REMARKS OF SENATOR BOB DOLE

CHESHIRE WOMEN'S GOP CLUB

Keene, New Hampshire

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Let me begin by telling you how honored I am by your invitation. To speak before you on this birthday of special significance to all Republicans is both privilege and pleasure. As you know, these days, Democrats are doing their best to sound like Republicans. They're making noises like born-again tax cutters, and hoping that the rest of us won't ask any questions about how we got into the current economic mess. They've even tried to appropriate Lincoln. For instance, President Carter is stressing his similarities with the Great Emancipator. Like Lincoln, he agrees that you won't fool all of the people all of the time.

He'll settle for a simple majority.

And the President's been having his problems with Washington women, as you may have noted in the papers. Around town, it's said he fires more women than he does enthusiasm. And then there's Ted Kennedy. He thinks Carter sounds like a Republican. Well, if Jimmy Carter's a Republican, then the Statue of Liberty sits in the middle of Lake Winapausaukee.

So, I hope you'll allow me a bit of political heresy this afternoon, if I take for my theme a quote from someone other than Lincoln. In this season of sharp nights and blustery days, when the promise of maple syrup time lies dormant yet certain, I'm reminded of the words of this state's great poet laureate, Robert Frost.

It was Frost who wrote of the agony of choice, in words that apply to nations as well as individuals . . .

"Two roads diverged in a yellow wood/And sorry I could not travel both/ And be one traveler, long I stood/And looked down one as far as I could/ To where it bent in the undergrowth."

America stands at such a crossroads in 1979. More than at any time in recent memory, we stand poised at the brink of major decisions about what kind of country we want to be, what kind of economy we wish to live in, what kind of leadership we wish to bring to the cause of freedom at home and abroad.

President Carter would like to blur the stark realities of choice. He would like to be all things to all Americans.

And some pundits think he may succeed in office if only he manages to convince enough Americans that the liberal Democrat they elected in 1976, the man who assailed President Ford's economic policies as unduly harsh, the social experimenter who promised national health insurance and a complete overhaul of the welfare scandal, the efficiency expert who guaranteed a balanced budget by 1980--that this political chameleon has changed his stripes and--PRESTO--is a champion of Republican doctrine.

JIMMY CARTER AND THE OLD POLITICS

Half a century has passed since the Great Depression ushered in the age of big government in America. Yet today, millions of people are questioning not only the size of government, but the effectiveness of its good intentions and the long-range trend it promotes towards a rigidly controlled economy. They wonder if we are not placing that economy in a regulatory straight jacket, thereby depriving free enterprise of billions of dollars in capital along with the incentive to invest that capital in job-producing ways. -2-

And Jimmy Carter has a problem. It's not Bella Abzug and it's not Brother Billy. It even goes beyond Ted Kennedy and whatever Jerry Brown is advocating these days. Jimmy Carter's party is falling apart. Its left wing refuses to accept any deviation from historic Democratic efforts to redistribute America's wealth. They are content to go on promising benefits from a seemingly inexhaustible well, without asking for the exertion we believe forms the foundation of economic and political freedom.

So Jimmy Carter has to paper over the divisions in his party, and paper them over fast. That's why he stands before the American people and pats himself on the back for turning in a budget \$29 billion in the red. That's why he calls his current budget "lean and austere", proving once again that official Washington speaks a different brand of English from you and I.

That's why the President is content to bury his head in the sand, overlooking the turmoil in Iran, the ongoing penetration of Soviet and Cuban influence throughout Africa and the Persian Gulf. That's why he proclaims Chinese recognition a sort of diplomatic millenium, ignoring any moral obligations we might attach to a good and valued ally on Taiwan.

A SHAKY NEW FOUNDATION

The President seeks to placate his Democratic critics by promising a little more New Deal. He speaks of economy. But he practices spendthrift tactics. He proclaims a New Foundation, without realizing that his economic and foreign policies are making the whole house fall down.

This is no mere intraparty dogfight. We are witnessing an entire economic philosophy coming apart at the seams. We are seeing firsthand what happens to a political organization grown flabby and intellectually barren. Mesmerized by the traditional Democratic view of government as a moral force unto itself, this President does not seem to understand that government derives its authority, moral and political, from the American people. Insofar as government represses their natural creativity, or their genius for solution through private enterprise, then that government forsakes its claim to moral force or political leadership.

But criticism comes cheap. These days of double digit inflation, it may be the only thing that does. It is not enough for we Republicans to denounce government as too big, too remote. We must also reject it as too unfeeling, too paternalistic. And the women of our party have a special responsibility in promoting a politics of compassion, and the vision of equal justice that has motivated our existence since Lincoln's day.

What is unjust about "liberal" government? Plenty.

Under the guise of social concern, modern government attaches millions of people in lifelong dependency. It cares little for opening up the economy to the entrepreneurial spirit-that would create jobs and free people from its grip. Instead, it operates upon the conviction that 20th century man requires direction from above.

