REMARKS OF SENATOR BOB DOLE Young Republican Conference Thursday, March 10, 1977

The gravediggers can put down their shovels, the funeral has been called off. The demise of the Republican party has been recorded and celebrated so many times already by our friends in the media and the scholarly journals. For a party with so few toeholds in the sources of power, as I traveled around the country during the recent Lincoln Day season, I heard healthy signs of breathing. I found a party that is very much alive, and looking to the future with renewed vigor and optimism.

THERE ARE SOLID REASONS BEHIND THIS FEELING OF HOPE.

THE REPUBLICAN PARTY REFLECTS THE ASPIRATIONS AND VALUES OF MOST AMERICANS OF ALL RACES AND ALL SOCIAL CLASSES. OURS IS THE PARTY OF COMMON SENSE. OURS IS THE PARTY OF PRINCIPLE.

Ours is the party of Individual Freedom and Responsibility.

WITHIN THOSE GUIDELINES, IT IS NOT NECESSARY FOR US TO IMPOSE TESTS OF IDEOLOGICAL PURITY ON OUR FELLOW REPUBLICANS.

CONFORMITY OF THOUGHT AND BEHAVIOR IS FOR A POLICE STATE.

WE WANT NONE OF THAT. IN COMING UP WITH BOLD, IMAGINATIVE SOLUTIONS TO NAGGING PUBLIC PROBLEMS; THE TRUTH IS OUR PARTY IS UNDER FEWER CONSTRAINTS AND INHIBITIONS THAN THE OTHER PARTY.

Young Voters

The most important reason why we can be encouraged even in these first few months of a new Democratic administration is in this room today; you, our young people. In the last campaign, some of the most enthusiastic and well attended campaign rallies I visited were on college campuses — a drastic change for Republicans from Just four years before. According to the opinion polls, the Ford-Dole ticket did very well among younger voters in both the college and non-college educated groups. If we can continue this trend, attract still more young people to work for Republican candidates, and sell our message to new voters, our strength will improve dramatically.

ONE OF OUR PROBLEMS IN THE VIETNAM WAR PERIOD, AS YOU KNOW, WAS WINNING OVER AND KEEPING YOUNG PEOPLE IN THE PARTY RANKS. MANY OF THOSE JUST COMING OF VOTING AGE WERE RELUCTANT TO JOIN EITHER PARTY. THESE INDEPENDENTS, OR TICKET-SPLITTERS, PREDOMINANTLY YOUNGER VOTERS, HOLD THE BALANCE OF POWER IN AMERICAN POLITICS TODAY.

BUT THEY ARE FAR FROM BEING NATURAL PARTNERS IN ANY

DEMOCRATIC COALITION. IN SHORT, THEY ARE AVAILABLE TO

REPUBLICAN CANDIDATES WHO CAN EXPLAIN OUR COMMON-SENSE POSITIONS

IN EVERY-DAY LANGUAGE THAT PEOPLE CAN UNDERSTAND. THERE IS NO
GOOD REASON WHY WE SHOULD WRITE OFF ENTIRE GROUPS OF AMERICANS.

IT MAKES NO SENSE MORALLY OR PRACTICALLY. OUT OF ADVERSITY,

REPUBLICAN CANDIDATES HAVE LEARNED SOME VALUABLE LESSONS. AND
ONE IS: TO SAY "NO" TO MORE AND BIGGER GOVERNMENT IS NOT
ENOUGH. WE'VE GOT TO SPELL OUT HOW THE FORCES OF OUR PRIVATE
ENTERPRISE SYSTEM CAN BE HARNESSED TO DEAL WITH PROBLEMS THAT
ARE OF IMMEDIATE CONCERN TO MANY OF OUR CITIZENS MORE EFFECTIVELY
THAN BY EXPANDING THE GOVERNMENT BUREAUCRACY AND RAISING TAXES.

ALTERNATIVE PROPOSALS

THIS WE REPUBLICANS ARE TRYING TO DO THIS YEAR IN CONGRESS. WHERE THE PRESIDENT IS RIGHT, WE WILL SUPPORT HIM AND HELP HIM. WHERE HE IS WRONG, WE WILL DO MORE THAN JUST SAY "NO." WE WILL OFFER SPECIFIC CONCRETE ALTERNATIVES THAT WILL GET THE JOB DONE BETTER.

