REMARKS OF SENATOR BOB DOLE

LINCOLN DAY DINNER

Cabell County, Huntington, West Virginia

February 23, 1979

Let me begin by telling you how honored I am by your invitation. To share this occasion of such special significance to the Republicans of West Virginia is both privilege and pleasure. These are curious days in Washington, D.C., a city devoted to the curious. Our Democratic friends are bending over backwards to sound like Republicans, even appropriating Lincoln as a closet disciple of expensive government while making themselves sound like born-again tax cutters.

Take President Carter for instance . . . Like Lincoln, he agrees that you can't fool all of the people all of the time. He'll settle for a simple majority. With this in mind, the President's been doing his best to be all things to all people. Sometimes he is the liberal Democrat who campaigned in 1976 as an opponent of President Ford's economic policies, or the social experimenter who promised national health insurance and a complete overhaul of the welfare system, or the efficiency expert who guaranteed a balanced budget by 1980.

Never mind that none of these pledges has borne fruit--when Mr. Carter breaks a promise, he's willing to replace it with two new ones.

Because Jimmy Carter has a problem. You see, his party is falling apart. Ever since the Great Depression, its left wing has refused to accept any deviation from a platform of redistribution of wealth. Even today, in the face of growing outrage from the nation's taxpayers, these visionaries turned mossbacks 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.

The President knows this. He knows he must paper over the cracks that are rapidly undermining his house of cards. That's why he points with pride to a \$29 billion deficit. That's why he buries his head in the sand of foreign policy, overlooking the turmoil in Iran, the ongoing penetration of Africa and the Persian Gulf by Soviet and Cuban forces. That's why he proclaims recognition of the People's Republic of China to be the political millenium, ignoring any moral obligations we might attach to a good and valued ally on Taiwan. Now I'm as supportive as anyone of dealing with the reality of China's presence—but I would also accept the reality of China's military ambitions and the potential threat they pose to Taiwan.

Indeed, the current conflict between China and North Vietnam raises serious questions for the United States. Just what have we given up to secure Chinese friendship? What have we gotten in return? What influence, if any, do we really have upon the Chinese when it comes to enforcing their will on troublesome neighbors?

Much more important than any personal or political weaknesses of this President are the social and economic consequences of his confused and confusing Administration. Americans today have a government structure that spends 38% of the entire Gross National Product. We operate a federal budget that has grown sixfold in less than a generation, and a national debt that is fast approaching a trillion dollars.

This year alone, the people of the United States will spend \$60 billion on debt interest alone-more than on energy, foreign aid, revenue sharing, science and technology, pollution control, agriculture, civil service retirement, and community and regional development to areas such as this.

The deadening effects of big government don't end there. American consumers will pay an additional hundred billion dollars in 1979 because government has burdened us with a top-heavy and counterproductive regulatory system that is so used to saying no that it overlooks what it's doing to the very underpinnings of free enterprise. And when I say "free enter-

prise" I don't mean fat cats in a boardroom--I mean coalminers in a union hall, and house-wives struggling to make both ends meet.

Now no one would deny for a moment the need to police private enterprise. No one would invite shoddy or unsafe merchandise onto the market, nor abandon efforts to protect clean air and water. Need I remind you that it was a Republican president, Theodore Roosevelt, who launched the American conservation movement and placed the force of government behind efforts to insure safety in the food we eat and the drugs we take?

The relevant question, then, is how best to accomplish these worthwhile goals without bankrupting the economy?

Liberal government proposes to do so through the current system, if it can be called a system. Over 80 regulatory agencies employ more than 100,000 persons whose sole professional function is to tell other Americanswhat government says they cannot do. The bill for this is not cheap; the Office of Management and Budget, no less, has estimated the total cost of regulation at up to \$130 billion. This amounts to roughly \$2,000 for every American family—enough to buy that family's groceries for the entire year.

The time has come to make the American people aware just what a price they pay for government's good intentions, so badly carried out. The time has come, I might suggest, when public and political opinion are ripe for conversion to something better. I don't pretend to have a final solution. I do think we should seriously examine incentives, such as tax breaks for socially conscientious companies.

This seems to me a more productive way of ensuring responsive capitalism. It's certainly preferable to the current heavy-handed approach, which is almost a reverse of T.R.'s famous maxim: "This government speaks loudly and carries a toothpick."

