REMARKS OF SENATOR BOB DOLE

BUILDING PRODUCTS EXECUTIVE CONFERENCE

WASHINGTON, D.C.

THURSDAY, OCTOBER 25, 1979

I'm delighted to have this opportunity to be with all of you this afternoon, and to ponder together the economic outlook for the construction industry in the months ahead.

I needn't remind any of you of the problems we face. The double digit percent inflation rate, the record interest rates, the unemployment forecast to reach 8% by next year, the weakened dollar and the shocking decreases in American productivity. All of these hold significant effect upon your living, and the contribution that your industry has historically made to a prosperous America.

We have dug an economic hole from which it will take several years - and an effort of national will superior to any since the Second World War - to escape. But it can be done. And that's what I would like to outline this afternoon. Not just the problem as it exists - we all know that - but how we can overcome it in a way that lasts and fundamentally redirects the American economy.

THE PAINFUL LESSONS OF THE PAST

Ever since the great depression that began 50 years ago this month, Americans have turned to government in time of economic uncertainty. Now it's time for government to put its faith in Americans.

In 1980 the American people can choose between two wholly different approaches to economic policy. With the increasing likelihood that Senator Edward Kennedy will be his party's presidential nominee, we are poised for a debate of historic proportions.

Listen to the words of Audrey Freeman, senior economic analyst of the Conference Board.

"With the decline of religion, the family and the community, work may be our only social cement. It keeps us sane. We hammer bolts instead of each other."

Even a casual glance at recent unemployment statistics will show how unbalanced is the toll taken by recession. Working women, blacks and other minorities, teenagers and blue collar workers - these are the people who suffer the most.

Senator Kennedy claims their allegiance. He claims their support for his energy policies which are so heavily based upon conservation rather than incentives for production. He claims their support for a federalized welfare system, and a cradle-to-grave health insurance system that effectively rations health care in America.

But the Gallup Poll is powerful medicine. Its scent lures even the most doctrinaire of Washington liberals toward economic conversion.

A few weeks ago, the new Kennedy addressed businessmen in New York. He talked about the importance of capital formation - but failed to mention he voted against last year's capital gains tax cut. He spoke about protecting the middle class - without mentioning his opposition to tax indexing. He emerged as a full-blown friend to the private sector - but somehow forgot his continuing crusade to abolish proper business travel and expense deductions. Senator Kennedy's idea of working with the private sector is embodied in the regulatory fifth wheel called the Consumer Protection Agency.

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If we let Ted Kennedy be all things to all people, we're in for more of the same frustrated expectations that have relegated President Carter to irrelevancy. A Kennedy candidacy would place the American electorate in a position of voting for nostalgia in an age that demands innovation.

A POSITIVE ECONOMIC ALTERNATIVE

But I don't think the American people want this to happen.

We must first realize the limitations that exist upon federal action. Wage and price controls would be the worst possible way to achieve any lasting moderation in the price spiral. Voluntary guidelines and presidential fingerpointing do nothing to strike at the heart of those forces which fuel the inflationary cycle.

Instead, we should adopt a comprehensive program relying upon private production to ease the energy crisis, and imaginative tax incentives to boost both savings and investment to overcome the twin evils of inflation and unemployment.

ECONOMIC PRIORITIES

First I favor a constitutional amendment to cap both federal spending and taxing at 18% of the Gross National Product. This is no budgetary straitjacket. A simple vote by 2/3 of the Congress could permit a deficit in time of special need. But to settle for anything less than such an amendment, in the face of growing special interest group power, weakened political parties and a mentality that equates a federal printing press with a strong currency, would only encourage the relentless trend toward concentrating counter-productive levels of the national wealth in Washington.

For 19 of the last 20 years, the federal budget has been out of balance. We have preferred to buy now and pay later - and that payment invariably comes in the painful form of inflation. Limiting the amount of wealth flowing to Washington and the phenomenal sums the government must borrow to pay its debts would release billions of dollars for private investment. It would also reassert our historic belief in a government that promotes private production instead of public paternalism.

