

News from Senator

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REMARKS BY SENATOR BOB DOLE
MIDWEST REPUBLICAN LEADERSHIP CONFERENCE
AMWAY GRAND - GRANDVIEW ROOM
GRAND RAPIDS, MICHIGAN
JUNE 22, 1985
"VALUES AND VISIONS"

THANK YOU VERY MUCH. IN A VERY REAL SENSE, TODAY REPRESENTS SOMETHING OF A HOMECOMING FOR THIS SON OF RUSSELL, KANSAS, WHO AS A YOUNG MAN LEARNED HIS REPUBLICANISM BY THE EXAMPLES OF OTHER MIDWESTERNERS: MEN LIKE ALF LANDON AND PRESIDENT EISENHOWER, ARTHUR VANDENBERG, WENDELL WILKIE AND BOB TAFT. LATER ON, THERE WERE OTHERS. FRANK CARLSON AND EV DIRKSEN, BOB GRIFFIN, AND ABOVE ALL, JERRY FORD. TODAY, THE MIDWEST REMAINS WHAT IT HAS BEEN EVER SINCE A NEW PARTY ASSEMBLED IN A JACKSON, MICHIGAN GROVE OVER 130 YEARS AGO - THE HEART AND HEARTLAND OF REPUBLICANISM. BUT WE DON'T LOOK AT WHAT HAS BEEN; WE PREFER TO IMAGINE WHAT MIGHT BE, THANKS TO A NEW GENERATION OF PRAIRIE STATE REPUBLICANS. THEIR BACKGROUNDS ARE AS DIVERSE AS THEIR TALENTS. TOGETHER, HOWEVER, THEY SUGGEST THE GROUNDSWELL OF POPULAR SUPPORT FOR A PARTY AS COMFORTABLE IN THE UNION HALL AS THE COUNTRY CLUB. THEY INCLUDE NANCY KASSEBAUM AND BILL LUCAS - DAN QUAYLE AND JIM ABDNOR - JIM THOMPSON AND CHUCK GRASSLEY - BOB MICHEL AND BOB KASTEN.

THE 80'S: A REPUBLICAN DECADE

BY ANY STANDARD OF MEASUREMENT, IT'S A GOOD TIME TO BE A MIDWEST REPUBLICAN. HERE AS ELSEWHERE, WE HAVE A GOLDEN OPPORTUNITY TO ROUND OUT THE 1980'S AS A REPUBLICAN DECADE. NOT SIMPLY BY OFFERING ATTRACTIVE CANDIDATES - BUT BY OFFERING UP A VISION TO MATCH. A VISION WHICH EXTENDS BEYOND THE WASHINGTON

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AMERICA'S MAJORITY PARTY - NOT JUST BECAUSE AN IMMENSELY POPULAR PRESIDENT PERSONIFIES THE STRENGTHS WE LIKE TO THINK OF AS UNIQUELY OUR OWN - BUT ALSO BECAUSE MOST AMERICANS HAVE COME TO IDENTIFY WITH THESE POSITIONS AS WE HAVE ARTICULATED THEM AND WRITTEN THEM INTO LAW.

OVER THESE PAST FOUR AND HALF YEARS, THANKS TO A GREAT MANY LEADERS - INCLUDING MY FRIENDS GEORGE BUSH AND JACK KEMP - WE'VE TAMED INFLATION WHILE UNLEASHING ECONOMIC GROWTH. THE WORLD IS A LESS DANGEROUS PLACE TODAY THAN IN 1980, THE DESPERATE TACTICS OF INTERNATIONAL TERRORISTS NOTWITHSTANDING. WHY? BECAUSE THE BALANCE OF POWER HAS TILTED BACK TOWARD AN EQUILIBRIUM. AFTER A WORRISOME TIME OF DRIFT AND DISARRAY, THE UNITED STATES HAS NOT ONLY REBUILT HER DEFENSES - SHE HAS REGAINED HER SENSE OF CONFIDENCE. SHE HAS STOPPED APOLOGIZING, AND STARTED ASSERTING HER VITAL INTERESTS. SHE HAS RAISED HER GLOBAL PROFILE - AND SHE WILL NEVER AGAIN LOWER HER FLAGS IN THE FACE OF STREET MOBS OR TINHORN TYRANTS.