A POSITIVE ALTERNATIVE

But criticism comes cheap. These days of double digit inflation, it may be the only things that does. The American people have had enough of mere partisanship. They are tired of slogans in place of solutions. They are turned off to most politicians, and they will stay that way until we give them something more exciting than denunciations of red ink and red tape.

It is not enough for us to denounce government as too big or too remote. We must also reject it when it becomes too unfeeling or too paternalistic. Under the guise of liberal concern, modern government attaches millions of people in lifelong dependency. It cares little for opening up the economy and stimulating 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.

A SHAKY FOUNDATION

That's not my vision of America. Neither is it yours. Our America doesn't promise to redistribute all wealth equally. Instead, our America believes that every man and woman should have an equal chance at earning wealth. Our America believes that jobs are better than handouts, and the only lasting jobs, the kind that form the economic foundation of Cabell County, are best created by private, not public means.

Our America believes in economic expansion instead of regulatory retreat. Our America would keep its word to allies abroad as well as to the people at home.

To Republicans in West Virginia, as all across America, I say let's not blow it. Let's not permit this opportunity for genuine and lasting realignment to slip through 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 must advocate, not greed, but personal growth, not individual selfishness but individual self-realization.

We must give them ideas to cling to, innovative ideas that bear no resemblance to the old Democratic concept of government as all-knowing arbiter of private and public life. And then we must go out and convince them that we can put these ideas into practice.

In the words of Abraham Lincoln, "We must disenthral ourselves, and then we shall save our country."

A FORD COMMISSION--A BETTER IDEA

But 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 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.

But regulation can be regulated. I've suggested a new Hoover Commission, patterned after the two created after World War II, which together saved American taxpayers between \$8 and \$12 billion in needless bureaucracy.

Such a commission would be 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 campaign against the bureaucratic crusaders.

MANDATING A BALANCED BUDGET

And, if regulation can be regulated, then why not the federal spending apparatus itself? If Congress won't respond to the taxpayer revolt, then the Constitutional machinery itself must. We can argue over specifics of spending and tax caps. We can argue about the need to limit any convention's mandate.

But why this fear, nameless, blinding, almost irrational, about the potential suicidal impulses of a new Constitutional Convention? It was George Washington, whose birthday we celebrate this week, who said in his famous farewell address to the American people:

"The basis of our political systems if the right of the people to make and to alter their Constitutions of government."

185 years after our first president made that statement, I regard it as relevant still. God forbid the day when we so distrust our political instincts, and the patriotism of our citizenry, as to withdraw in horror at the prospect of Democratic adjustment of government's framework.

Now, I have set forth my own proposal for achieving a limitation on federal spending and the taxation that fuels the federal money machine. Flexible enough to allow an unbalanced budget in four out of nine years, or when agreed to by a 2/3 vote of the Congress, such an approach would meet the criticisms of those who find spending caps impossibly rigid. Moreover, by placing a limit of 18% of the GNP on both taxation and spending, government would at last set forth as policy its obligation to stimulate the domestic economy by freeing up capital rather than tying down the entrepreneurial spirit in crippling taxation and regulatory red tape.

We have a job ahead of us to seel this concept. Political structures have a way of overlooking new ideas rather than embracing them. It's eady enough to debate an innovation to death. But we shouldn't despair. Rather, we should vigorously campaign for a spending and tax limit as the best thing that could happen to America's working man and woman. For the middle class it represents a light at the end of the bureaucratic tunnel. For millions of blacks and other minorities, it suggests a new approach to equality of opportunity, a genuine opening of free enterprise, rather than more of the same paternalistic taking for granted.

REFORMING THE TAX SYSTEM

Now government is endlessly resourceful when it comes to thinking up ways to tax your dollars. It is far less resourceful regarding tax relief. For instance, one of the great scandals affecting this nation's tax system permits people whose income, fueled by inflation into a higher tax bracket, to be penalized by paying higher taxes on essentially phony dollars. Then, from time to time, a politically aware Congress announces with suitable fanfare its plans to "cut" taxes and thereby reap the gratitude of middle class America. This is precisely what happened last fall, just in time for election day.