Second, I believe regulatory reform must be a major priority of the next administration. Today, over 100,000 people working in 116 government agencies have as their sole responsibility telling other Americans what government forbids them to do. The Office of Management and Budget has estimated the cost of such regulation at $2,000 per American family per year.

56 agencies exist to regulate business. Their efforts add $666 to the cost of an average car, and $15 to $2500 to a new home's pricetag.

I want to regulate regulations. I will soon introduce a regulatory reform proposal to require a cost-benefit analysis on every rule and regulation that is proposed. I would also require that private means of achieving the same objective be fully evaluated, and all proposed regulations be submitted to judicial review, making certain that private sector input is not overlooked.

Some of our best intentioned laws actually boomerang against those they're designed to help. I believe we should push vigorously for repeal of the Davis-Bacon Act which mandates wages on all federal construction projects - and for minimum wage differentials, to halt a growing disinclination on the part of hardpressed employers to hire young people at wage levels that can threaten their own prospects for survival.

Needless to say, I will continue to oppose the efforts of those who are determined to resurrect the common situs picketing bill. It is unnecessary and potentially dangerous in a time of economic peril.

Fourth, we must also overhaul tax policy in America. Today, that policy discourages both investment and savings. Among major industrialized nations, the U.S. ranks last in savings as a percentage of income. It is no coincidence that we also trail in investment and productivity.

We call our tax system progressive. Yet nowhere do our counter-productive policies of recent years impose a greater drag on economic growth.

Last year, we took an important step forward, adopting the capital gains reduction that Senator Kennedy urged the President to veto. Looking ahead, I want to pass a comprehensive package of business tax cuts to reverse the trend toward slower business growth, falling rates of production and lagging research and development.

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Over the next five to seven years, I believe we can implement a series of bold, new tax policies which help ease inflationary pressures and encourage individuals to invest in America's future.

To help individual taxpayers, I favor:

-- A reduction in marginal tax rates at both ends of the individual scale.
-- An increase in the personal exemption by $250 from its present $1000 to $1250.
-- An increase in the zero bracket amount to give additional incentives to the working poor.
-- And most importantly, I want to see our income taxes indexed in order to safeguard a raise or promotion from inflation's unjust phenomenon known as "bracket creep".

I have introduced legislation to do just that. Along with a bill to make every American eligible for an individual retirement account of up to $1500 a year.

I am also deeply concerned about the serious shortage of investment capital in this country. Literally hundreds of billions of dollars are needed in the private sector to strengthen this nation's ability to compete in the world marketplace.

The reduction in capital gains rates approved by Congress last year was a step in the right direction. So, too, was the expansion of the investment tax credit and the modest reduction in corporate income taxes.

Over the next five to seven years, the focus of our efforts to restore our capital stocks should be on capital recovery - depreciation. American business simply must be allowed to recover investment costs more rapidly. This is particularly true during periods of high inflation.

I am sponsoring legislation which provides a 10-5-3 scheme for depreciation - a 10-year write off for industrial buildings and structures, a 5-year write off for equipment, and a 3-year write off for automobiles and light trucks.

Moreover, I believe a further reduction in the top corporate tax rate may be advisable in the not-too-distant future, as well as special tax credits to encourage research and development.

I wonder if we can count on Senator Kennedy's support for such bold measures to restore vigor to our capital markets. Would his newfound devotion to the free enterprise system extend to such previously taboo concepts as "profit" or "incentive"?

Finally, I believe we need an energy policy that emphasizes more production as well as conservation. We simply cannot conserve our way out of the energy crisis. That means de-emphasizing government's role in the energy field, and giving to the private sector the tools to do its job.

I have no doubt that private industry can tap the vast amounts of coal and shale and wind and water that exist in this nation. They can find a way to extract an estimated three hundred billion barrels of oil that remain trapped in places as unlikely as the new reserves recently discovered off the East Coast. Do you trust the Department of Energy to devise such technology? Do you believe the same people who manufactured gas shortages and a virtual shutdown of the nation's trucking industry earlier this year can by themselves double our national use of coal by the year 2000?

