JULY 11, 1990

TO: SENATOR DOLE

FR: CLARKSON

RE: REMARKS TO INTERNATIONAL SOCIETY OF POLITICAL PSYCHOLOGY SH-708, BETWEEN 6:00 & 7:00.

YOU HAVE BEEN ASKED TO MAKE WELCOMING REMARKS TO THE 13TH ANNUAL MEETING OF THE INTERNATIONAL SOCIETY OF POLITICAL PSYCHOLOGY. THE MEETING'S THEME IS "POLITICAL PSYCHOLOGY: THE STATE OF THE ART." THE GROUP IS MADE UP OF ECONOMISTS, HISTORIANS, SOCIOLOGISTS, PSYCHOLOGISTS AND OTHER SCHOLARS. MANY MEMBERS ARE EUROPEAN.

THEY WOULD LIKE YOU TO GREET THE GROUP, AND COMMENT FOR 5-10 MINUTES ON SOME OF THE PRESSING DOMESTIC PROBLEMS AND INTERNATIONAL DIFFICULTIES, AND THE NEED FOR LEADERSHIP IN A RAPIDLY CHANGING WORLD.

IF YOU HAVE TIME, THEY WOULD LIKE A FEW MINUTES OF Q&A. HOWEVER, THEY KNOW YOUR SCHEDULE IS TIGHT.

DR. JERROLD POST OF GEORGE WASHINGTON UNIVERSITY IS THE CONFERENCE CHAIR. PROF. ROBERT JERVIS OF COLUMBIA UNIVERSITY'S INSTITUTE OF WAR & PEACE STUDIES AND PROF. SHAWN ROSENBERG OF USC-IRVINE ARE THE PROGRAM CHAIRS.

SENATOR BOB DOLE

WELCOMING REMARKS TO

INTERNATIONAL SOCIETY OF

POLITICAL PSYCHOLOGY

13TH ANNUAL MEETING

JULY 11, 1990

IT'S A PLEASURE TO WELCOME SUCH A DISTINGUISHED GROUP TO WASHINGTON FOR YOUR

13TH ANNUAL SCIENTIFIC MEETING. I HOPE YOUR MEETINGS ARE MOST SUCCESSFUL, BEECAUSE THOSE OF US ON CAPITOL HILL NEED ALL THE HELP WE CAN GET. I KNOW THAT YOU ARE ALL UNITED IN A COMMON INTEREST IN LEADERSHIP AND CONFLICT RESOLUTION, AND IF THERE WAS EVER A TIME IN WASHINGTON
THAT CRIED OUT FOR THOSE
SKILLS, THIS IS IT.

THE BUDGET PROCESS

JUST LOOK AT THE WAY WE

CRAFT OUR FEDERAL BUDGETS.

FOR THE PAST FEW YEARS,

WE'VE RELIED LARGELY ON THE

GRAMM—RUDMAN DEFICIT

REDUCTION LAW, WHICH I

SUPPORT. THIS LAW LITERALLY
FORCES US TO REDUCE OUR
FEDERAL BUDGET DEFICIT, IT
FORCES US TO MAKE DECISIONS
ON SPENDING AND REVENUES.
AND IF WE DON'T MAKE THOSE
DECISIONS, IT MAKES THEM FOR
US.

RESORTING TO GIMMICKRY
BUT CONGRESS ALWAYS

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SEEMS TO FIND A WAY TO AVOID MAKING THE TOUGH CALLS. JUST LOOK AT LAST YEAR'S BUDGET SHANINIGANS, WHICH I WOULDN'T EXACTLY CALL A PORTRAIT OF CONGRESSIONAL COURAGE. LAST YEAR, CONGRESS BASICALLY TOOK A WALK ON THE DEFICIT. WE SPENT TEN

MONTHS, AND DEVOTED NO
FEWER THAN 60% OF OUR ROLL
CALL VOTES IN THE SENATE TO
REDUCE THE DEFICIT BY ONLY
\$16 BILLION DOLLARS.

I WISH I COULD SAY THESE
WERE TOUGH VOTES. BUT, AS
USUAL, IT WAS MORE SMOKE—
AND—MIRROR BUDGET TRICKS.
WE FOUND \$500 MILLION

DOLLARS IN LOST FOOD
STAMPS; AND WE
ACCELLERATED MILITARY PAY
DATES, ANOTHER GIMMICK.
AND ON TOP OF EVERYTHING
ELSE, WE STILL NEEDED FOUR
MONTHS OF GRAMM—RUDMAN
SEQUESTER.

BUT THIS YEAR, TRICKS WON'T DO IT. IN 1991, WE WILL NEED AT LEAST \$50 BILLION DOLLARS
IN DEFICIT REDUCTION TO MEET
OUR GRAMM—RUDMAN
TARGET —— AND THAT'S AFTER
TAKING THE SAVINGS AND
LOAN BAILOUT NIGHTMARE OFF
BUDGET.