THE REPUBLICAN ALTERNATIVE

That's not my vision of America. I don't think it's yours either.

Our America does not promise to redistribute all wealth equally, but promises each man and woman an equal chance to earn wealth. Our America believes that jobs are better than paternalistic handouts and that lasting jobs are created by private, not public means.

Our America believes in economic expansion instead of regulatory retreat. Our America would keep its word to our friends abroad as well as our citizens at home.

And we are not alone. There's something happening in this country today. You can see it in the White Mountains as well as the Rockies. You can sense it among millworkers in Manchester and Minneapolis. They want, not a New Foundation, but an old faith. They want to respect their government, not just for its honesty but for its competence. And they want their government to respect their individual aspirations for success. They want the independence that enables a family to feed and clothe itself, to live in a house of their own choosing, to send their children to a school of their choice.

Americans want to believe in America. But it's not the America of dollar diplomacy and empty rhetoric about human rights. It's not the America willing to tolerate 9, 10, 11 percent inflation because the left wing of the Democratic party prefers to spend its way to instant Utopia.

The Taxpayers' Revolt is far more than that. People want more than their taxes cut. They want their government reformed. And that's the message we Republicans cannot allow to slip between our fingers.

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People will vote for hope. We must give it to them. We must convince them that Republicans care more for people than profits. We advocate, not personal greed, but personal growth. We do not believe in individual selfishness, but in individual self-realization.

We believe that dollars and human dignity are inescapably entwined, and we propose to give people both. We stand for the ultimate civil right--a job in a healthy economy, where trips to the supermarket are not objects of dread, and families are not threatened by the splintering effects of unstoppable inflation.

How can we give life to our beliefs? Let me suggest a few positive alternatives to the present chaos we call a government.

ENDING REGULATORY DICTATORSHIP

The federal government has long since passed the stage of impartial referee between business and consumer. In fact, modern government has come to promote a society of We versus They, of rich against poor, of city dweller versus rual resident. Today, over 80 regulatory agencies and more than 100,000 federal workers have as their sole function telling other Americans what government has said they cannot do. The Office of Management and Budget has estimated the cost of such regulation as high as \$130 billion--roughly equal to \$2,000 for every American family, or enough to provide every American with a year's supply of free enterprise.

Why is this so detrimental? What effect does it have on your daily life? Well, to begin with, you wind up paying the bill for the regulatory jungle. But there's a hidden price as well. Because that \$130 billion is withheld from investment, and because inflation undermines the plans of private industry to modernize its plant and equipment, the rate of productivity in this country has slowed to a halt. That, in turn, stimulates further inflation.

I believe we can find more productive and more imaginative ways of policing free enterprise. Why can't we try incentives, such as tax relief for socially responsible companies, in lieu of the current top-heavy and all too often counterproductive regulatory machinery?

And it's not just business that suffers from federal gobbledygook. It's the average American, you and I, who find ourselves turned off by such bizarre doubletalk as the Occupational Safety and Health Administration's definition of the word "exit". I quote: "That portion of a means of egress which is separated from all other spaces of the building or structure by construction or equipment as required in this sub-part to provide a protected way of travel to the exit discharge."

If that makes sense to you, you're probably a Jerry Brown Democrat. Either that, or you've bought a used car from Hugh Gallen.

A NEW HOOVER COMMISSION

It's to get rid of this kind of bureaucratic travesty, that I've suggested a new Hoover Commission, patterned on the two created after World War II, which together saved American taxpayers between \$8 and \$12 billion in needless bureaucracy.

I'm advocating a new Hoover Commission empowered to investigate and recommend changes in the bewildering array of boards, commissions, committees, blue ribbon panels and just plain boondoggles that currently pass for a regulatory system in America. And to head such a commission, I have proposed the one man who carries the unique prestige and influence accorded President Hoover in 1947. I was honored to run with Gerald Ford in 1976, and I can tell you from intimate knowledge that no one would make a finer leader for this new crusade against the bureaucratic crusaders.

A Ford Commission could save us billions of dollars. Even more important, it could set the stage for a whole new approach to the way we treat the private sector.

A BALANCED BUDGET AND THE CONSTITUTION

Another idea which I've laid before the Congress would amend the Constitution to place definite limits, both on federal revenues and federal spending.

Fifty years ago, government spending at all levels amounted to 11 percent of the Gross National Product. Today it stands at 38 percent. In less than twenty years the federal budget has grown sixfold. In a few years the national debt will approach a trillion dollars--a figure so fantastic as to defy immediate comprehension.

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And here's where we Republicans have gotten hung up in the past. We've been so concerned with the arithmetic of federal irresponsibility, that we haven't always conveyed a grasp of the personal consequences. We've stressed competence over compassion, instead of urging both simultaneously.

We haven't always explained the linkage between a balanced budget and a strong economy, between responsible government and jobs for all our people. At times, we've allowed ourselves to be portrayed as citizens of the Country Club instead of the whole community.