Let's get on with the task of developing synfuels - not by throwing $88 billion at a crash program, as President Carter has suggested - one need only look at the fiasco of the strategic petroleum reserve to know why Washington is less capable than the private sector at meeting the short-term energy crisis. But by providing federal tax credits and accelerated depreciation to stimulate new production. The other day, the Finance Committee voted and I supported a $3 tax credit for each barrel of oil equivalent produced from an alternative energy source.

In addition, it was my amendment adopted in the Finance Committee a couple of weeks ago which exempted "newly" discovered oil from any windfall profits tax. That's the encouragement private industry needs to produce more domestic energy.

Our just concluded natural gas agreement with Mexico is a step in the right direction. It's something we should have done last year at less cost. Now we should convene a North American energy summit, end our prohibition on exporting Alaskan crude, and negotiate fair exchange agreements for sweet crude with other producers. We should insist on a so-called "windfall profits" tax which channels capital back into the search for new oil and gas, not to a utopian synfuel program or the bottomless pit of the federal Treasury.

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All of these steps taken together can reverse the decline of the American economy. They can again provide us with the economic foundation required by a great world power. They can restore the psychological edge that we seem to have lost in recent years.

A DREAM STILL LIVES

We have the resources. We have the technological genius. We have the stamina and the determination of the American people. What we lack today is a coherent plan, an administration that believes in production instead of regulation, and political leadership that understands the social and economic benefits of a supply-based economy.

For all the setbacks of recent months, we remain the freest, most advanced, most capable people in the world. We should look upon our current problems, not as a crisis of permanent duration, but as spurs to renewal, commensurate with our proud past.

The American dream still lives. I know: I've seen it come true in my own life, and it motivates my conviction that the best justice for all Americans is a job and a stake in their society. In the coming year, we will know if the American people share that belief, if they still insist on a society as productive as it is compassionate, and a president who combines moral authority with experienced leadership. If they believe, as I believe, they can insure that the dream that made us great will never die.

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I'M DELIGHTED TO HAVE THIS OPPORTUNITY TO BE WITH ALL OF YOU THIS AFTERNOON, AND TO PONDER TOGETHER THE ECONOMIC OUTLOOK FOR THE CONSTRUCTION INDUSTRY IN THE MONTHS AHEAD.

WE HAVE DUG AN ECONOMIC HOLE FROM WHICH IT WILL TAKE SEVERAL YEARS -- AND AN EFFORT OF NATIONAL WILL SUPERIOR TO ANY SINCE THE SECOND WORLD WAR -- TO ESCAPE. BUT IT CAN BE DONE. AND THAT'S WHAT I WOULD LIKE TO OUTLINE THIS AFTERNOON. NOT JUST THE PROBLEM AS IT EXISTS -- WE ALL KNOW THAT -- BUT HOW WE CAN OVERCOME IT IN A WAY THAT LASTS AND FUNDAMENTALLY REDIRECTS THE AMERICAN ECONOMY.

1980 - A HISTORIC CHOICE

EVER SINCE THE GREAT DEPRESSION THAT BEGAN 50 YEARS AGO THIS MONTH, AMERICANS HAVE TURNED TO GOVERNMENT IN TIME OF ECONOMIC UNCERTAINTY. NOW IT'S TIME FOR GOVERNMENT TO PUT ITS FAITH IN AMERICANS.

IN 1980 THE AMERICAN PEOPLE CAN CHOOSE BETWEEN TWO WHOLLY DIFFERENT APPROACHES TO ECONOMIC POLICY. WITH THE INCREASING LIKELIHOOD THAT SENATOR EDWARD KENNEDY WILL BE HIS PARTY'S PRESIDENTIAL NOMINEE, WE ARE POISED FOR A DEBATE OF HISTORIC PROPORTIONS.