Now I like to vote against taxes as much as anyone, but I don't like the basic dishonesty of the current tax code. That's why I'm proposing that we adopt a national system of tax indexing, which would tie the withholding rates directly to the Consumer Price Index. If you were pushed by inflation into a higher bracket, you wouldn't have to pay twice—your tax withheld would reflect real, not inflated, dollars.

HEALTH INSURANCE: A PRACTICAL APPROACH

Finally, the issue of national health insurance will come before the Congress again this year. We find ourselves walking a tightrope between demonstrated need and economic stringency. There are gaps in the existing system, gaps which, in the event of catastrophic illness, can threaten even the upper middle class family with financial devastation. At the same time, do we seriously believe that the resources are available for anything resembling Senator Kennedy's cradle-to-grave approach?

-4-

I do not. But because we are limited does not mean we are precluded from doing anything creative or constructive. I will be introducting my own plan for health insurance shortly, and it will stress the need to fill the present holes, while retaining as much as possible the special skills and administrative abilities of the private medical system.

Here as elsewhere, West Virginia Republicans will be asked to choose. Life, like government itself, is imperfect, and politics is an incremental art. You take the best solution you can get, or run the risk of no solution at all. I believe this is the best approach to meeting the unmet health needs of America, short of bankrupting an already overtaxed, overregulated economy.

THE ROAD TO TOMORROW

America is waiting, and time is growing short. We live on a tired globe in a dangerous age for freedom. We owe our nation more than mere partisan criticism of the administration in office. We owe the country we love solutions to problems which the party in power has failed to solve. We have an obligation to talk common sense to the American people, to make no promises we cannot keep, but level with them about the painful choices ahead.

The great New England poet, Robert Frost, once wrote a poem about the agony of choice. He called it The Road Not Taken, and his advice holds true for 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;

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

As a party and a nation, we stand today at a crossroads of change. Like Frost's traveler, we might like to travel both, to have the good life without cost, to spend more than we earn, to promise people the moon and the stars instead of worldly reality.

But the roads diverge, and we must choose. Do we opt for more of the same, for government by charge card, for the slow, steady erosion of individual opportunity? Or do we choose the road less taken, making free enterprise truly free, opening doors to equal participation in the American success story? The choice must be made. The choice is yours. What will it be?

The future beckons: bold and bright, if we would but seize it. To grasp the potential and then achieve the practical: that is the ultimate test of leadership. You pass that test daily. May the government we set over us do half so well.

REMARKS OF SENATOR BOB DOLE LINCOLN DAY DINNER

CABELL COUNTY, HUNTINGTON, WEST VIRGINIA
FEBRUARY 23, 1979

LET ME BEGIN BY TELLING YOU HOW HONORED I AM BY YOUR INVITATION. TO SHARE THIS OCCASION OF SUCH SPECIAL SIGNIFICANCE TO THE REPUBLICANS OF WEST VIRGINIA IS BOTH PRIVILEGE AND PLEASURE. THESE ARE CURIOUS DAYS IN WASHINGTON, D.C., A CITY DEVOTED TO THE CURIOUS. OUR DEMOCRATIC FRIENDS ARE BENDING OVER BACKWARDS TO SOUND LIKE REPUBLICANS, EVEN APPROPRIATING LINCOLN AS A CLOSET DISCIPLE OF EXPENSIVE GOVERNMENT WHILE MAKING THEMSELVES SOUND LIKE BORN-AGAIN TAX CUTTERS.

TAKE PRESIDENT CARTER FOR INSTANCE . . . LIKE LINCOLN,
HE AGREES THAT YOU CAN'T FOOL ALL OF THE PEOPLE ALL OF
THE TIME. HE'LL SETTLE FOR A SIMPLE MAJORITY. WITH
THIS IN MIND, THE PRESIDENT'S BEEN DOING HIS BEST TO BE
ALL THINGS TO ALL PEOPLE. SOMETIMES HE IS THE LIBERAL
DEMOCRAT WHO CAMPAIGNED IN 1976 AS AN OPPONENT OF PRESIDENT
FORD'S ECONOMIC POLICIES, OR THE SOCIAL EXPERIMENTER WHO
PROMISED NATIONAL HEALTH INSURANCE AND A COMPLETE
OVERHAUL OF THE WELFARE SYSTEM, OR THE EFFICIENCY EXPERT
WHO GUARANTEED A BALANCED BUDGET BY 1980.

