

REMARKS OF SENATOR BOB DOLE
95TH ANNUAL MEETING OF
THE PROPRIETARY ASSOCIATION
THE BREAKERS
PALM BEACH, FLORIDA
TUESDAY, APRIL 6, 1976

I HAVE BEEN ASKED TO COMMENT BRIEFLY ON
POLITICAL ACTION AND THE IMPORTANCE OF BECOMING INVOLVED
IN THE POLITICAL PROCESS. I UNDERSTAND THAT EACH OF YOU,
AS OF THIS MORNING, IS A CONTRIBUTOR TO THE NEWLY-FORMED
PROPRIETARY ASSOCIATION POLITICAL ACTION COMMITTEE.
HOPEFULLY, I CAN PASS ON TO YOU SOME INFORMATION WHICH
WILL NOT ONLY HELP ILLUSTRATE THE WISDOM OF YOUR INITIAL
CONTRIBUTION, BUT ALSO ENCOURAGE YOU TO CONTRIBUTE
ADDITIONALLY, BOTH TIME AND MONEY, TO THE POLITICAL
PROCESS.

-2-

POLITICAL INTRIGUE OF AN ELECTION YEAR

THE INTRIGUE OF PRESIDENTIAL POLITICS MIGHT BE SUFFICIENT TO INCREASE POLITICAL ACTIVITY THIS ELECTION YEAR. CERTAINLY THIS YEAR'S PRESIDENTIAL ELECTION IS SHAPING UP AS AN INTERESTING EVENT. ON THE DEMOCRAT SIDE, YOU CAN DIVIDE THE CANDIDATES INTO THREE CATEGORIES.

FIRST, YOU HAVE THE NON-RUNNING, NON-CANDIDATES WHO ARE WAITING FOR NOTHING TO HAPPEN SO THEY CAN STEP INTO THE LIMELIGHT AT A DEADLOCKED CONVENTION. SENATOR HUMPHREY COMES TO MIND AS THE MOST PROMINENT EXAMPLE WITHIN THIS CATEGORY OF CANDIDATES. NEXT, THERE ARE THE DECLARED CANDIDATES WHO, EXCEPT FOR JIMMY CARTER, HAVE THUS FAR BEEN DOING A GOOD JOB MAKING NOTHING HAPPEN, MUCH TO THE DELIGHT OF THE NON-CANDIDATES. THE THIRD

-3-

CATEGORY MIGHT BE LABELLED RUNNING NON-CANDIDATES. GOVERNOR BROWN IS THE BEST EXAMPLE OF THIS CATEGORY OF CANDIDATE AND HE IS JOINED BY A HOST OF OTHER "FAVORITE SONS." THE RUNNING NON-CANDIDATE ENJOYS THE BEST OF BOTH WORLDS. HE HOLDS DELEGATE SUPPORT AND THEREFORE POSSESSES POTENTIAL POLITICAL BARGAINING CHIPS AT THE CONVENTION, WITHOUT HAVING UNDERGONE THE RIGORS OF A PERSONAL CAMPAIGN OR INCURRING THE PUBLIC SCRUTINY THAT ACCOMPANIES PERSONAL CANDIDACY. BUT SINCE THE RUNNING NON-CANDIDATE IS ALREADY RUNNING, IT IS VERY SIMPLE FOR HIM TO TEST THE WATER AND BECOME A FULL-FLEDGED CANDIDATE IF HIS CAMPAIGN BLOSSOMS BEYOND ITS ORIGINAL "FAVORITE SON" INTENTIONS.

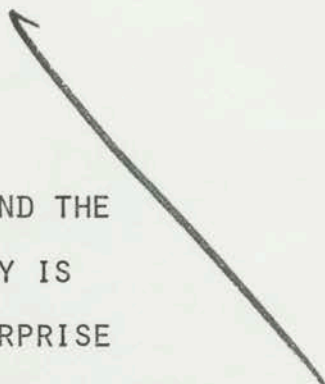
4

ON THE REPUBLICAN SIDE, THINGS ARE SIMPLER. WE HAVE TWO CANDIDATES WITH CONSERVATIVE PHILOSOPHIES, COMPETING FOR THE SUPPORT OF THAT MINORITY GROUP CALLED REPUBLICANS. RONALD REAGAN, THOUGH DISCARDED BY MOST EXPERTS UNTIL TWO WEEKS AGO, APPEARS TO BE REVIVED. PRESIDENT FORD, STILL THE ODDS-ON FAVORITE, CONTINUES TO DEMONSTRATE HIS INABILITY TO TAKE ADVANTAGE OF THE DIFFICULT POSITION OF HIS PRIMARY OPPONENT AND THE GENERAL DISARRAY WITHIN THE DEMOCRATIC RANKS.