But, in our effort to mandate a balanced budget, to responsibly reduce federal spending to 18 percent of the GNP--in that we have nothing to apologize for. My amendment would allow for flexibility--for an unbalanced budget, if necessary, in two out of every five years. It would permit spending to rise above this 18 percent limit if 2/3 of the Congress were willing to vote for such a rise. Needless to say, in times of national emergency, whether military or economic, the federal budget would not be trapped by unrealistic demands. That would be a repetition of the very regulatory injustice against which we campaign.

The amendment I have proposed is a workable one. It would accomplish a critical task-namely setting forth, once and for all, that it is the policy of the American government not to burden generations yet unborn with a heavy load of debt service, nor weaken the domestic economy by drawing off capital and undermining the dollar at home and abroad.

We Republicans must make this issue our own. If there are problems with a Constitutional Convention, let's solve them. But, whatever we do, let's not be afraid to propose a new or unusual solution to an old and deadly problem.

REPUBLICAN REFORMS

Other steps can be taken immediately. I've introduced legislation to index tax rates, tying income taxes not to artificially inflated dollars, but to the Consumer Price Index. This way, government won't be tempted to inflate the dollar in hopes of granting phantom "tax cuts" such as last fall's.

I'm also arguing for a rollback of the latest increase in Social Security taxes, and for cuts in both personal and business taxes in hopes of stimulating private investment in the economy.

THE ROAD TO TOMORROW

These ideas may not be the ultimate solutions. I welcome your comments and your criticisms. But I will not yield in my conviction that we Republicans must earn the confidence of the American people. We must be leaders, not followers or reactors. We have the ideas. We have the expertise.

Now we must persuade our neighbors that our vision of a strong, economically vigorous America coincides with their own.

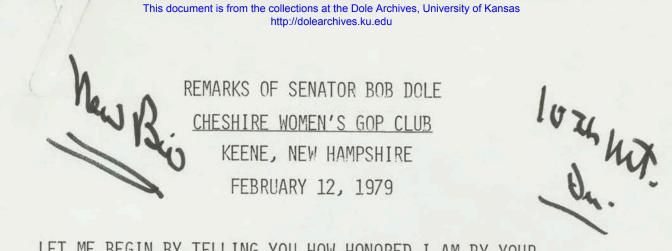
At the end of his poem about choice and change, Robert Frost spelled out the importance of choosing the right road . . .

"Two roads diverged in a wood, and I-/I took the one less traveled by,/ And that has made all the difference."

Such a choice is before us. As a party, we have an opportunity to persuade the American people that we are capable of carrying out their desire for less government and more economic freedom. We can replace government by charge card, and an administration that seems uncertain of itself at home, and undependable abroad. Like Robert Frost's traveler, America is pondering which road to take.

It is our job, yours and mine, to guide the nation we love down the right road, the path that leads to peace and what Lincoln called "a new birth of freedom". It is no small responsibility. But we cannot look the other way. The choice is yours. What will it be?

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LET ME BEGIN BY TELLING YOU HOW HONORED I AM BY YOUR INVITATION. TO SPEAK BEFORE YOU ON THIS BIRTHDAY OF SPECIAL SIGNIFICANCE TO ALL REPUBLICANS IS BOTH PRIVILEGE AND PLEASURE. AS YOU KNOW, THESE DAYS, DEMOCRATS ARE DOING THEIR BEST TO SOUND LIKE REPUBLICANS. THEY'RE MAKING NOISES LIKE BORN-AGAIN TAX CUTTERS, AND HOPING THAT THE REST OF US WON'T ASK ANY QUESTIONS ABOUT HOW WE GOT INTO THE CURRENT ECONOMIC MESS. THEY'VE EVEN TRIED TO APPROPRIATE LINCOLN. FOR INSTANCE, PRESIDENT CARTER IS STRESSING HIS SIMILARITIES WITH THE GREAT EMANCIPATOR. LIKE LINCOLN, HE AGREES THAT YOU WON'T FOOL ALL OF THE PEOPLE ALL OF THE TIME.

HE'LL SETTLE FOR A SIMPLE MAJORITY.

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AND THE PRESIDENT'S BEEN HAVING HIS PROBLEMS WITH WASHINGTON WOMEN, AS YOU MAY HAVE NOTED IN THE PAPERS. AROUND TOWN, IT'S SAID HE FIRES MORE WOMEN THAN HE DOES ENTHUSIASM. AND THEN THERE'S TED KENNEDY. HE THINKS CARTER SOUNDS LIKE A REPUBLICAN. WELL, IF JIMMY CARTER'S A REPUBLICAN, THEN THE STATUE OF LIBERTY SITS IN THE MIDDLE OF LAKE WINAPAUSAUKEE.