IT IS A CHOICE BETWEEN CENTRALIZATION OF POWER IN WASHINGTON, OR RELIANCE UPON LOCAL AND STATE GOVERNMENT. IT IS A CHOICE BETWEEN THE POLICIES THAT HAVE BROUGHT US 13% INFLATION, RISING UNEMPLOYMENT, RECORD INTEREST RATES, A WEAKENED DOLLAR AND AN ENERGY PROGRAM THAT MAY AGGRAVATE THE PROBLEM RATHER THAN SOLVE IT -- AND POLICIES THAT RELY UPON THE FREE MARKETPLACE AS THE ULITMATE SOURCE OF SOCIAL JUSTICE.

IT IS A CHOICE BETWEEN REGULATION AND PRODUCTION, BETWEEN ENCOURAGEMENT OF INDIVIDUAL GENIUS OR AN EQUAL SHARE OF SCARCITY. IT IS A CHOICE BETWEEN A FUTURE, BRIGHT WITH PROMISE, AND THE POLICIES THAT HAVE FAILED IN THE PAST.

I'VE BEEN WARNING MY FELLOW REPUBLICANS ABOUT A KENNEDY CANDIDACY FOR MONTHS. WHEN EVERYONE ELSE WAS TRAINING THEIR CRITICISM ON THE FAILURES OF THE CARTER ADMINISTRATION -- AND THERE'S BEEN PLENTY TO CRITICIZE -- I'VE BEEN LOOKING AT SENATOR KENNEDY'S RECORD. AND YOU KNOW WHAT I'VE FOUND?

AMERICA CAN'T AFFORD TED KENNEDY IN THE WHITE HOUSE. IF YOU THINK THAT INEXPERIENCE HAS PROVEN EXPENSIVE, JUST WAIT UNTIL YOU GET THE BILL FOR NOSTALGIA.

DOLE VS. KENNEDY - NO CLEARER CHOICE

I WANT TO ATTACK INFLATION AT ITS ROOTS, AND PASS A CONSTITUTIONAL AMENDMENT TO CAP BOTH FEDERAL SPENDING AND FEDERAL TAXATION.

BUT NOT SENATOR KENNEDY.

I WANT TO INDEX OUR TAX SYSTEM, SO THAT WHEN YOU GET A RAISE, YOU KEEP A RAISE, AND GOVERNMENT DOESN'T INFLATE THE ECONOMY SIMPLY TO RIP OFF MORE OF YOUR HARDEARNED TAX DOLLARS.

BUT NOT SENATOR KENNEDY.

I WANT TO PASS NEW INCENTIVES FOR CAPITAL FORMATION, TO ENCOURAGE HIRING OF THE POOR AND THE DISADVANTAGED, AND GET OUR ECONOMY MOVING AGAIN TOWARD A LEVEL OF PRODUCTIVITY CONSISTENT WITH OUR STANDING AS A GREAT NATION.

BUT NOT SENATOR KENNEDY.

I WANT AN ENERGY POLICY BASED ON PRODUCTION AS WELL AS CONSERVATION. THAT MEANS GREATER USE OF COAL AND SHALE OIL, CONTINUED USE OF A STRINGENTLY SAFEGUARDED NUCLEAR INDUSTRY, AND EXPANDED EXPLORATION FOR NEW OIL AND GAS THROUGH THE PRIVATE, NOT THE PUBLIC SECTOR. I WANT TO PASS A WINDFALL PROFITS TAX THAT WILL ENCOURAGE PRODUCTION, NOT SIMPLY PUNISH PRODUCERS.

BUT NOT SENATOR KENNEDY.

I WANT TO PASS A SYSTEM OF CATASTROPHIC HEALTH INSURANCE, SO MILLIONS OF MIDDLE CLASS AMERICANS WON'T HAVE TO WORRY ABOUT GOING BANKRUPT WHEN THEY GO INTO A HOSPITAL. I WANT TO STRUCTURE THAT SYSTEM SO THAT THE PRIVATE, NOT THE PUBLIC SECTOR, DELIVERS WHAT MOST AMERICANS REGARD AS THE FINEST HEALTH CARE IN THE WORLD.