NEVER MIND THAT NONE OF THESE PLEDGES HAS BORNE FRUIT--WHEN MR. CARTER BREAKS A PROMISE, HE'S WILLING TO REPLACE IT WITH TWO NEW ONES. BECAUSE JIMMY CARTER HAS A PROBLEM. YOU SEE, HIS
PARTY IS FALLING APART. EVER SINCE THE GREAT DEPRESSION,
ITS LEFT WING HAS REFUSED TO ACCEPT ANY DEVIATION FROM
A PLATFORM OF REDISTRIBUTION OF WEALTH. EVEN TODAY,
IN THE FACE OF GROWING OUTRAGE FROM THE NATION'S
TAXPAYERS, THESE VISIONARIES TURNED MOSSBACKS 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.

THE PRESIDENT KNOWS THIS. HE KNOWS HE MUST PAPER OVER
THE CRACKS THAT ARE RAPIDLY UNDERMINING HIS HOUSE OF
CARDS. THAT'S WHY HE POINTS WITH PRIDE TO A \$29 BILLION
DEFICIT. THAT'S WHY HE BURIES HIS HEAD IN THE SAND OF
FOREIGN POLICY, OVERLOOKING THE TURMOIL IN IRAN, THE
ONGOING PENETRATION OF AFRICA AND THE PERSIAN GULF BY
SOVIET AND CUBAN FORCES. THAT'S WHY HE PROCLAIMS RECOGNITION
OF THE PEOPLE'S REPUBLIC OF CHINA TO BE THE POLITICAL
MILLENIUM, IGNORING ANY MORAL OBLIGATIONS WE MIGHT
ATTACH TO A GOOD AND VALUED ALLY ON TAIWAN. NOW I'M
AS SUPPORTIVE AS ANYONE OF DEALING WITH THE REALITY OF
CHINA'S PRESENCE—BUT I WOULD ALSO ACCEPT THE REALITY
OF CHINA'S MILITARY AMBITIONS AND THE POTENTIAL THREAT
THEY POSE TO TAIWAN.

INDEED, THE CURRENT CONFLICT BETWEEN CHINA AND NORTH VIETNAM RAISES SERIOUS QUESTIONS FOR THE UNITED STATES.

JUST WHAT HAVE WE GIVEN UP TO SECURE CHINESE FRIENDSHIP? WHAT HAVE WE GOTTEN IN RETURN? WHAT INFLUENCE, IF ANY, DO WE REALLY HAVE UPON THE CHINESE WHEN IT COMES TO ENFORCING THEIR WILL ON TROUBLESOME NEIGHBORS?

MUCH MORE IMPORTANT THAN ANY PERSONAL OR POLITICAL
WEAKNESSES OF THIS PRESIDENT ARE THE SOCIAL AND ECONOMIC
CONSEQUENCES OF HIS CONFUSED AND CONFUSING ADMINISTRATION.
AMERICANS TODAY HAVE A GOVERNMENT STRUCTURE THAT SPENDS
38% OF THE ENTIRE GROSS NATIONAL PRODUCT. WE OPERATE
A FEDERAL BUDGET THAT HAS GROWN SIXFOLD IN LESS THAN A
GENERATION, AND A NATIONAL DEBT THAT IS FAST APPROACHING
A TRILLION DOLLARS.

THIS YEAR ALONE, THE PFOPLE OF THE UNITED STATES WILL SPEND \$60 BILLION ON DEBT INTEREST ALONE--MORE THAN ON ENERGY, FOREIGN AID, REVENUE SHAPING, SCIENCE AND TECHNOLOGY, POLLUTION CONTROL, AGRICULTURE, CIVIL SERVICE RETIREMENT AND COMMUNITY AND REGIONAL DEVELOPMENT TO AREAS SUCH AS THIS.

THE DEADENING EFFECTS OF BIG GOVERNMENT DON'T END THERE.

AMERICAN CONSUMERS WILL PAY AN ADDITIONAL HUNDRED BILLION

DOLLARS IN 1979 BECAUSE GOVERNMENT HAS BURDENED US WITH

A TOP-HEAVY AND COUNTERPRODUCTIVE REGULATORY SYSTEM THAT

IS SO USED TO SAYING NO THAT IT OVERLOOKS WHAT IT'S

DOING TO THE VERY UNDERPINNINGS OF FREE ENTERPRISE.