SO, I HOPE YOU'LL ALLOW ME A BIT OF POLITICAL HERESY THIS AFTER ON, IF I TAKE FOR MY THEME A QUOTE FROM SOMEONE OTHER THAN LINCOLN. IN THIS SEASON OF SHARP NIGHTS AND BLUSTERY DAYS, WHEN THE PROMISE OF MAPLE SYRUP TIME LIES DORMANT YET CERTAIN, I'M REMINDED OF THE WORDS OF THIS STATE'S GREAT POET LAUREATE, ROBERT FROST.

IT WAS FROST WHO WROTE OF THE AGONY OF CHOICE, IN WORDS THAT APPLY TO NATIONS AS WELL AS INDIVIDUALS... -3-

"TWO ROADS DIVERGED IN A YELLOW WOOD AND SORRY I COULD NOT TRAVEL BOTH AND BE ONE TRAVELER, LONG I STOOD AND LOOKED DOWN ONE AS FAR AS I COULD TO WHERE IT BENT IN THE UNDERGROWTH."

AMERICA STANDS AT SUCH A CROSSROADS IN 1979. MORE THAN AT ANY TIME IN RECENT MEMORY, WE STAND POISED AT THE BRINK OF MAJOR DECISIONS ABOUT WHAT KIND OF COUNTRY WE WANT TO BE, WHAT KIND OF ECONOMY WE WISH TO LIVE IN, WHAT KIND OF LEADERSHIP WE WISH TO BRING TO THE CAUSE OF FREEDOM AT HOME AND ABROAD.

PRESIDENT CARTER WOULD LIKE TO BLUR THE STARK REALITIES OF CHOICE. HE WOULD LIKE TO BE ALL THINGS TO ALL AMERICANS.

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AND SOME PUNDITS THINK HE MAY SUCCEED IN OFFICE IF ONLY HE MANAGES TO CONVINCE ENOUGH AMERICANS THAT THE LIBERAL DEMOCRAT THEY ELECTED IN 1976, THE MAN WHO ASSAILED PRESIDENT FORD'S ECONOMIC POLICIES AS UNDULY HARSH, THE SOCIAL EXPERIMENTER WHO PROMISED NATIONAL HEALTH INSURANCE AND A COMPLETE OVERHAUL OF THE WELFARE SCANDAL, THE EFFICIENCY EXPERT WHO GUARANTEED A BALANCED BUDGET BY 1980--THAT THIS POLITICAL CHAMELEON HAS CHANGED HIS STRIPES AND--PRESTO--IS A CHAMPION OF REPUBLICAN DOCTRINE.

JIMMY CARTER AND THE OLD POLITICS

HALF A CENTURY HAS PASSED SINCE THE GREAT DEPRESSION USHERED IN THE AGE OF BIG GOVEPNMENT IN AMERICA. YET TODAY, MILLIONS OF PEOPLE ARE QUESTIONING NOT ONLY THE SIZE OF GOVERNMENT, BUT THE EFFECTIVENESS OF ITS GOOD INTENTIONS AND THE LONGRANGE TREND IT PROMOTES TOWARDS A RIGIDLY CONTROLLED ECONOMY. THEY WONDER IF WE ARE NOT PLACING THAT ECONOMY IN A REGULATORY STRAIGHT JACKET, THEREBY DEPRIVING FREE ENTERPRISE OF BILLIONS OF DOLLARS IN CAPITAL ALONG WITH THE INCENTIVE TO INVEST THAT CAPITAL IN JOB-PRODUCING WAYS. -5-

AND JIMMY CARTER HAS A PROBLEM. IT'S NOT BELLA ABZUG AND IT'S NOT BROTHER BILLY. IT EVEN GOES BEYOND TED KENNEDY AND WHATEVER JERRY BROWN IS ADVOCATING THESE DAYS. JIMMY CARTER'S PARTY IS FALLING APART. ITS LEFT WING REFUSES TO ACCEPT ANY DEVIATION FROM HISTORIC DEMOCRATIC EFFORTS TO REDISTRIBUTE AMERICA'S WEALTH. THEY ARE CONTENT TO GO ON PROMISING BENEFITS FROM A SEEMINGLY INEXHAUSTIBLE WELL, WITHOUT ASKING FOR THE EXERTION WE BELIEVE FORMS THE FOUNDATION OF ECONOMIC AND POLITICAL FREEDOM.

SO JIMMY CARTER HAS TO PAPER OVER THE DIVISIONS IN HIS PARTY, AND PAPER THEM OVER FAST. THAT'S WHY HE STANDS BEFORE THE AMERICAN PEOPLE AND PATS HIMSELF ON THE BACK FOR TURNING IN A BUDGET \$29 BILLION IN THE RED. THAT'S WHY HE CALLS HIS CURRENT BUDGET "LEAN AND AUSTERE", PROVING ONCE AGAIN THAT OFFICIAL WASHINGTON SPEAKS A DIFFERENT BRAND OF ENGLISH FROM YOU AND I. -6-

THAT'S WHY THE PRESIDENT IS CONTENT TO BURY HIS HEAD IN THE SAND, OVERLOOKING THE TURMOIL IN IRAN, THE ONGOING PENETRATION OF SOVIET AND CUBAN INFLUENCE THROUGHOUT AFRICA AND THE PERSIAN GULF. THAT'S WHY HE PROCLAIMS CHINESE RECOGNITION A SORT OF DIPLOMATIC MILLENIUM, IGNORING ANY MORAL OBLIGATIONS WE MIGHT ATTACH TO A GOOD AND VALUED ALLY ON TAIWAN.