BUT NOT SENATOR KENNEDY.

I WANT TO PASS A WELFARE REFORM PROGRAM THAT WOULD RELY UPON FEDERAL BLOCK GRANTS TO THE STATES THEMSELVES, CUTTING THE STRINGS THAT COST LOCAL GOVERNMENTS FIVE BILLION DOLLARS IN FEDERAL ASSISTANCE PROGRAMS LAST YEAR.

BUT NOT SENATOR KENNEDY.

NOW THE GALLUP POLL IS ~~POWER~~ Powerful MEDICINE. ITS SCENT LURES EVEN THE MOST DOCTRINAIRE OF WASHINGTON LIBERALS TOWARD ECONOMIC CONVERSION.

A FEW WEEKS AGO, THE NEW KENNEDY ADDRESSED BUSINESSMEN IN NEW YORK. HE TALKED ABOUT THE IMPORTANCE OF CAPITAL FORMATION -- BUT FAILED TO MENTION HE VOTED AGAINST LAST YEAR'S CAPITAL GAINS TAX CUT. HE SPOKE ABOUT PROTECTING THE MIDDLE CLASS -- WITHOUT MENTIONING HIS OPPOSITION TO TAX INDEXING. HE EMERGED AS A FULL-BLOWN FRIEND TO THE PRIVATE SECTOR -- BUT SOMEHOW FORGOT HIS CONTINUING CRUSADE TO ABOLISH PROPER BUSINESS TRAVEL AND EXPENSE DEDUCTIONS. SENATOR KENNEDY'S IDEA OF WORKING WITH THE PRIVATE SECTOR IS EMBODIED IN THE REGULATORY FIFTH WHEEL CALLED THE CONSUMER PROTECTION AGENCY.

IF WE LET TED KENNEDY BE ALL THE THINGS TO ALL PEOPLE, WE'RE IN FOR MORE OF THE SAME FRUSTRATED EXPECTATIONS THAT HAVE RELEGATED PRESIDENT CARTER TO IRRELEVANCY.

A POSITIVE ECONOMIC ALTERNATIVE

BUT I DON'T THINK THE AMERICAN PEOPLE WANT THIS TO HAPPEN.

WHEN IT COMES TO THE ECONOMY, WE MUST FIRST REALIZE THE LIMITATIONS THAT EXIST UPON FEDERAL ACTION. WAGE AND PRICE CONTROLS WOULD BE THE WORST POSSIBLE WAY TO ACHIEVE ANY LASTING MODERATION IN THE PRICE SPIRAL. VOLUNTARY GUIDELINES AND PRESIDENTIAL FINGERPOINTING DO NOTHING TO STRIKE AT THE HEART OF THOSE FORCES WHICH FUEL THE INFLATIONARY CYCLE.

INSTEAD, WE SHOULD ADOPT A COMPREHENSIVE PROGRAM RELYING UPON PRIVATE PRODUCTION TO EASE THE ENERGY CRISIS, AND IMAGINATIVE TAX INCENTIVES TO BOOST BOTH SAVINGS AND INVESTMENT TO OVERCOME THE TWIN EVILS OF INFLATION AND UNEMPLOYMENT.

REGULATORY REFORM MUST BE A MAJOR PRIORITY OF THE NEXT ADMINISTRATION. TODAY, OVER 100,000 PEOPLE WORKING IN 116 GOVERNMENT AGENCIES HAVE AS THEIR SOLE RESPONSIBILITY TELLING OTHER AMERICANS WHAT GOVERNMENT FORBIDS THEM TO DO.

56 AGENCIES EXIST TO REGULATE BUSINESS. THEIR EFFORTS ADD $666 TO THE COST OF AN AVERAGE CAR, AND $15 TO $2500 TO A NEW HOME'S PRICETAG.