MEANWHILE, INTEREST ON OUR NATIONAL DEBT IS
APPROACHING \$200 BILLION

DOLLARS A YEAR, AND A
TOTAL WELL OVER 3 TRILLION
DOLLARS.

THE BUDGET SUMMIT

NO DOUBT ABOUT IT, THE

ISSUES WE FACE AT THE SO—

CALLED BUDGET SUMMIT ARE

DIFFICULT. WE HAVE TO MAKE

TOUGH CHOICES ON THE

SOCIAL SECURITY TRUST FUND,

THE GROWTH OF ENTITLEMENT
PROGRAMS, THE DEFENSE
BUDGET, CONTROLLING THE
COST OF HEALTH CARE FOR THE
ELDERLY, HELPING NEW
DEMOCRACIES IN EUROPE AND
LATIN AMERICA, THE S&L CRISIS
AND NEW TAXES.

YOU'VE HEARD A LOT ABOUT PRESIDENT BUSH'S STATEMENT

THAT HE WILL AGREE TO 'TAX REVENUE INCREASES.' THIS WAS A BOLD STEP FOR THE PRESIDENT, CONSIDERING HIS WELL-KNOWN CAMPAIGN PLEDGES. IN MY VIEW, I DON'T THINK THE PRESIDENT WILL AGREE TO TAX RATE INCREASES. THERE'S A GREATER CHANCE, I THINK, OF REVENUE INCREASES

FROM ENERGY TAXES, PERHAPS AN OIL IMPORT FEE AND SIN TAX INCREASES. WE MAY KNOW WHAT THE PACKAGE WILL LOOK LIKE IN THE NEXT TWO WEEKS, AND THEN GETTING IT THROUGH BOTH HOUSES WILL STILL BE DIFFICULT.

BUT LOST IN ALL THE TAX
FRENZY ARE THE MEANINGFUL

BUDGET CUTS AND BUDGET PROCESS REFORMS WE'LL HAVE TO MAKE, BECAUSE I THINK ONE THING WE ALL AGREE ON IS THAT WE CAN'T SOLVE THE BUDGET DEFICIT THROUGH REVENUE INCREASES ALONE. CLEARLY, THE HARD PART LIES AHEAD, AND IT'S NOT GOING TO GET ANY EASIER. AS I'VE

SAID BEFORE, WE'RE ON THE 20—YARD LINE, WITH ONLY 80 YARDS TO GO.

INTERNATIONAL CHALLENGES
IN THE INTERNATIONAL ARENA,
WE HAVE SEEN RAPID CHNAGES
THAT FEW OF US EVER DREAMED
POSSIBLE JUST A SHORT TIME
AGO. BUT EVEN THOUGH
GLOBAL TENSIONS HAVE

DECREASED, THAT DOESN'T MEAN THAT MANAGING PEACE IS AN EASY TASK. IT SEEMS TO ME THAT IT'S IMPORTANT TO KNOW WHEN TO DO THINGS, AND WHEN NOT TO DO THEM. LET'S TAKE AID TO THE SOVIET UNION, FOR EXAMPLE. AT THE HOUSTON ECONOMIC SUMMIT, THERE WAS SOME

SENTIMENT FOR GIVING DIRECT AID TO MOSCOW. IN ALL THE HYPE OF 'GORBYMANIA,' IT WOULD HAVE BEEN EASY TO GO ALONG AND AGREED TO DIRECT AID.

BUT, I THINK PRESIDENT BUSH
DID THE RIGHT THING. IN MY
VIEW, AS LONG AS
GORBACHEV IS PUMPING

BILLIONS OF DOLLARS INTO
CUBA AND OTHER REPRESSIVE
REGIMES, WE SHOULDN'T BE
BAILING OUT THEIR ECONOMY
WITH AMERICAN TAXPAYERS
DOLLARS.

AND WHEN IT COMES TO
GETTING A TRADE AGREEMENT,
WE IN CONGRESS WILL BE
LOOKING FOR GENUINE

PROGRESS TOWARDS GRANTING
FREEDOM IN THE BALTICS, AND
IN THE AREA OF EMIGRATION,
BEFORE WE AGREE TO THE
IMPROVED TRADE CLIMATE THAT
GORBACHEV SO BADLY WANTS
AND NEEDS.

SO, EVEN THOUGH THE
INTERNATIONAL THREATS HAVE
DIMINISHED, IT DOESN'T MEAN

THE TOUGH DECISIONS OF
LEADERSHIP HAVE GONE AWAY.

(IF TIME)

IF YOU HAVE ANY QUESTIONS,
I'D BE PLEASED TO ANSWER
THEM NOW.

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