A SHAKY NEW FOUNDATION

THE PRESIDENT SEEKS TO PLACATE HIS DEMOCRATIC CRITICS BY PROMISING A LITTLE MORE NEW DEAL. HE SPEAKS OF ECONOMY. BUT HE PRACTICES SPENDTHRIFT TACTICS. HE PROCLAIMS A NEW FOUNDATION, WITHOUT REALIZING THAT HIS ECONOMIC AND FOREIGN POLICIES ARE MAKING THE WHOLE HOUSE FALL DOWN. -7-

THIS IS NO MERE INTRAPARTY DOGFIGHT. WE ARE WITNESSING AN ENTIRE ECONOMIC PHILOSOPHY COMING APART AT THE SEAMS. WE ARE SEEING FIRSTHAND WHAT HAPPENS TO A POLITICAL ORGANIZATION GROWN FLABBY AND INTELLECTUALLY BARREN. MESMERIZED BY THE TRADITIONAL DEMOCRATIC VIEW OF GOVERNMENT AS A MORAL FORCE UNTO ITSELF, THIS PRESIDENT DOES NOT SEEM TO UNDERSTAND THAT GOVERNMENT DERIVES ITS AUTHORITY, MORAL AND POLITICAL, FROM THE AMERICAN PEOPLE. INSOFAR AS GOVERNMENT REPRESSES THEIR NATURAL CREATIVITY, OR THEIR GENIUS FOR SOLUTION THROUGH PRIVATE ENTERPRISE, THEN THAT GOVERNMENT FORSAKES ITS CLAIM TO MORAL FORCE OR POLITICAL LEADERSHIP.

BUT CRITICISM COMES CHEAP. THESE DAYS OF DOUBLE DIGIT INFLATION, IT MAY BE THE ONLY THING THAT DOES. IT IS NOT ENOUGH FOR WE REPUBLICANS TO DENOUNCE GOVERNMENT AS TOO BIG, TOO REMOTE. WE MUST ALSO REJECT IT AS TOO UNFEELING, TOO PATERNALISTIC. AND THE WOMEN OF OUR PARTY HAVE A SPECIAL RESPONSIBILITY IN PROMOTING A POLITICS OF COMPASSION, AND THE VISION OF EQUAL JUSTICE THAT HAS MOTIVATED OUR EXISTENCE SINCE LINCOLN'S DAY. -8-

WHAT IS UNJUST ABOUT "LIBERAL" GOVERNMENT? PLENTY.

UNDER THE GUISE OF SOCIAL CONCERN, MODERN GOVERNMENT ATTACHES MILLIONS OF PEOPLE IN LIFELONG DEPENDENCY. IT CARES LITTLE FOR OPENING UP THE ECONOMY TO THE ENTREPRENEURIAL SPIRIT--THAT WOULD CREATE JOBS AND FREE PEOPLE FROM ITS GRIP. INSTEAD, IT OPERATES UPON THE CONVICTION THAT 20TH CENTURY MAN REQUIRES DIRECTION FROM ABOVE.

THE REPUBLICAN ALTERNATIVE

THAT'S NOT MY VISION OF AMERICA. I DON'T THINK IT'S YOURS EITHER.

OUR AMERICA DOES NOT PROMISE TO REDISTRIBUTE ALL WEALTH EQUALLY, BUT PROMISES EACH MAN AND WOMAN AN EQUAL CHANCE TO EARN WEALTH. OUR AMERICA BELIEVES THAT JOBS ARE BETTER THAN PATERNALISTIC HANDOUTS AND THAT LASTING JOBS ARE CREATED BY PRIVATE, NOT PUBLIC MEANS. -9-

OUR AMERICA BELIEVES IN ECONOMIC EXPANSION INSTEAD OF REGULATORY RETREAT. OUR AMERICA WOULD KEEP ITS WORD TO OUR FRIENDS ABROAD AS WELL AS OUR CITIZENS AT HOME.