I WANT TO REGULATE REGULATIONS. I WILL SOON INTRODUCE A REGULATORY REFORM PROPOSAL TO REQUIRE A COST-BENEFIT ANALYSIS ON EVERY RULE AND REGULATION THAT IS PROPOSED. I WOULD ALSO REQUIRE THAT PRIVATE MEANS OF ACHIEVING THE SAME OBJECTIVE BE FULLY EVALUATED, AND ALL PROPOSED REGULATIONS BE SUBMITTED TO JUDICIAL REVIEW, MAKING CERTAIN THAT PRIVATE SECTOR INPUT IS NOT OVERLOOKED.

SOME OF OUR BEST INTENTIONED LAWS ACTUALLY BOOMERANG AGAINST THOSE THEY'RE DESIGNED TO HELP. I BELIEVE WE SHOULD PUSH VIGOROUSLY FOR REPEAL OF THE DAVIS-BACON ACT WHICH MANDATES WAGES ON ALL FEDERAL CONSTRUCTION PROJECTS -- AND FOR MINIMUM WAGE DIFFERENTIALS, TO HALT A GROWING DISINCLINATION ON THE PART OF HARDPRESSED EMPLOYERS TO HIRE YOUNG PEOPLE AT WAGE LEVELS THAT CAN THREATEN THEIR OWN PROSPECTS FOR SURVIVAL.

NEEDLESS TO SAY, I WILL CONTINUE TO OPPOSE THE EFFORTS OF THOSE WHO ARE DETERMINED TO RESURRECT THE COMMON SITUS PICKETING BILL. IT IS UNNECESSARY AND POTENTIALLY DANGEROUS IN A TIME OF ECONOMIC PERIL.

WE MUST ALSO OVERHAUL TAX POLICY IN AMERICA. TODAY, THAT POLICY DISCOURAGES BOTH INVESTMENT AND SAVINGS. AMONG MAJOR INDUSTRIALIZED NATIONS, THE U.S. RANKS LAST IN SAVINGS AS A PERCENTAGE OF INCOME. IT IS NO COINCIDENCE THAT WE ALSO TRAIL IN INVESTMENT AND PRODUCTIVITY.

WE CALL OUR TAX SYSTEM PROGRESSIVE. YET NOWHERE DO OUR COUNTER-PRODUCTIVE POLICIES OF RECENT YEARS IMPOSE A GREATER DRAG ON ECONOMIC GROWTH.

LAST YEAR, WE TOOK AN IMPORTANT STEP FORWARD, ADOPTING THE CAPITAL GAINS REDUCTION THAT SENATOR KENNEDY URGED THE PRESIDENT TO VETO.

OVER THE NEXT FIVE TO SEVEN YEARS, I BELIEVE WE CAN GO FURTHER, TO IMPLEMENT A SERIES OF BOLD, NEW TAX POLICIES WHICH HELP EASE INFLATIONARY PRESSURES AND ENCOURAGE INDIVIDUALS TO INVEST IN AMERICA'S FUTURE.

TO ASSIST INDIVIDUAL TAXPAYERS, I FAVOR:

-- A REDUCTION IN MARGINAL TAX RATES AT BOTH ENDS OF THE INDIVIDUAL SCALE.

-- AN INCREASE IN THE PERSONAL EXEMPTION BY $250 FROM ITS PRESENT $1000 TO $1250

-- AN INCREASE IN THE ZERO BRACKET AMOUNT TO GIVE ADDITIONAL INCENTIVES TO THE WORKING POOR

-- AND MOST IMPORTANTLY, I WANT TO SEE OUR INCOME TAXES INDEXED IN ORDER TO SAFEGUARD A RAISE OR PROMOTION FROM INFLATION'S UNJUST PHENOMENON KNOWN AS "BRACKET CREEP"

I HAVE INTRODUCED LEGISLATION TO DO JUST THAT, ALONG WITH A BILL TO MAKE EVERY AMERICAN ELIGIBLE FOR AN INDIVIDUAL RETIREMENT ACCOUNT OF UP TO $1500 A YEAR.