MORE OFTEN THAN NOT, THE POLICIES THAT EMERGE FROM THE DEMOCRATIC MAJORITIES IN CONGRESS WILL INVOLVE THE HAND OF THE GOVERNMENT IN YOUR POCKET AND ON YOUR SHOULDER. THE SENATE UNANIMOUSLY PASSED A BILL THAT GIVES THE PRESIDENT THE AUTHORITY HE REQUESTED TO REORGANIZE THE EXECUTIVE BRANCH OF THE GOVERNMENT BY SHIFTING, CONSOLIDATING OR EVEN ABOLISHING AGENCIES. IT IS THE DESIRE OF ALL OF US THAT HE USE THIS POWER WISELY AND ACCOMPLISH MORE THAN A MERE RESHUFFLING OF BUREAUCRATS. SOME OF THE PRELIMINARY SIGNS ARE NOT ENCOURAGING. HOW MUCH EASIER IT WOULD BE TO COMBINE TWO AGENCIES AND REDUCE THE STAFF IF WE FIRST COMBINED THE SPENDING PROGRAMS THAT THEY ADMINISTER, SO AS TO GIVE LOCAL AUTHORITIES MORE DISCRETION OVER HOW THE VARIOUS FUNDS ARE TO BE SPENT. YET, IN HIS BUDGET REVISIONS, MR. CARTER REJECTED THE BLOCK GRANT APPROACH THAT HAD BEEN RECOMMENDED BY PRESIDENT FORD AND WOULD HAVE REDUCED THE MULTITUDE OF SO-CALLED CATEGORICAL SPENDING PROGRAMS.

BECAUSE THE DEMOCRATIC PARTY IS SO COMMITTED TO GOVERNMENT ACTION, SO TRADITION-BOUND, SO TIED TO PAST PROGRAMS THAT NEVER WORKED, IT IS THE REPUBLICAN PARTY THAT OFFERS THE EXCITING OPPORTUNITIES FOR NEW APPROACHES, THE PRACTICAL APPLICATION OF NEW IDEAS. THE POSITIONS THAT WE TAKE ARE IN TUNE WITH THE INTERESTS OF YOUNG AMERICA -- NOT JUST COLLEGE STUDENTS AND JUNIOR EXECUTIVES, BUT MECHANICS AND ASSEMBLY LINE WORKERS, A SLUM YOUTH WHO CAN'T FIND A JOB, A YOUNG MARRIED COUPLE STRUGGLING TO SAVE THE DOWN PAYMENT FOR A HOUSE OF THEIR OWN.

Young people don't like to be hassled -- by the government or anyone else. They don't want to be told how to run their lives. They don't like to be told they must pay union dues even if they prefer not to join a labor union, and live in a state that bars union shop agreements. They appreciate not facing the uncertainty of the draft. They are fed up with all the regulation and regimentation -- a system that has managed to botch the energy supply crisis, foul up the economy, run the federal budget almost out of sight. Compliance with federal regulatory requirements alone last year cost Americans an estimated \$130 billion. Some of the regulation was necessary and useful, and a lot of it wasn't.

- 6 -

TELL IT LIKE IT IS

YOUNG PEOPLE LIKE TO "TELL IT LIKE IT IS." AS MUCH AS WE WOULD PREFER IT OTHERWISE, THERE ARE SOME LEADERS IN THE WORLD WHO CANNOT BE FULLY TRUSTED, WHOSE GOOD INTENTIONS ARE AS FIRM AS THE NEAREST POLICEMAN'S STICK. A DECISION TO DISARM BY OURSELVES IS AN INVITATION FOR THESE FORCES TO ENGAGE IN ADVENTURISM AND ONE FORM OR ANOTHER OF CONQUEST. A DECISION TO DISMANTLE OUR INTELLIGENCE CAPABILITY IS TO CLOSE OUR EYES AND EARS IN A DANGEROUS WORLD. IN THE REAL WORLD, AS IT IS, WE MUST NEGOTIATE A REDUCTION OF ARMS WITH OUR POTENTIAL ADVERSARIES ONLY FROM A POSITION OF STRENGTH.

WE CAN SUPPORT SELF-DETERMINATION IN BLACK AFRICA, WITHOUT RESERVATION, BUT WITHOUT COMMITTING AMERICAN PERSONNEL TO ANY COMBAT OR PEACE-KEEPING FORCES ON THAT CONTINENT.