THE REAGAN LEGACY

HERE IS THE LEGACY OF RONALD REAGAN'S PRESIDENCY: ABOVE ALL, A REPUBLICAN PARTY ABLE TO COMMUNICATE THE VALUES AND IDEALS IT SHARES WITH WORKING MEN AND WOMEN. WE HAVE LEARNED THAT IT IS NOT ENOUGH TO TELL PEOPLE YOU'RE ON THEIR SIDE. YOU HAVE TO SHOW THEM. YOU HAVE TO SEARCH OUT THE THREADS THAT BIND YOU TOGETHER, AND SET ASIDE THE DIFFERENCES THAT MIGHT OTHERWISE INSPIRE A COLLECTION OF WARRING FACTIONS, AS DIVIDED AS THE DEMOCRATS AND AS UNABLE TO SEND A COHERENT MESSAGE TO INSPIRE HOPE OR KINDLE ACTION. AND THAT'S NOT ALL. WHILE STANDING UP FOR WHAT YOU BELIEVE IN, YOU HAVE TO REACH OUT TO THOSE WHO MAY NOT ENTIRELY AGREE.

SHOW THE POOR AND THE WEAK HOW ECONOMIC OPPORTUNITY AND INDIVIDUAL INCENTIVE CAN DO FOR THEM WHAT THEY HAVE DONE FOR GENERATIONS BEFORE. SHOW AMERICAN MOTHERS AND FATHERS THAT PRESERVING OUR MILITARY STRENGTH NOW IS THE BEST GUARANTEE THAT THEIR CHILDREN NEED NEVER GO TO WAR LATER. SHOW THE YOUNG THAT THEIR IDEALS ARE RESPECTED, AND THEIR VIGOR AND IMAGINATION CHERISHED AS THE SEED CAPITAL OF FUTURE GREATNESS. AND SHOW THE ELDERLY THAT WE LOOK TO THEM FOR WISDOM AND COUNSEL, PROMISING IN RETURN NEVER TO BREAK OUR COMMITMENTS OR OUR COVENANT WITH THOSE WHO RAISED AN EARLIER CROP.

OUT OF POWER, IT'S ALL TOO EASY TO FORGET THE DIFFERENCE BETWEEN WHAT'S RIGHT AND WHAT'S SELF-RIGHTEOUS. IN THE PROCESS, YOU CAN INADVERTENTLY TURN OFF MORE PEOPLE THAN YOU ATTRACT INTO YOUR RANKS. IN POWER, WE HAVE A RESPONSIBILITY TO PERFORM, NOT POSTURE - TO PUT OUR PRINCIPLES TO WORK, AND MILLIONS CITIZENS TOO.

THAT'S EXACTLY WHAT WE'VE DONE SINCE 1981. AND ACCORDING TO THE ECONOMISTS, WE CAN PUT ANOTHER SEVEN MILLION AMERICANS ON THE JOB BY TACKLING THE PRESENT DEFICIT. UP UNTIL NOW, WE'VE MADE

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BELTWAY - YOU ALL KNOW THE WASHINGTON BELTWAY: MOTORISTS DRIVE IT, TIP O'NEILL WEARS IT, AND ONE WAY OR ANOTHER, MOST TAXPAYERS GET HIT WITH IT. TO CHANGE THAT, OUR VISION, LIKE OUR VALUES, MUST BE BROAD AS THE CONTINENT. YET WHO KNOWS MORE ABOUT VISION THAN THE MIDWESTENER? FOR HERE, WE CAN SEE A LONG WAY IN ALL DIRECTIONS.

IT WAS THE LONG VIEW THAT SUSTAINED LINCOLN IN THE FIERY TRIAL OF CIVIL WAR. IT WAS THE SAME FORESIGHT THAT I SAMPLED AS A YOUNG MAN GROWING UP AMIDST THE WHEAT FIELDS OF KANSAS. FOR WHATEVER FACTION OF THE PARTY WE CALLED HOME, THEN AS NOW, WE ALL SHARED A COMMON BELIEF IN THE UNCOMMON POSSIBILITIES OF THE INDIVIDUAL. THE KANSAS STATE MOTTO PROCLAIMS "TO THE STARS THROUGH DIFFICULTIES." AND WE'VE ALL EXPERIENCED OUR SHARE OF DIFFICULTIES IN LIFE. EVEN SO, WE BELIEVED THAT THERE WAS SOMETHING EXTRAORDINARY IN THE MOST SEEMINGLY ORDINARY MEN AND WOMEN. WE HELD TO THE DEMOCRATIC VIEW - DEMOCRATIC WITH A SMALL "D" - THAT EACH OF US HAD THE POWER AND THE RESPONSIBILITY TO MAKE OUR LIVES USEFUL. WHERE YOU WOUND UP ON THE LADDER OF SUCCESS COUNTED FAR LESS THAN THE EFFORT YOU EXPENDED IN MAKING THE CLIMB.