AND WHEN I SAY "FREE ENTERPRISE" I DON'T MEAN FAT CATS

IN A BOARDROOM--I MEAN COALMINERS IN A UNION HALL, AND

HOUSEWIVES STRUGGLING TO MAKE BOTH ENDS MEET.

NOW NO ONE WOULD FOR A MOMENT DENY THE NEED TO POLICE
PRIVATE ENTERPRISE. NO ONE WOULD INVITE SHODDY OR UNSAFE
MERCHANDISE ONTO THE MARKET, NOR ABANDON EFFORTS TO PROTECT
CLEAN AIR AND WATER. NEED I REMIND YOU THAT IT WAS A
REPUBLICAN PRESIDENT, THEODORE ROOSEVELT, WHO LAUNCHED
THE AMERICAN CONSERVATION MOVEMENT AND PLACED THE FORCE
OF GOVERNMENT BEHIND EFFORTS TO INSURE SAFETY IN THE
FOOD WE EAT AND THE DRUGS WE TAKE?

THE RELEVANT QUESTION, THEN, IS HOW BEST TO ACCOMPLISH THESE WORTHWHILE GOALS WITHOUT BANKRUPTING THE ECONOMY?

LIBERAL GOVERNMENT PROPOSES TO DO SO THROUGH THE CURRENT SYSTEM, IF IT CAN BE CALLED A SYSTEM. OVER 80 REGULATORY AGENCIES EMPLOY MORE THAN 100,000 PERSONS WHOSE SOLE PROFESSIONAL FUNCTION IS TO TELL OTHER AMERICANS WHAT GOVERNMENT SAYS THEY CANNOT DO. THE BILL FOR THIS IS NOT CHEAP; THE OFFICE OF MANAGEMENT AND BUDGET, NO LESS, HAS ESTIMATED THE TOTAL COST OF REGULATION AT UP TO \$130 BILLION. THIS AMOUNTS TO ROUGHLY \$2,000 FOR EVERY AMERICAN FAMILY—ENOUGH TO BUY THAT FAMILY'S GROCERIES FOR THE ENTIRE YEAR.

THE TIME HAS COME TO MAKE THE AMERICAN PEOPLE AWARE JUST WHAT A PRICE THEY PAY FOR GOVERNMENT'S GOOD INTENTIONS, SO BADLY CARRIED OUT. THE TIME HAS COME, I MIGHT SUGGEST, WHEN PUBLIC AND POLITICAL OPINION ARE RIPE FOR CONVERSION TO SOMETHING BETTER. I DON'T PRETEND TO HAVE A FINAL SOLUTION. I DO THINK WE SHOULD SEPIOUSLY EXAMINE INCENTIVES, SUCH AS TAX BREAKS FOR SOCIALLY CONSCIENTIOUS COMPANIES.

THIS SEEMS TO ME A MORE PRODUCTIVE WAY OF ENSURING RESPONSIVE CAPITALISM. IT'S CERTAINLY PREFERABLE TO THE CURRENT HEAVY-HANDED APPROACH, WHICH IS ALMOST A REVERSE OF T.R.'S FAMOUS MAXIM: "THIS GOVERNMENT SPEAKS LOUDLY AND CARRIES A TOOTHPICK."

A POSITIVE ALTERNATIVE

BUT CRITICISM COMES CHEAP. THESE DAYS OF DOUBLE DIGIT INFLATION, IT MAY BE THE ONLY THING THAT DOES. THE AMERICAN PEOPLE HAVE HAD ENOUGH OF MERE PARTISANSHIP. THEY ARE TIRED OF SLOGANS IN PLACE OF SOLUTIONS. THEY ARE TURNED OFF TO MOST POLITICIANS, AND THEY WILL STAY THAT WAY UNTIL WE GIVE THEM SOMETHING MORE EXCITING THAN DENUNCIATIONS OF RED INK AND RED TAPE.