I AM ALSO DEEPLY CONCERNED ABOUT THE SERIOUS SHORTAGE OF INVESTMENT CAPITAL IN THIS COUNTRY. LITERALLY HUNDREDS OF BILLIONS OF DOLLARS ARE NEEDED IN THE PRIVATE SECTOR TO STRENGTHEN THIS NATION'S ABILITY TO COMPETE IN THE WORLD MARKETPLACE.

I AM SPONSORING LEGISLATION WHICH PROVIDES A 10-5-3 SCHEME FOR DEPRECIATION -- A 10-YEAR WRITE OFF FOR INDUSTRIAL BUILDINGS AND STRUCTURES, A 5-YEAR WRITE OFF FOR EQUIPMENT, AND A 3-YEAR WRITE OFF FOR AUTOMOBILES AND LIGHT TRUCKS.

MOREOVER, I BELIEVE A FURTHER REDUCTION IN THE TOP CORPORATE TAX RATE MAY BE ADVISABLE IN THE NOT-TOO-DISTANT FUTURE, AS WELL AS SPECIAL TAX CREDITS TO ENCOURAGE RESEARCH AND DEVELOPMENT.

I WONDER IF WE CAN COUNT ON SENATOR KENNEDY'S SUPPORT FOR SUCH MEASURES TO RESTORE VIGOR TO OUR CAPITAL MARKETS. WOULD HIS NEWFOUND DEVOTION TO THE FREE ENTERPRISE SYSTEM EXTEND TO SUCH PREVIOUSLY TABOO CONCEPTS AS "PROFIT" OR "INCENTIVE"?

FINALLY, I BELIEVE WE NEED AN ENERGY POLICY THAT EMPHASIZES MORE PRODUCTION AS WELL AS CONSERVATION. WE SIMPLY CANNOT CONSERVE OUR WAY OUT OF THE ENERGY CRISIS. THAT MEANS DE-EMPHASIZING GOVERNMENT'S ROLE IN THE ENERGY FIELD, AND GIVING TO THE PRIVATE SECTOR THE TOOLS TO DO ITS JOB.

LET'S GET ON WITH THE TASK OF DEVELOPING SYNFUELS -- NOT BY THROWING $88 BILLION AT A CRASH PROGRAM, AS PRESIDENT CARTER HAS SUGGESTED -- ONE NEED ONLY LOOK AT THE FIASCO OF THE STRATEGIC PETROLEUM RESERVE TO KNOW WHY WASHINGTON IS LESS CAPABLE THAN THE PRIVATE SECTOR AT MEETING THE SHORT-TERM ENERGY CRISIS, BUT BY PROVIDING FEDERAL TAX CREDITS AND ACCELERATED DEPRECIATION TO STIMULATE NEW PRODUCTION.

A DREAM STILL LIVES

WE HAVE THE RESOURCES. WE HAVE THE TECHNOLOGICAL GENIUS. WE HAVE THE STAMINA AND THE DETERMINATION OF THE AMERICAN PEOPLE. WHAT WE LACK TODAY IS A COHERENT PLAN, AN ADMINISTRATION THAT BELIEVES IN PRODUCTION INSTEAD OF REGULATION, AND POLITICAL LEADERSHIP THAT UNDERSTANDS THE SOCIAL AND ECONOMIC BENEFITS OF A SUPPLY-BASED ECONOMY.

THE AMERICAN DREAM STILL LIVES. I KNOW: I'VE SEEN IT COME TRUE IN MY OWN LIFE, AND IT MOTIVATES MY CONVICTION THAT THE BEST JUSTICE FOR ALL AMERICANS IS A JOB AND A STAKE IN THEIR SOCIETY. IN THE COMING YEAR, WE WILL KNOW IF THE AMERICAN PEOPLE SHARE THAT BELIEF, IF THEY STILL INSIST ON A SOCIETY AS PRODUCTIVE AS IT IS COMPASSIONATE, AND A PRESIDENT WHO COMBINES MORAL AUTHORITY WITH EXPERIENCED LEADERSHIP. IF THEY BELIEVE, AS I BELIEVE, THEY CAN INSURE THAT THE DREAM THAT MADE US GREAT WILL NEVER DIE.