- 7 -

FISCAL RESPONSIBILITY

YOUNG PEOPLE KNOW TOO THAT YOU CAN'T INCREASE FEDERAL SPENDING AND GIVE BACK FEDERAL TAXES -- EVEN ON A ONE-SHOT \$50 TAX REBATE, WHICH WOULD HARDLY MAKE UP FOR THIS WINTER'S HIGHER HEATING BILLS -- WITHOUT ADDING TO THE DEFICIT AND HEAPING MORE FUEL ON THE FIRES OF INFLATION. IT WAS SIGNIFICANT THAT WHEN THE TAX BILL WAS BEFORE THE HOUSE EARLIER THIS WEEK, THE REPUBLICAN-SPONSORED AMENDMENT FOR A PERMANENT RATE CUT, IN PLACE OF THE ONE-TIME REBATE, CAME CLOSE TO CARRYING. THE REPUBLICAN SUBSTITUTE FAILED -- 219 TO 194.

TAXES ARE THE FASTEST GROWING SINGLE ITEM IN THE COST OF LIVING. SINCE 1950, THEY HAVE GONE UP TWO-THIRDS FASTER AND HIGHER THAN EITHER FOOD OR SHELTER. PAYROLL TAXES, PROPERTY TAXES AND OTHER STATE AND LOCAL TAXES KEEP GOING UP EVEN AS CONGRESS VOTES REDUCTIONS IN FEDERAL INCOME TAXES. IN THE CURRENT FISCAL YEAR, THE FEDERAL BUDGET DEFICIT PROJECTED BY PRESIDENT CARTER WILL BE OVER \$70 BILLION.

WORKERS WHO ARE LUCKY ENOUGH TO GET PAY RAISES -- IN
THE RACE TO KEEP UP WITH RISING PRICES -- ARE BOOSTED INTO
HIGHER INCOME TAX BRACKETS. SO, THEY MAY WIND UP PAYING A
BIGGER FEDERAL TAX BITE, AT THE SAME TIME CONGRESS IS GOING
THROUGH THE MOTIONS OF VOTING THEM A TAX REBATE OR REDUCTION.

JUST LAST WEEK, A NEW REPORT WAS RELEASED SHOWING WHAT IS ALREADY OBVIOUS TO YOUNG PEOPLE; THAT THE AVERAGE COST OF BUYING A HOME IS BEYOND THE REACH OF MIDDLE-INCOME COUPLES WHO DON'T HAVE RICH PARENTS TO HELP WITH THE PURCHASE PRICE.

AT A 5% ANNUAL INFLATION RATE, WHICH IS CONSIDERED LIKELY FOR THE FORESEEABLE FUTURE, WITHOUT A WAGE INCREASE, A FAMILY EARNING \$20,000 THIS YEAR WOULD HAVE A PURCHASING POWER OF UNDER \$12,300 IN 1987. IN OTHER WORDS, AN INCREASE IN SALARY OF ABOUT \$20 A WEEK EVERY YEAR WOULD BE NECESSARY TO KEEP UP WITH INFLATION. INFLATION IS AN OMINOUS DANGER THAT HITS EVERYONE. SOME WAYS TO HANDLE THIS ARE PARING DOWN FEDERAL REGUATION, RESTRAINING THE GROWTH OF FEDERAL SPENDING, AND REVISING THE TAX SYSTEM. I FAVOR AN IMMEDIATE PERMANENT INCOME TAX REDUCTION OF \$10 TO \$15 BILLION FOR LOWER- AND MIDDLE-

INCOME TAXPAYERS. IN ADDITION, WE SHOULD "INDEX" OUR TAX
COLLECTIONS SO THAT TAX BRACKETS AND TAX RATES ARE AUTOMATICALLY
ADJUSTED DOWNWARD WITH EACH INCREASE IN THE COST OF LIVING.
THE GRADUATED TAX RATES WOULD THEREFORE BE SYNCHRONIZED WITH
THE PURCHASING POWER OF A DOLLAR OF WAGES.

JOBS TAX CREDIT

INSTEAD OF TEMPORARY PUBLIC SERVICE JOBS, THAT TOO OFTEN INVOLVE MAKE-WORK PROJECTS, I INTRODUCED LEGISLATION AS FAR BACK AS 1965 FOR AN EMPLOYMENT TAX CREDIT. THIS WOULD ENCOURAGE EMPLOYERS TO HIRE ADDITIONAL WORKERS BY DEFRAYING PART OF THE EXTRA PAYROLL COSTS. IT WOULD BE A PARTICULARLY EFFECTIVE INCENTIVE FOR THE HIRING OF MARGINAL WORKERS AT THE MINIMUM WAGE OR SLIGHTLY ABOVE, BECAUSE THE GOVERNMENT WOULD BE SUBSIDIZING PART OF THAT WAGE. MANY OF US GIVE LIP SERVICE TO THE EMPLOYMENT PROBLEMS OF THE CHRONIC HARD-CORE JOBLESS IN THE INNER CITIES, BUT HERE IS AN APPROACH THAT MAKES SENSE. I AM HAPPY TO REPORT THAT A FORM OF THE JOBS TAX CREDIT WAS INCLUDED IN THE HOUSE TAX BILL. I AM HOPING WE DO THE SAME IN THE SENATE.

