

BALTIMORE, MD. SEPT. 16, 1969---Terming inflation "the most regressive tax of all," Senator Bob Dole (R-Kans.)

said the U.S. economy must be given time to adjust to recent anti-inflation measures of the Nixon Administration.

Dole, speaking at a Baltimore County Republican dinner here, discussed several current issues including inflation, Vietnam and tax reform.

"Inflation has caused severe social and economic damages, hurting most the people on fixed incomes who can least afford it.

"It has set labor against management with each side blaming the other. The consumer is caught in between and blames both labor and business," he said.

"There are indications that the Administration's efforts to halt inflation, including a \$4 billion cut in the fiscal 1970 budget and extension of the surtax, are beginning to work," Dole said. "The indicators include a modest decrease in the demand for bank loans, the stock market decline and a slowing of capital expansion plans by business.

"These are only indicators," the Senator warned. "In such a complicated economy as ours, a retail price decline will not take place until there have been time-consuming readjustments."

Dole praised the Administration proposal to share federal government tax revenues with state and local governments, terming the proposal the "most important change in the relationship among various levels of government since the 1930's."

"In Vietnam," the Senator said, "the tide has finally been reversed. More important for the future course of American foreign policy is that this Administration has shifted the emphasis from crisis management to crisis prevention---anticipating trouble, rather than merely responding to it."

Dole called President Nixon's announcement of an additional troop withdrawal from Vietnam of at least 35,000 men a "further demonstration of America's good faith in attempting to reach a meaningful peace agreement.

"The question now," Dole said, "as in the past, of further de-escalation and further troop withdrawals is clearly up to North Vietnam."