IT IS NOT ENOUGH FOR US TO DENOUNCE GOVERNMENT AS TOO BIG OR TOO REMOTE. WE MUST ALSO REJECT IT WHEN IT BECOMES TOO UNFEELING OR TOO PATERNALISTIC. UNDER THE GUISE OF LIBERAL CONCERN, MODERN GOVERNMENT ATTACHES MILLIONS OF PEOPLE IN LIFELONG DEPENDENCY. IT CARES LITTLE FOR OPENING UP THE ECONOMY AND STIMULATING 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.

-11-

A SHAKY FOUNDATION

THAT'S NOT MY VISION OF AMERICA. NEITHER IS IT YOURS.

OUR AMERICA DOESN'T PROMISE TO REDISTRIBUTE ALL WEALTH

EQUALLY. INSTEAD, OUR AMERICA BELIEVES THAT EVERY MAN

AND WOMAN SHOULD HAVE AN EQUAL CHANCE AT EARNING WEALTH.

OUR AMERICA BELIEVES THAT JOBS ARE BETTER THAN HANDOUTS,

AND THE ONLY LASTING JOBS, THE KIND THAT FORM THE.

ECONOMIC FOUNDATION OF CABELL COUNTY, ARE BEST CREATED

BY PRIVATE, NOT PUBLIC MEANS.

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

TO REPUBLICANS IN WEST VIRGINIA, AS ALL ACROSS AMERICA, I SAY LET'S NOT BLOW IT. LET'S NOT PERMIT THIS OPPORTUNITY FOR GENUINE AND LASTING REALIGNMENT TO SLIP THROUGH 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 MUST ADVOCATE, NOT GREED, BUT PERSONAL GROWTH, NOT INDIVIDUAL SELFISHNESS BUT INDIVIDUAL SELF-REALIZATION.

WE MUST GIVE THEM IDEAS TO CLING TO, INNOVATIVE IDEAS
THAT BEAR NO RESEMBLANCE TO THE OLD DEMOCRATIC CONCEPT
OF GOVERNMENT AS ALL-KNOWING ARBITER OF PRIVATE AND
PUBLIC LIFE. AND THEN WE MUST GO OUT AND CONVINCE THEM
THAT WE CAN PUT THESE IDEAS INTO PRACTICE.

IN THE WORDS OF ABRAHAM LINCOLN, "WE MUST DISENTHRAL OURSELVES, AND THEN WE SHALL SAVE OUR COUNTRY."

A FORD COMMISSION -- A BETTER IDEA

BUT 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.

BUT REGULATION CAN BE REGULATED. 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.

SUCH A COMMISSION WOULD BE 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 CAMPAIGN AGAINST THE BUREAUCRATIC CRUSADERS.

MANDATING A BALANCED BUDGET

AND, IF REGULATION CAN BE REGULATED, THEN WHY NOT THE FEDERAL SPENDING APPARATUS ITSELF? IF CONGRESS WON'T RESPOND TO THE TAXPAYER REVOLT, THEN THE CONSTITUTIONAL MACHINERY ITSELF MUST. WE CAN ARGUE OVER SPECIFICS OF SPENDING AND TAX CAPS. WE CAN ARGUE ABOUT THE NEED TO LIMIT ANY CONVENTION'S MANDATE.

BUT WHY THIS FEAR, NAMELESS, BLINDING, ALMOST IRRATIONAL, ABOUT THE POTENTIAL SUICIDAL IMPULSES OF A NEW CONSTITUTIONAL CONVENTION? IT WAS GEORGE WASHINGTON, WHOSE BIRTHDAY WE CELEBRATE THIS WEEK, WHO SAID IN HIS FAMOUS FAREWELL ADDRESS TO THE AMERICAN PEOPLE:

"THE BASIS OF OUR POLITICAL SYSTEMS IS THE RIGHT OF THE PEOPLE TO MAKE AND TO ALTER THEIR CONSTITUTIONS OF GOVERNMENT."

Page 19 of 26

185 YEARS AFTER OUR FIRST PRESIDENT MADE THAT STATEMENT, I REGARD IT AS RELEVANT STILL. GOD FORBID THE DAY WHEN WE SO DISTRUST OUR POLITICAL INSTINCTS, AND THE PATRIOTISM OF OUR CITIZENRY, AS TO WITHDRAW IN HORROR AT THE PROSPECT OF DEMOCRATIC ADJUSTMENT OF GOVERNMENT'S FRAMEWORK.