AND WE ARE NOT ALONE. THERE'S SOMETHING HAPPENING IN THIS COUNTRY TODAY. YOU CAN SEE IT IN THE WHITE MOUNTAINS AS WELL AS THE ROCKIES. YOU CAN SENSE IT AMONG MILLWORKERS IN MANCHESTER AND MINNEAPOLIS. THEY WANT, NOT A NEW FOUNDATION, BUT AN OLD FAITH. THEY WANT TO RESPECT THEIR GOVERNMENT, NOT JUST FOR ITS HONESTY BUT FOR ITS COMPETENCE. AND THEY WANT THEIR GOVERNMENT TO RESPECT THEIR INDIVIDUAL ASPIRATIONS FOR SUCCESS. THEY WANT THE INDEPENDENCE THAT ENABLES A FAMILY TO FEED AND CLOTHE ITSELF, TO LIVE IN A HOUSE OF THEIR OWN CHOOSING, TO SEND THEIR CHILDREN TO A SCHOOL OF THEIR CHOICE. AMERICANS WANT TO BELIEVE IN AMERICA. BUT IT'S NOT THE AMERICA OF DOLLAR DIPLOMACY AND EMPTY RHETORIC ABOUT HUMAN RIGHTS. IT'S NOT THE AMERICA WILLING TO TOLERATE 9,10,11 PERCENT INFLATION BECAUSE THE LEFTWING OF THE DEMOCRATIC PARTY PREFERS TO SPEND ITS WAY TO INSTANT UTOPIA.

THE TAXPAYERS' REVOLT IS FAR MORE THAN THAT. PEOPLE WANT MORE THAN THEIR TAXES CUT. THEY WANT THEIR GOVERNMENT REFORMED. AND THAT'S THE MESSAGE WE REPUBLICANS CANNOT ALLOW TO SLIP BETWEEN OUR FINGERS.

PEOPLE WILL VOTE FOR HOPE. WE MUST GIVE IT TO THEM. WE MUST CONVINCE THEM THAT REPUBLICANS CARE MORE FOR PEOPLE THAN PROFITS. WE ADVOCATE, NOT PERSONAL GREED, BUT PERSONAL GROWTH. WE DO NOT BELIEVE IN INDIVIDUAL SELFISHNESS, BUT IN INDIVIDUAL SELF-REALIZATION. -11-

WE BELIEVE THAT DOLLARS AND HUMAN DIGNITY ARE INESCAPABLY ENTWINED, AND WE PROPOSE TO GIVE PEOPLE BOTH. WE STAND FOR THE ULTIMATE CIVIL RIGHT--A JOB IN A HEALTHY ECONOMY, WHERE TRIPS TO THE SUPERMARKET ARE NOT OBJECTS OF DREAD, AND FAMILIES ARE NOT THREATENED BY THE SPLINTERING EFFECTS OF UNSTOPPABLE INFLATION.

HOW CAN WE GIVE LIFE TO OUR BELIEFS? LET ME SUGGEST A FEW POSITIVE ALTERNATIVES TO THE PRESENT CHAOS WE CALL A GOVERNMENT.

ENDING REGULATORY DICTATORSHIP

THE FEDERAL GOVERNMENT HAS LONG SINCE PASSED THE STAGE OF IMPARTIAL REFEREE BETWEEN BUSINESS AND CONSUMER. IN FACT, MODERN GOVERNMENT HAS COME TO PROMOTE A SOCIETY OF WE VERSUS THEY, OF RICH AGAINST POOR, OF CITY DWELLER VERSUS RURAL RESIDENT. TODAY, OVER 80 REGULATORY AGENCIES AND MORE THAN 100,000 FEDERAL WORKERS HAVE AS THEIR SOLE FUNCTION TELLING OTHER AMERICANS WHAT GOVERNMENT HAS SAID THEY CANNOT DO. THE OFFICE OF MANAGEMENT AND BUDGET HAS ESTIMATED THE COST OF SUCH REGULATION AS HIGH AS \$130 BILLION--ROUGHLY EQUAL TO \$2,000 FOR EVERY AMERICAN FAMILY, OR ENOUGH TO PROVIDE EVERY AMERICAN WITH A YEAR'S SUPPLY OF FREE ENTERPRISE. -12-

WHY IS THIS SO DETRIMENTAL? WHAT EFFECT DOES IT HAVE ON YOUR DAILY LIFE? WELL, TO BEGIN WITH, YOU WIND UP PAYING THE BILL FOR THE REGULATORY JUNGLE. BUT THERE'S A HIDDEN PRICE AS WELL. BECAUSE THAT \$130 BILLION IS WITHHELD FROM INVESTMENT, AND BECAUSE INFLATION UNDERMINES THE PLANS OF PRIVATE INDUSTRY TO MODERNIZE ITS PLANT AND EQUIPMENT, THE RATE OF PRODUCTIVITY IN THIS COUNTRY HAS SLOWED TO A HALT. THAT, IN TURN, STIMULATES FURTHER INFLATION.

I BELIEVE WE CAN FIND MORE PRODUCTIVE AND MORE IMAGINATIVE WAYS OF POLICING FREE ENTERPRISE. WHY CAN'T WE TRY INCENTIVES, SUCH AS TAX RELIEF FOR SOCIALLY RESPONSIBLE COMPANIES, IN LIEU OF THE CURRENT TOP-HEAVY AND ALL TOO OFTEN COUNTERPRODUCTIVE REGULATORY MACHINERY?