INVOLVEMENT FOR SELF-PRESERVATION

IF YOU ARE LESS THAN FASCINATED WITH THIS POLITICAL CONFUSION, THERE IS A MUCH BETTER REASON TO GET INVOLVED. THAT REASON IS THAT IT IS IN YOUR BEST INTEREST TO BECOME AN ACTIVE PART OF THE POLITICAL PROCESS. IT IS IN YOUR BEST INTEREST, BECAUSE ONLY THROUGH YOUR INPUT WILL YOUR INDUSTRY AND THOSE YOU SERVE BE APPROPRIATELY REPRESENTED.

-5-



ON A LARGER SCALE, YOUR INVOLVEMENT AND THE INVOLVEMENT OF THOSE WHO SHARE YOUR PHILOSOPHY IS ESSENTIAL IF WE ARE TO PRESERVE THE FREE ENTERPRISE SYSTEM. CONGRESSIONAL LIBERALS WITH THE SUPPORT OF THE LABOR BOSSES HAVE BEEN EXPANDING FEDERAL REGULATIONS, INCREASING FEDERAL DEFICITS, AND PUNISHING FREE ENTERPRISE TO THE POINT THAT ITS CONTINUED EXISTENCE IS IN QUESTION. IT IS TIME FOR THOSE WHO BELIEVE IN THE FREE ENTERPRISE SYSTEM TO STAND UP AND BE COUNTED. UNFORTUNATELY, THE PUBLIC SENTIMENT TOWARDS BUSINESS DOES NOT MAKE THIS ANY EASY TASK.

-6-

IT SEEMS THAT WE DAILY READ OF CONTRIBUTIONS BY BUSINESS AND THE EFFORTS OF CORPORATE OFFICIALS TO IMPROPERLY INFLUENCE CONGRESSIONAL VOTES. YET THE INFLUENCE OF BUSINESS IN CONGRESS IS MINIMAL WHEN COMPARED TO THE INFLUENCE OF LABOR. WHEN LABOR LEADERS CALL IN THE VOTES, YOU CAN BE ASSURED CONGRESS WILL RESPOND.

THE SACRED LABOR BOSS

THE TERM "LABOR CONGRESS" MAY SOUND HARSH, BUT IT'S NOT VERY WIDE OF THE MARK. TOTAL UP THE VOTES IN CONGRESS ON ANY GIVEN BILL ON WHICH ORGANIZED LABOR HAS A KNOWN POSITION, AND COMPARE IT TO A LIST OF RECIPIENTS OF LABOR CAMPAIGN CONTRIBUTIONS SOME TIME.

-7-

COMMON SITUS PICKETING

LET'S TAKE A SPECIFIC BILL, THE SO-CALLED COMMON SITUS PICKETING BILL. ORGANIZED LABOR HAD A POSITION ON THE BILL THAT WAS NEVER IN DOUBT. IT PASSED THE SENATE BY A VOTE OF 52 TO 45.

AND THE 52 SENATORS WHO VOTED FOR IT RECEIVED FROM ORGANIZED LABOR IN THEIR LAST ELECTION CAMPAIGNS, AN AGGREGATE OF \$3,222,155. THAT IS A STAGGERING FIGURE, ESPECIALLY WHEN YOU CONSIDER THAT THESE CONTRIBUTIONS ARE ONLY A PART -- AND BY SOME ESTIMATES, ONLY THE SMALLER PART -- OF LABORS' TOTAL CONTRIBUTIONS OF MONEY, PLUS "IN-KIND" CONTRIBUTIONS SUCH AS MAILINGS, PHONE BANKS, AND "VOLUNTEER" SERVICES. IT IS EVEN MORE STARTLING WHEN YOU CONSIDER THAT ON THE MORE SIGNIFICANT MOTION TO END DEBATE AND BRING THE BILL TO A VOTE, LABOR WAS ABLE TO GAIN THE SUPPORT OF AN ADDITIONAL 16 SENATORS WHOSE CONTRIBUTIONS ARE NOT INCLUDED IN THESE FIGURES. THE 229 MEMBERS OF THE HOUSE OF REPRESENTATIVES WHO VOTED FOR THE BILL RECEIVED CONTRIBUTIONS FROM ORGANIZED LABOR TOTALLING \$2,449,170.