NOW, I HAVE SET FORTH MY OWN PROPOSAL FOR ACHIEVING A LIMITATION ON FEDERAL SPENDING AND THE TAXATION THAT FUELS THE FEDERAL MONEY MACHINE. FLEXIBLE ENOUGH TO ALLOW AN UNBALANCED BUDGET IN FOUR OUT OF NINE YEARS, OR WHEN AGREED TO BY A 2/3 VOTE OF THE CONGRESS, SUCH AN APPROACH WOULD MEET THE CRITICISMS OF THOSE WHO FIND SPENDING CAPS IMPOSSIBLY RIGID. MOREOVER, BY PLACING A LIMIT OF 18% OF THE GNP ON BOTH TAXATION AND SPENDING, GOVERNMENT WOULD AT LAST SET FORTH AS POLICY ITS OBLIGATION TO STIMULATE THE DOMESTIC ECONOMY BY FREEING UP CAPITAL RATHER THAN TYING DOWN THE ENTREPRENEURIAL SPIRIT IN CRIPPLING TAXATION AND REGULATORY RED TAPE.

WE HAVE A JOB AHEAD OF US TO SELL THIS CONCEPT. POLITICAL STRUCTURES HAVE A WAY OF OVERLOOKING NEW IDEAS RATHER THAN EMBRACING THEM. IT'S EASY ENOUGH TO DEBATE AN INNOVATION TO DEATH. BUT WE SHOULDN'T DESPAIR. RATHER, WE SHOULD VIGOROUSLY CAMPAIGN FOR A SPENDING AND TAX LIMIT AS THE BEST THING THAT COULD HAPPEN TO AMERICA'S WORKING MAN AND WOMAN. FOR THE MIDDLE CLASS IT REPRESENTS A LIGHT AT THE END OF THE BUREAUCRATIC TUNNEL. FOR MILLIONS OF BLACKS AND OTHER MINORITIES, IT SUGGESTS A NEW APPROACH TO EQUALITY OF OPPORTUNITY, A GENUINE OPENING OF FREE ENTERPRISE, RATHER THAN MORE OF THE SAME PATERNALISTIC TAKING FOR GRANTED.

-18-

REFORMING THE TAX SYSTEM

NOW GOVERNMENT IS ENDLESSLY RESOURCEFUL WHEN IT COMES TO THINKING UP WAYS TO TAX YOUR DOLLARS. IT IS FAR LESS RESOURCEFUL REGARDING TAX RELIEF. FOR INSTANCE, ONE OF THE GREAT SCANDALS AFFECTING THIS NATION'S TAX SYSTEM PERMITS PEOPLE WHOSE INCOME, FUELED BY INFLATION INTO A HIGHER TAX BRACKET, TO BE PENALIZED BY PAYING HIGHER TAXES ON ESSENTIALLY PHONY DOLLARS. THEN, FROM TIME TO TIME, A POLITICALLY AWARE CONGRESS ANNOUNCES WITH SUITABLE FANFARE ITS PLANS TO "CUT" TAXES AND THEREBY REAP THE GRATITUDE OF MIDDLE CLASS AMERICA. THIS IS PRECISELY WHAT HAPPENED LAST FALL, JUST IN TIME FOR ELECTION DAY.

NOW I LIKE TO VOTE AGAINST TAXES AS MUCH AS ANYONE, BUT I DON'T LIKE THE BASIC DISHONESTY OF THE CURRENT TAX CODE. THAT'S WHY I'M PROPOSING THAT WE ADOPT A NATIONAL SYSTEM OF TAX INDEXING, WHICH WOULD TIE THE WITHHOLDING RATES DIRECTLY TO THE CONSUMER PRICE INDEX. IF YOU WERE PUSHED BY INFLATION INTO A HIGHER BRACKET, YOU WOULDN'T HAVE TO PAY TWICE—YOUR TAX WITHHELD WOULD REFLECT REAL, NOT INFLATED, DOLLARS.