AND IT'S NOT JUST BUSINESS THAT SUFFERS FROM FEDERAL GOBBLEDYGOOK. IT'S THE AVERAGE AMERICAN, YOU AND I, WHO FIND OURSELVES TURNED OFF BY SUCH BIZARRE DOUBLETALK AS THE OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION'S DEFINITION OF THE WORD "EXIT". I QUOTE: "THAT PORTION OF A MEANS OF EGRESS WHICH IS SEPARATED FROM ALL OTHER SPACES OF THE BUILDING OR STRUCTURE BY CONSTRUCTION OR EQUIPMENT AS REQUIRED IN THIS SUB-PART TO PROVIDE A PROTECTED WAY OF TRAVEL TO THE EXIT DISCHARGE." -13-

IF THAT MAKES SENSE TO YOU, YOU'RE PROBABLY A JERRY BROWN DEMOCRAT. EITHER THAT, OR YOU'VE BOUGHT A USED CAR FROM HUGH GALLEN.

A NEW HOOVER COMMISSION

IT'S TO GET RID OF THIS KIND OF BUREAUCRATIC TRAVESTY, THAT I'VE SUGGESTED A NEW HOOVER COMMISSION, PATTERNED ON THE TWO CREATED AFTER WORLD WAR II, WHICH TOGETHER SAVED AMERICAN TAXPAYERS BETWEEN \$8 AND \$12 BILLION IN NEEDLESS BUREAUCRACY.

I'M ADVOCATING A NEW HOOVER COMMISSION EMPOWERED TO INVESTIGATE AND RECOMMEND CHANGES IN THE BEWILDERING ARRAY OF BOARDS, COMMISSIONS, COMMITTEES, BLUE RIBBON PANELS AND JUST PLAIN BOONDOGGLES THAT CURRENTLY PASS FOR A REGULATORY SYSTEM IN AMERICA. AND TO HEAD SUCH A COMMISSION, I HAVE PROPOSED THE ONE MAN WHO CARRIES THE UNIQUE PRESTIGE AND INFLUENCE ACCORDED PRESIDENT HOOVER IN 1947. I WAS HONORED TO RUN WITH GERALD FORD IN 1976, AND I CAN TELL YOU FROM INTIMATE KNOWLEDGE THAT NO ONE WOULD MAKE A FINER LEADER FOR THIS NEW CRUSADE AGAINST THE BUREAUCRATIC CRUSADERS. -14-

A FORD COMMISSION COULD SAVE US BILLIONS OF DOLLARS. EVEN MORE IMPORTANT, IT COULD SET THE STAGE FOR A WHOLE NEW APPROACH TO THE WAY WE TREAT THE PRIVATE SECTOR.

A BALANCED BUDGET AND THE CONSTITUTION

ANOTHER IDEA WHICH I'VE LAID BEFORE THE CONGRESS WOULD AMEND THE CONSTITUTION TO PLACE DEFINITE LIMITS, BOTH ON FEDERAL REVENUES AND FEDERAL SPENDING.

FIFTY YEARS AGO, GOVERNMENT SPENDING AT ALL LEVELS AMOUNTED TO 11 PERCENT OF THE GROSS NATIONAL PRODUCT. TODAY IT STANDS AT 38 PERCENT. IN LESS THAN TWENTY YEARS THE FEDERAL BUDGET HAS GROWN SIXFOLD. IN A FEW YEARS THE NATIONAL DEBT WILL APPROACH A TRILLION DOLLARS--A FIGURE SO FANTASTIC AS TO DEFY IMMEDIATE COMPREHENSION. -15-

AND HERE'S WHERE WE REPUBLICANS HAVE GOTTEN HUNG UP IN THE PAST. WE'VE BEEN SO CONCERNED WITH THE ARITHMETIC OF FEDERAL IRRESPONSIBILITY, THAT WE HAVEN'T ALWAYS CONVEYED A GRASP OF THE PERSONAL CONSEQUENCES. WE'VE STRESSED COMPETENCE OVER COMPASSION, INSTEAD OF URGING BOTH SIMULTANEOUSLY.

WE HAVEN'T ALWAYS EXPLAINED THE LINKAGE BETWEEN A BALANCED BUDGET AND A STRONG ECONOMY, BETWEEN RESPONSIBLE GOVERNMENT AND JOBS FOR ALL OUR PEOPLE. AT TIMES, WE'VE ALLOWED OURSELVES TO BE PORTRAYED AS CITIZENS OF THE COUNTRY CLUB INSTEAD OF THE WHOLE COMMUNITY.