-8-

IN-KIND ASSISTANCE

BUT FINANCIAL ASSISTANCE ISN'T NECESSARILY LABOR'S POLITICAL ACTION FORTE. IN 1971, CONGRESS APPROVED A RELATIVELY OBSCURE AMENDMENT TO THE CAMPAIGN LAW THAT EXPANDED RADICALLY THE POLITICAL POTENTIAL OF UNIONS. IT PERMITTED THEM TO SPEND ANY AMOUNT OF THEIR RESOURCES TO COMMUNICATE WITH THE MEMBERS ON POLITICAL SUBJECTS. EXPENDITURES FOR THE INTERNAL COMMUNICATIONS DO NOT HAVE TO BE REPORTED, NOR DO THEY COUNT AGAINST CANDIDATE-SPENDING CEILINGS.

UNDER THIS PROVISION LABOR BOSSES LAST SEPTEMBER SPENT THOUSANDS OF DOLLARS ON MASS MAILINGS, DOOR-TO-DOOR CANVASSES, AND PHONE BANKS IN THE STATE OF NEW HAMPSHIRE SPECIAL SENATE ELECTION. IN A MORE RECENT NEW YORK HOUSE ELECTION, UNIONS BOASTED THAT THEY SPENT \$20,000, MADE 60,000 PHONE CALLS, AND DISTRIBUTED 50,000 PIECES OF LITERATURE TO THEIR MEMBERS. ALL ACTIVITIES WERE TOTALLY

-9-

PARTISAN, BUT NONE WERE REPORTED NOR ACCOUNTABLE AGAINST CAMPAIGN CEILINGS. THE IMPORTANCE OF THIS ELECTION LAW LOOP-HOLE WAS ILLUSTRATED RECENTLY WHEN ATTEMPTS IN THE SENATE TO REQUIRE ONLY A REPORTING OF THESE POLITICAL INTERNAL COMMUNICATIONS BY BOTH UNIONS AND CORPORATIONS BROUGHT OUT THE LABOR VOTE AND TIED UP THE SENATE FOR TWO DAYS.

I MENTION THESE FACTS TO ILLUSTRATE THAT THE "OTHER SIDE" IS DOING ITS JOB. BUT AT THE SAME TIME, IT IS IMPORTANT TO EMPHASIZE THAT RECENT CHANGES IN THE LAW WILL PERMIT BUSINESSES AND CORPORATIONS TO UNDERTAKE THE SAME TYPES OF ACTIVITIES. THE F.E.C. SUN-PAC DECISION OF LAST YEAR PERMITS CORPORATIONS TO SOLICIT FUNDS FROM ITS STOCKHOLDERS AND EMPLOYEES FOR POLITICAL ACTION. LEGISLATION HAS PASSED THE SENATE AND THE HOUSE TO RESTRICT THE SUN-PAC DECISION SO THAT CORPORATIONS CAN SOLICIT ONLY FROM MANAGERIAL EMPLOYEES. WITH THE HELP OF THE WHITE HOUSE, HOPEFULLY, THESE RESTRICTIVE AMENDMENTS

-10-

WILL FAIL. BUT AT LEAST FOR THE PRESENT TIME, THE LAW GIVES CORPORATE POLITICAL ACTION COMMITTEES AN EVEN BREAK, AND YOU SHOULD TAKE ADVANTAGE OF THE OPPORTUNITY. BUT YOU NEED TO START NOW IF YOU ARE GOING TO MEET THE REGULATORY REQUIREMENTS THAT GOVERN THE ESTABLISHMENT AND OPERATION OF SUCH COMMITTEES, OR THERE IS NO WAY THE COMMITTEES CAN BE OPERATIONAL IN TIME FOR THE NOVEMBER ELECTION,

THE VALEO DECISION AND INDEPENDENT INVOLVEMENT

ANOTHER IMPORTANT POLITICAL ACTION OPPORTUNITY FOR BUSINESS WAS CREATED BY THE RECENT SUPREME COURT VALEO DECISION. IN THAT DECISION, THE COURT MADE A VERY IMPORTANT DISTINCTION. THAT IS ITS DISTINCTION BETWEEN POLITICAL EXPENDITURES MADE IN BEHALF OF A CANDIDATE AND "CONTROLLED BY OR COORDINATED WITH" HIS CAMPAIGN, AND THOSE POLITICAL EXPENDITURES MADE IN BEHALF OF A CANDIDATE BUT MADE INDEPENDENTLY FROM THE CANDIDATE AND HIS CAMPAIGN.