LIFE ON THE LADDER

WE HELD TO ANOTHER VALUE AS WELL. IN PRAIRIE VILLAGES AND IN URBAN NEIGHBORHOODS ALIKE, WE TOLD OURSELVES THAT ONCE YOU REACHED UP TO THE FIRST RUNG ON THE LADDER, YOU REACHED DOWN TO THE NEIGHBOR BELOW. WHATEVER ELSE YOU DID, YOU DIDN'T PULL UP THE LADDER AFTER YOU. WE BELIEVED THAT YOU COULD BE CONSERVATIVE AND COMPASSIONATE AT THE SAME TIME - THAT YOU COULD FEEL WITH YOUR HEART WHAT YOU KNEW IN YOUR HEAD - AND THAT BUDGETS MUST BE BALANCED SO THAT OPPORTUNITIES MIGHT BE CREATED. LONG BEFORE IT BECAME A WASHINGTON CATCHPHRASE, MIDWESTERN REPUBLICANS WERE BUILDING THEIR VERY OWN OPPORTUNITY SOCIETY. AND WHEREVER WE HAVE CARRIED THESE PRINCIPLES INTO ACTION, WE HAVE RECEIVED WHAT WE HAVE DESERVED - THE SUPPORT OF VOTERS WITH BLUE COLLARS AS WELL AS BLACK TIES, FARMERS AND AUTOMAKERS, WOMEN AND MINORITIES, VETERANS AND THE HANDICAPPED, PEOPLE FROM ALL WALKS OF LIFE AND ALL STAGES OF LIFE. PEOPLE WHO DEFINE THEMSELVES LESS BY ABSTRUSE IDEOLOGY THAN THE AGE-OLD HUMAN DESIRES FOR SOMETHING A LITTLE BETTER THAN THEIR PARENTS HAD KNOWN - A WORLD A LITTLE FREER - A NEIGHBORHOOD A LITTLE SAFER - A NATION A LITTLE CLOSER TO THE PROMISES IT MADE TO ITSELF AT ITS BIRTH.

THE RESPONSIBILITY OF LEADERSHIP

AS REPUBLICANS, WE HAVE ALWAYS STOOD FOR BUDGETS THAT WERE LEAN AND TAXES THAT WERE LOW. WE HAVE ALWAYS RALLIED ROUND A STRONG NATIONAL DEFENSE - NOT JUST AS MEASURED BY OUR WEAPONS OF WAR, BUT ALSO IN BUSTLING FACTORIES AND HEALTHY FARMS, AND ALL ACROSS THE ECONOMIC FRONTLINES ON WHICH A NATION'S ULTIMATE SECURITY MUST DEPEND. TODAY, WE STAND CLOSER THAN EVER TO BEING

HARD CHOICES SO THAT OUR FELLOW CITIZENS COULD ENJOY SOME LASTING PROSPERITY. FOLLOWING IN THE PRESIDENT'S FOOTSTEPS, FOUR YEARS AGO BILL ARMSTRONG AND I INTRODUCED TAX INDEXING - THE FIRST STEP IN A PROCESS OF REFORMING A SYSTEM THAT IS ANYTHING BUT SYSTEMATIC. WILL ROGERS USED TO SAY THAT THE INCOME TAX MADE MORE LIARS OUT OF AVERAGE AMERICANS THAN ANYTHING - WITH THE POSSIBLE EXCEPTION OF GOLF. TO PUT AN END TO THAT, THE PRESIDENT HAS COME FORWARD WITH A REFORM PLAN BOTH COURAGEOUS AND HISTORIC. A PLAN THAT BUILDS ON OUR EARLIER EFFORTS TO LOWER INDIVIDUAL RATES AND OVERHAUL DEPRECIATION. NOW THE PRESIDENT WOULD TAKE THE LOGICAL NEXT STEP, BY ESTABLISHING A "LEVEL PLAYING FIELD" FOR ALL KINDS OF BUSINESSES, AND ELIMINATING TAX CONSIDERATIONS AS A PRIME FACTOR IN MAKING DECISIONS AS TO SAVINGS AND INVESTMENT.