BUT, IN OUR EFFORT TO MANDATE A BALANCED BUDGET, TO RESPONSIBLY REDUCE FEDERAL SPENDING TO 18 PERCENT OF THE GNP--IN THAT WE HAVE NOTHING TO APOLOGIZE FOR. MY AMENDMENT WOULD ALLOW FOR FLEXIBILITY--FOR AN UNBALANCED BUDGET, IF NECESSARY, IN TWO OUT OF EVERY FIVE YEARS. IT WOULD PERMIT SPENDING TO RISE ABOVE THIS 18 PERCENT LIMIT IF 2/3 OF THE CONGRESS WERE WILLING TO VOTE FOR SUCH A RISE. NEEDLESS TO SAY, IN TIMES OF NATIONAL EMERGENCY, WHETHER MILITARY OR ECONOMIC, THE FEDERAL BUDGET WOULD NOT BE TRAPPED BY UNREALISTIC DEMANDS. THAT WOULD BE A REPETITION OF THE VERY REGULATORY INJUSTICE AGAINST WHICH WE CAMPAIGN. -16-

THE AMENDMENT I HAVE PROPOSED IS A WORKABLE ONE. IT WOULD ACCOMPLISH A CRITICAL TASK--NAMELY SETTING FORTH, ONCE AND FOR ALL, THAT IT IS THE POLICY OF THE AMERICAN GOVERNMENT NOT TO BURDEN GENERATIONS YET UNBORN WITH A HEAVY LOAD OF DEBT SERVICE, NOR WEAKEN THE DOMESTIC ECONOMY BY DRAWING OFF CAPITAL AND UNDERMINING THE DOLLAR AT HOME AND ABROAD.

WE REPUBLICANS MUST MAKE THIS ISSUE OUR OWN. IF THERE ARE PROBLEMS WITH A CONSTITUTIONAL CONVENTION, LET'S SOLVE THEM. BUT, WHATEVER WE DO, LET'S NOT BE AFRAID TO PROPOSE A NEW OR UNUSUAL SOLUTION TO AN OLD AND DEADLY PROBLEM.

REPUBLICAN REFORMS

OTHER STEPS CAN BE TAKEN IMMEDIATELY. I'VE INTRODUCED LEGISLATION TO INDEX TAX RATES, TYING INCOME TAXES NOT TO ARTIFICIALLY INFLATED DOLLARS, BUT TO THE CONSUMER PRICE INDEX. THIS WAY, GOVERNMENT WON'T BE TEMPTED TO INFLATE THE DOLLAR IN HOPES OF GRANTING PHANTOM "TAX CUTS" SUCH AS LAST FALL'S. -17-

I'M ALSO ARGUING FOR A ROLLBACK OF THE LATEST INCREASE IN SOCIAL SECURITY TAXES, AND FOR CUTS IN BOTH PERSONAL AND BUSINESS TAXES IN HOPES OF STIMULATING PRIVATE INVESTMENT IN THE ECONOMY.

THE ROAD TO TOMORROW

THESE IDEAS MAY NOT BE THE ULTIMATE SOLUTIONS. I WELCOME YOUR COMMENTS AND YOUR CRITICISMS. BUT I WILL NOT YIELD IN MY CONVICTION THAT WE REPUBLICANS MUST EARN THE CONFIDENCE OF THE AMERICAN PEOPLE. WE MUST BE LEADERS, NOT FOLLOWERS OR REACTORS. WE HAVE THE IDEAS. WE HAVE THE EXPERTISE.

NOW WE MUST PERSUADE OUR NEIGHBORS THAT OUR VISION OF A STRONG, ECONOMICALLY VIGOROUS AMERICA COINCIDES WITH THEIR OWN.

AT THE END OF HIS POEM ABOUT CHOICE AND CHANGE, ROBERT FROST SPELLED OUT THE IMPORTANCE OF CHOOSING THE RIGHT ROAD... -18-

"TWO ROADS DIVERGED IN A WOOD, AND I-I TOOK THE ONE LESS TRAVELED BY, AND THAT HAS MADE ALL THE DIFFERENCE".

SUCH A CHOICE IS BEFORE US. AS A PARTY, WE HAVE AN OPPORTUNITY TO PERSUADE THE AMERICAN PEOPLE THAT WE ARE CAPABLE OF CARRYING OUT THEIR DESIRE FOR LESS GOVERNMENT AND MORE ECONOMIC FREEDOM. WE CAN REPLACE GOVERNMENT BY CHARGE CARD, AND AN ADMINISTRATION THAT SEEMS UNCERTAIN OF ITSELF AT HOME, AND UNDEPENDABLE ABROAD. LIKE ROBERT FROST'S TRAVELER, AMERICA IS PONDERING WHICH ROAD TO TAKE.

IT IS OUR JOB, YOURS AND MINE, TO GUIDE THE NATION WE LOVE DOWN THE RIGHT ROAD, THE PATH THAT LEADS TO PEACE AND WHAT LINCOLN CALLED "A NEW BIRTH OF FREEDOM". IT IS NO SMALL RESPONSIBILITY. BUT WE CANNOT LOOK THE OTHER WAY. THE CHOICE IS YOURS. WHAT WILL IT BE?