MY PURPOSE TODAY IS NEITHER TO BURY THE REPUBLICAN PARTY NOR TO PRAISE IT UNDULY. AS THE PARTY OF THE LOYAL OPPOSITION, WE CAN ONLY WISH THE PRESIDENT WELL AND ACT IN A SPIRIT OF CONSTRUCTIVE COOPERATION WHENEVER POSSIBLE. THE PROBLEMS THAT WE FACE AS A NATION ARE NEVER SIMPLE. IT IS ALWAYS TEMPTING TO BLAME THE OIL COMPANIES AND THE DEFENSE CONTRACTORS INSTEAD OF FORGING SOUND ENERGY AND DEFENSE POLICIES THAT MAY REQUIRE SACRIFICE AND ENTAIL CONSIDERABLE POLITICAL RISK. SOLUTIONS TO COMPLICATED PROBLEMS DO NOT COME EASILY.

- 11 -

PUBLIC RELATIONS BLITZ

THE NEW ADMINISTRATION HAS COMPLETED ITS FIRST MONTH IN OFFICE. THE NEW PRESIDENT AND HIS FAMILY HAVE BEEN OUR CONSTANT COMPANIONS ON THE TELEVISION SCREEN, THE RADIO, AND THE FRONT PAGES OF OUR NEWSPAPERS AND MAGAZINES. AS THE NEW BOY ON THE BLOCK, HE HAS BEEN ANXIOUS TO MAKE A GOOD IMPRESSION ON HIS COUNTRYMEN. SO I SUPPOSE THE PUBLIC RELATIONS BLITZ CAN BE EXCUSED. BUT IT IS PAST TIME NOW FOR SOME OF THIS CREATIVE ENERGY TO BE CHANNELED INTO MORE SUBSTANTIVE AREAS. THERE ARE HUNDREDS OF SUB-CABINET JOBS UNFILLED. THERE ARE URGENT PROBLEMS UNTENDED. IF THE WHITE HOUSE TEAM IS HALF AS IMAGINATIVE WHEN IT COMES TO GOVERNING THE NATION AS IT HAS BEEN MERCHANDISING THE NEW CHIEF EXECUTIVE, WE NEED NOT WORRY.

WHETHER THE PRESIDENT CAN GET HIS ACT TOGETHER AND HIS ADMINISTRATION CAN GOVERN EFFECTIVELY REMAINS TO BE SEEN.

If he does, and if he can balance the many interests in his party's constituency, our party will have difficulty coming back in next year's Congressional elections. But if he does not, an active, united Republican party with fresh ideas will be ready and waiting. The idealistic drive and the grass roots enthusiasm of you, the young Republicans, are our hope for the future. Only by taking advantage of your talent and your energy — as candidates, as workers, as decision-makers — in party organizations that are truly open to everyone — only that way can we expect to fulfill our mission.

GET ON WITH THE "REAL THINGS"

I HAVE BEEN TALKING ABOUT THE LIKES AND DISLIKES OF YOUNG PEOPLE. YOU DON'T LIKE TO BE CONNED OR TO BE PUSHED AROUND UNNECESSARILY. YOU WANT AN OPPORTUNITY TO MAKE IT ON YOUR OWN. IF AT ALL POSSIBLE. YOU WANT TO HEAR IT TOLD LIKE IT REALLY IS. IF THERE IS ONE OUTSTANDING CHARACTERISTIC OF TODAY'S YOUTH, IT IS A DISLIKE OF GIMMICKS, PROMOTIONAL RAZZLE-DAZZLE, AND FALSE ADVERTISING. IN THE LANGUAGE OF THE ADS THAT YOU'VE ALL SEEN, THE YOUNG PEOPLE OF TODAY TALK OF THEIR TASTE FOR "THE REAL THING." THERE ARE PLENTY OF "REAL THINGS" -- REAL PROBLEMS -- CONFRONTING THE NEW ADMINISTRATION AT HOME AND ABROAD. IT IS TIME NOW FOR PRESIDENT CARTER TO EASE BACK ON THE P.R. THROTTLE AND GET ON WITH THEM.

#####