HEALTH INSURANCE: A PRACTICAL APPROACH

FINALLY, THE ISSUE OF NATIONAL HEALTH INSURANCE WILL COME
BEFORE THE CONGRESS AGAIN THIS YEAR. WE FIND OURSELVES
WALKING A TIGHTROPE BETWEEN DEMONSTRATED NEED AND ECONOMIC
STRINGENCY. THERE ARE GAPS IN THE EXISTING SYSTEM, GAPS
WHICH, IN THE EVENT OF CATASTROPHIC ILLNESS, CAN THREATEN
EVEN THE UPPER MIDDLE CLASS FAMILY WITH FINANCIAL DEVASTATION.
AT THE SAME TIME, DO WE SERIOUSLY BELIEVE THAT THE RESOURCES
ARE AVAILABLE FOR ANYTHING RESEMBLING SENATOR KENNEDY'S
CRADLE-TO-GRAVE APPROACH?

I DO NOT. BUT BECAUSE WE ARE LIMITED DOES NOT MEAN WE ARE PRECLUDED FROM DOING ANYTHING CREATIVE OR CONSTRUCTIVE. I WILL BE INTRODUCING MY OWN PLAN FOR HEALTH INSURANCE SHORTLY, AND IT WILL STRESS THE NEED TO FILL THE PRESENT HOLES, WHILE RETAINING AS MUCH AS POSSIBLE THE SPECIAL SKILLS AND ADMINISTRATIVE ABILITIES OF THE PRIVATE MEDICAL SYSTEM.

HERE AS ELSEWHERE, WEST VIRGINIA REPUBLICANS WILL BE ASKED TO CHOOSE. LIFE, LIKE GOVERNMENT ITSELF, IS IMPERFECT, AND POLITICS IS AN INCREMENTAL ART. YOU TAKE THE BEST SOLUTION YOU CAN GET, OR RUN THE RISK OF NO SOLUTION AT ALL. I BELIEVE THIS IS THE BEST APPROACH TO MEETING THE UNMET HEALTH NEEDS OF AMERICA, SHORT OF BANKRUPTING AN ALREADY OVERTAXED, OVERREGULATED ECONOMY.

THE ROAD TO TOMORROW

AMERICA IS WAITING, AND TIME IS GROWING SHORT. WE LIVE ON A TIRED GLOBE IN A DANGEROUS AGE FOR FREEDOM. WE OWE OUR NATION MORE THAN MERE PARTISAN CRITICISM OF THE ADMINISTRATION IN OFFICE. WE OWE THE COUNTRY WE LOVE SOLUTIONS TO PROBLEMS WHICH THE PARTY IN POWER HAS FAILED TO SOLVE. WE HAVE AN OBLIGATION TO TALK COMMON SENSE TO THE AMERICAN PEOPLE, TO MAKE NO PROMISES WE CANNOT KEEP, BUT LEVEL WITH THEM ABOUT THE PAINFUL CHOICES AHEAD.

THE GREAT NEW ENGLAND POET, ROBERT FROST, ONCE WROTE A POEM ABOUT THE AGONY OF CHOICE. HE CALLED IT THE ROAD NOT TAKEN, AND HIS ADVICE HOLDS TRUE FOR 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;

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

AS A PARTY AND A NATION, WE STAND TODAY AT A CROSSROADS OF CHANGE. LIKE FROST'S TRAVELER, WE MIGHT LIKE TO TRAVEL BOTH, TO HAVE THE GOOD LIFE WITHOUT COST, TO SPEND MORE THAN WE EARN, TO PROMISE PEOPLE THE MOON AND THE STARS INSTEAD OF WORLDLY REALITY.

BUT THE ROADS DIVERGE, AND WE MUST CHOOSE. DO WE OPT FOR MORE OF THE SAME, FOR GOVERNMENT BY CHARGE CARD, FOR THE SLOW, STEADY EROSION OF INDIVIDUAL OPPORTUNITY? OR DO WE CHOOSE THE ROAD LESS TAKEN, MAKING FREE ENTERPRISE TRULY FREE, OPENING DOORS TO EQUAL PARTICIPATION IN THE AMERICAN SUCCESS STORY? THE CHOICE MUST BE MADE. THE CHOICE IS YOURS. WHAT WILL IT BE?

THE FUTURE BECKONS: BOLD AND BRIGHT, IF WE WOULD BUT SEIZE IT. TO GRASP THE POTENTIAL AND THEN ACHIEVE THE PRACTICAL: THAT IS THE ULTIMATE TEST OF LEADERSHIP. YOU PASS THAT TEST DAILY. MAY THE GOVERNMENT WE SET OVER US DO HALF SO WELL.