MAKING CHANGES. WE'VE PROBABLY MADE SOME ENEMIES ALONG THE WAY. WE HAVEN'T DONE EVERYTHING EXACTLY AS

- 14 -

I WOULD HAVE, OR YOU OR ANYONE ELSE WOULD HAVE. BUT WE'VE ACTED, BOLDLY AND WITH A CLEAR VISION OF WHAT KIND OF COUNTRY WE COULD BECOME. HOW WE VOTE ON NOVEMBER 2 - HOW YOU VOTE IN THE CONTEST INVOLVING _____ - WILL DETERMINE FAR MORE THAN THE FATE OF ONE MAN OR ONE PARTY. FOR THIS ELECTION WILL SET THE COURSE FOR YEARS TO COME. IT WILL ANSWER MANY QUESTIONS, NOT LEAST OF ALL WHETHER WE HAVE THE STOMACH TO PERSEVERE, TO ACCEPT SOME TEMPORARY SACRIFICE IN THE NAME OF LONG-RANGE PROSPERITY.

IT WILL DECIDE WHETHER A DEMOCRACY CAN DISCIPLINE ITS APPETITE FOR SOCIAL BENEFITS - WHETHER WE ARE TO BE PRISONERS OF OUR PAST, OR CREATORS OF OUR FUTURE. AS REPUBLICANS, WE HAVE NEVER DENIED THE SPARK OF THE DIVINE IN EACH MAN OR WOMAN. WE HAVE ALWAYS BELIEVED THAT A COUNTRY, LIKE A TREE, IS STRONGEST AT ITS ROOTS. WE PREFER TO TAP THOSE ROOTS FOR ANSWERS THAT TREAT ONE ANOTHER AS INDIVIDUALS WITH PROBLEMS, AND NOT STATISTICS IN A WASHINGTON COMPUTER. WE ARE

- 15 -

WARY OF THOSE WHO WOULD CENTRALIZE ALL AUTHORITY IN THE FEDERAL GOVERNMENT, BECAUSE WE KNOW THAT A NATION OF SHEEP SOON LEADS TO A GOVERNMENT OF WOLVES.

THESE FUNDAMENTAL BELIEFS AND MORE ARE AT STAKE ON NOVEMBER 2. THEY'RE TOO MUCH UNDER ATTACK TO ENGENDER COMPLACENCY OR JUSTIFY ANYTHING LESS THAN AN ALL-OUT EFFORT TO ELECT _____ AND OTHER CANDIDATES LIKE HIM. AS ONE WHO SHARES YOUR CONVICTIONS AS WELL AS YOUR PHILOSOPHY, I CANNOT OVERESTIMATE THE IMPORTANCE OF HIS VICTORY - WEEKS FROM NOW. THE WAY I FEEL IS LESS IMPORTANT THAN THE WAY YOU VOTE. BUT THIS MUCH, AT LEAST, I CAN LEAVE YOU WITH. THE NEW BEGINNING WE'VE MADE THESE PAST 20 MONTHS IS WORTH PROTECTING AND EXTENDING. THE OLD POLICIES WE'VE LEFT BEHIND DESERVE A DECENT BURIAL AND NOTHING MORE. BY ELECTING _____ YOUR NEXT _____, YOU'LL HELP TO ACHIEVE BOTH RESULTS. THAT'LL BE GOOD FOR AMERICA; IT WILL BE VITAL TO _____. IN THE END, IT ALL

- 16 -

BOILS DOWN TO THIS. OUR CONSCIENCE ASKS FOR NOTHING MORE: OUR
CHILDREN WILL SETTLE FOR NOTHING LESS.