A GOOD START ON TAX REFORM

IT'S A GOOD PLAN - AND I'M CONVINCED WE CAN MAKE IT EVEN BETTER. BUT FIRST, WE HAVE TO ASK SOME QUESTIONS. IS IT REVENUE NEUTRAL, OR IS THERE DANGER OF LOSING TOO MUCH REVENUE AND INCREASING THE DEFICIT IN THE RUSH TO REFORM? IS SOME KIND OF TWO-EARNER DEDUCTION - SOMETHING LIKE THE SO-CALLED MARRIAGE PENALTY - STILL NEEDED IN ORDER TO AVOID SPECIAL BENEFITS FOR ONE-EARNER COUPLES AT THE EXPENSE OF THOSE WITH A WORKING SPOUSE? DOES THE PLAN DO ENOUGH TO STOP TAX SHELTERS, OR DO WE RUN A RISK BY PRESERVING DIFFERENTIALS LIKE THE CAPITAL GAINS EXCLUSION? MOST OF ALL, DOES THE PACKAGE DO ENOUGH FOR MIDDLE-INCOME AMERICANS, ENOUGH TO SECURE THE POPULAR CONSENSUS NECESSARY FOR PASSAGE, ENOUGH TO REDEEM THE PROMISE OF FAIRNESS AND SIMPLICITY WHICH CAN MAKE TAX REFORM THE CUTTING EDGE OF POLITICAL REALIGNMENT IN THIS COUNTRY?

THE DEFICIT TIME BOMB

BUT ALONG WITH THE BRIGHT PROMISE OF TAX REFORM, WE CONFRONT AN IMMEDIATE PROBLEM IN A BLOATED FEDERAL DEFICIT, A TICKING TIME BOMB WHICH, IF NOT SOON DEFUSED, THREATENS TO EXPLODE THIS STRONGEST ECONOMIC RECOVERY SINCE WORLD WAR II. A BUDGET IS A CURIOUS DOCUMENT, A COMBINATION OF GRAY PROSE AND RED INK. THE PROCESS BY WHICH IT IS FORGED MAY SEEM ANYTHING BUT DYNAMIC. YET THE BOTTOM LINE IS A SLIPPERY ONE. FOR INSTANCE, DAVE STOCKMAN PUT OUT A "BLUE CHIP" CONSENSUS OF PRIVATE ECONOMIC FORECASTS NOT LONG AGO, ONE SHOWING A 1988 DEFICIT OF BETWEEN \$160 AND \$175 BILLION. THAT'S INCLUDING ALL OF THE SENATE'S PROPOSED CUTS. AND IT WOULD MEAN AT LEAST \$55 TO \$70 BILLION MORE THAT WOULD HAVE TO BE SLICED FROM THE '88 BUDGET IF WE ARE TO MEET OUR ORIGINAL GOAL OF REDUCING THE DEFICIT BY HALF - WITHOUT RAISING TAXES.

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ADD TO THIS THE ONGOING HOUSE-SENATE BUDGET CONFERENCE, IN WHICH MY COLLEAGUES FROM THE OTHER SIDE OF THE HILL DISPLAY LITTLE INCLINATION TO BREAK THEIR SPENDING HABITS, AND YOU CAN UNDERSTAND WHY I'VE MADE DEFICIT REDUCTION MY TOP PRIORITY. AHEAD OF TAX REFORM. AHEAD OF EVERYTHING ELSE. BECAUSE NEXT YEAR WILL BE TOO LATE TO THROW MORE THAN RHETORIC AT THE PROBLEM. TOO LATE TO PREVENT A POSSIBLE SHORT-CIRCUITING OF OUR HARD-EARNED PROSPERITY. AND MUCH TOO LATE TO AVERT ELECTORAL AS WELL AS ECONOMIC RETRIBUTION AT THE POLLS.

NOW SOME PEOPLE LIKE TO SAY WE CAN BALANCE THE BUDGET ON THE BACKS OF THE POOR. OTHERS CLAIM IT CAN BE BALANCED ON THE TURRET OF THE M-I TANK. BOTH ARE WRONG. AND BOTH UNDERESTIMATE, CYNICALLY I THINK, THE WILLINGNESS OF MOST AMERICANS TO ACCEPT COMMON SENSE AND A SHARED BURDEN OF TEMPORARY SACRIFICE. THAT'S WHY I THINK WE WOULD DO WELL TO TELL THEM THE TRUTH, AND RELY ON THEIR INSTINCTIVE GRASP OF WHAT IS FAIR AND NECESSARY.