-11-

IN THE FIRST INSTANCE, SUCH EXPENDITURES ARE EFFECTIVELY LIMITED BECAUSE THE AMOUNTS OF CONTRIBUTIONS TO PAY FOR THEM ARE SUBJECT TO LIMITATION UNDER THE LAW,

BUT THE SECOND CATEGORY OF EXPENDITURES ARE THOSE WHICH AN INDIVIDUAL OR AN ORGANIZATION -- SAY A POLITICAL ACTION COMMITTEE -- MIGHT MAKE IN SUPPORT OF A CANDIDATE BUT WITHOUT THE CANDIDATE'S KNOWLEDGE, PERHAPS, AND CERTAINLY WITHOUT HIS CONTROL,

THESE EXPENDITURES, UNDER THE COURT'S RULING, ARE EFFECTIVELY UNLIMITED,

AND YOU CAN BET THAT GEORGE MEANY AND HIS NUMEROUS MINIONS WILL EXPLOIT THOSE PROVISIONS OF THE LAW TO THE MAXIMUM TO FURTHER THEIR POLITICAL GOALS,

-12-

IF BUSINESS DOESN'T DO THE SAME, IT WILL BE YOUR FAULT AND OURS. FOR THE FLEXIBILITY IN THE LAW PERMITS YOU TO MAKE IMPACT -- INDEPENDENTLY -- ON THE SHAPE OF THE 95TH CONGRESS, AS WELL AS THE WHITE HOUSE.

MY POINT IS THAT THERE ARE NOW AVENUES FOR INVOLVEMENT, AND I URGE YOU TO TAKE ADVANTAGE OF THEM.

BY YOU, OF COURSE, I MEAN AMERICAN BUSINESS, IN GENERAL, AND ALL OF THOSE WHO SHARE YOUR RESPECT FOR THE FREE ENTERPRISE SYSTEM. FOR UNLESS SOMETHING IS DONE TO COUNTER-BALANCE THE INFLUENCE OF BIG LABOR IN AMERICAN POLITICS, WE WILL GO ON BEING SERVED -- AND ILL-SERVED -- BY AN UNBALANCED CONGRESS, HEAVILY BEHOLDEN TO THE EFFORTS LABOR MADE TO ELECT IT, AND PRACTICALLY COMMITTED TO THE SPECIAL LEGISLATIVE INTERESTS LABOR EXPRESSES.

-13-

THIS CONGRESS WILL REMAIN ESSENTIALLY UNCHANGED
UNLESS YOU DETERMINE TO SEE TO IT THAT YOUR LEGITIMATE
POINTS OF VIEW ARE EXPRESSED AND HEARD WITH FORCEFULNESS
IN THE PUBLIC POLICY FORUM, YOU MUST USE EVERY
LEGITIMATE MEANS AT YOUR DISPOSAL TO DO THIS TO INSURE
THAT BUSINESS' OPINIONS ARE GIVEN WEIGHT THAT IS IN
PROPORTION TO THE IMPORTANCE OF BUSINESS TO THE WELL-BEING
OF THIS SOCIETY AND ITS ECONOMY,

THIS BREAKFAST IS A FIRST IMPORTANT STEP,
WHETHER OR NOT I AM EVER A BENEFACTOR OF YOUR ASSISTANCE,
I APPLAUD YOUR EFFORTS AND ENCOURAGE YOU TO GET INVOLVED
AND SUPPORT CANDIDATES -- DEMOCRAT OR REPUBLICAN -- WHO
WILL REPRESENT YOUR VIEWS IN CONGRESS.

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Amicus

Squad of —

1. Drawing
2. Cooperation
3. Volunteering —
4. Generosity

O.T.C. - Beth

F.T.C. - Xue ad