LONG-RANGE SOLUTIONS

IN THE LONG TERM, THE ONLY REAL SOLUTION TO CONGRESS' INSATIABLE APPETITE FOR TAX DOLLARS IS A BALANCED BUDGET AMENDMENT AND A LINE ITEM VETO FOR PRESIDENTS WHO DON'T CONFUSE THEIR CONVICTIONS WITH THE LATEST POLLING DATA. BOTH ITEMS WILL COME TO THE SENATE FLOOR SOME TIME THIS SUMMER. UNTIL WE ADOPT BOTH, GOVERNMENT WILL GO ON EATING THE AMERICAN TAXPAYER OUT OF HOUSE AND HOME, LIVING FAT AND HAPPY WHILE WORKING PEOPLE ARE FORCED TO TIGHTEN THEIR BELTS STILL MORE.

SOMEONE ONCE DEFINED AN ENTREPRENEUR AS A CRAPSHOOTER WITH FINANCING. WELL, THIS IS AN ENTREPRENEURIAL AGE - AND WE ARE AN ENTREPRENEURIAL PARTY. FOR YOUNG FAMILIES JUST STARTING OUT - FOR SMALL BUSINESSMEN AND WOMEN JUST ENTERING THE MARKET - FOR GRADUATES JUST FINDING THEIR WAY INTO THE WORKFORCE - AND PERHAPS MOST OF ALL, FOR MIDWESTERN FARMERS JUST TRYING TO HANG ON: WE CAN HELP BY CREATING NEW JOBS AND RESTOCKING THE CAPITAL BASE. WE CAN TARGET AGRICULTURAL BENEFITS IN THE DIRECTION OF THE SMALL FARMER. WE CAN REIN IN DEFICITS AND RELEASE THE THROTTLE HOLDING BACK THE MOST PRODUCTIVE ECONOMY KNOWN TO MAN.

NOW A PRESIDENT OF ANY PARTY CAN MAKE HEADLINES, ANY DAY HE WANTS. BUT A PRESIDENT WHOSE VISION AND VALUES SURPASS STYLE ALONE, ONE WHO EMBRACES THE ASPIRATIONS OF OUR PEOPLE - HE CAN FORGE HISTORY. AND HIS PARTY CAN STAKE ITS CLAIM TO MAJORITY SENTIMENT, THE KIND THAT WELLS UP AS A RESULT OF SHARED GOALS AND REAL ACHIEVEMENT. WE'VE COME SO FAR ALREADY. THE TIDE HAS TURNED OUR WAY, HERE AT HOME AND IN A WORLD WHERE TYRANNY IS ON THE RUN AND FREEDOM IS SHOULDERING DICTATORSHIP TO ONE SIDE. CONFIDENCE HAS BEEN RESTORED. LIMITS HAVE BEEN IMPOSED ON WHAT GOVERNMENT CAN DO - SO THAT NO LIMITS CAN EXIST ON WHAT THE PEOPLE THEMSELVES CAN ACCOMPLISH.

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IT'S THIS MESSAGE OF SURGING HOPE AND BOUNDLESS OPPORTUNITY THAT CAN SOLIDIFY OUR HOLD ON THE SENATE NEXT YEAR. HERE IN THE MIDWEST, OUR PROSPECTS ARE EXCELLENT, WITH SOME STRONG INCUMBENTS AND A GOOD SHOT AT PICKING UP SEATS. WE CAN REALIZE ALL THOSE PROSPECTS BY ATTENDING TO UNFINISHED BUSINESS: BY TACKLING THE DEFICIT, SLICING INTEREST RATES, EASING THE DOLLAR, REFORMING THE TAX CODE, BOOSTING FARM EXPORTS, RESTORING OUR COMPETITIVE POSITION IN THE GLOBAL MARKETPLACE, AND EXTENDING THE ECONOMIC MIRACLE OF RECENT YEARS TO THE MAIN STREETS OF RURAL AMERICA. HISTORY WILL NOT LOOK KINDLY ON THOSE WHO SACRIFICE TOMORROW FOR TODAY. NEITHER WILL THE VOTERS OF THE MIDWEST. ON THEIR BEHALF, WE MUST ACT NOW. FOR THE CONSEQUENCES OF THOSE ACTIONS WILL ECHO DOWN FOR YEARS TO COME.

THANK YOU VERY MUCH.

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