REMARKS PREPARED FOR DELIVERY BY SECRETARY OF TRANSPORTATION ELIZABETH HANFORD DOLE VIRGINIA STATE CONVENTION JUNE 14, 1986

What a joy to be in my old stomping ground -- the south -- in the city and the university Jefferson built.

Yes, thanks to you, the south has become a two-party region. The Democrats can no longer take us for granted. For 30 years, people have talked about the dawning of the New South. Well, that dawn has come, and it's the beginning of a brand new day for the entire sun belt. You can see it in the phenomenal population shift, the booming economy, and the new political landscape. The south has become the center of the political battleground and will play a pivotal role in American politics for decades to come.

Here in Old Dominion, we have tremendous Republican leaders who make an effective team in Washington. John Warner and Paul Trible are key leaders in the Senate, and are strong supporters of President Reagan. I have had the privilege of working with both of these men on many of the important issues of the day, issues of great interest to Virginia. Last month, both John Warner and Paul Trible were present as my Department gave the state a grant to construct a tunnel carrying I-664 under Hampton Roads. It is one of the largest construction projects ever in that area, providing new access between Norfolk and the Hampton Roads area. I can tell you that the people of Virginia are very fortunate to have John Warner and Paul Trible representing them in the U.S. Senate.

Virginia is also blessed with a fine Republican U.S. House delegation. Herb Bateman, Tom Bliley, French Slaughter, Stan Parris and Frank Wolf are loyal Republicans in the Reagan tradition, and work hard for Virginia. And I know I join all of you in saluting Bill Whitehurst, who has served the people of Norfolk and Virginia Beach in Congress for 18 years. All of us will surely miss having Bill in Congress. Fortunately, we have an outstanding candidate to replace him in State Senator Joe Canada.

The fact that we now have such fine leaders is due in no small part to those who give to the political process their heart, as well as their material resources -- who share their time, their energy, their commitment.

I'm looking at just such a gathering tonight, and if I impart nothing else, I want to express the personal gratitude I feel, along with so many others in the Reagan Administration, for all you do to make what we do possible.

America in 1986 is experiencing a different kind of miracle -- the rebirth of our economy and our national spirit. Five and a half years ago, when Ronald Reagan became president, our country was in both economic shambles and psychological doldrums. Double digit inflation, as you well

know, interest rates the highest since the Civil War, and the lowest rate of growth in productivity of any major industrial nation. All that has changed.

Thanks to our Republican policies, we're enjoying a new wave of popular support all across the country. The Republican Party is a growing party throughout America because it favors growth and opportunity for all Americans. And Americans of all walks of life are finding a new home in the Republican Party.

Like President Reagan, I too was once a Democrat. When I grew up in Salisbury, North Carolina, everyone at that time was a Democrat. In fact, I think I was about 12 before I learned there was another party. The President likes to say, when he was 12, there was no other party!

Our party is a growing party because we've restored hope to the vocabulary of American life. For we were not meant to be victims of fate, but masters of destiny.

I won't forget a Cabinet meeting at which I spelled out the political costs of pursuing a line of policy. The President looked at me and thanked me for doing my job, trying to protect him insofar as I could. He said something that goes to the heart of our mission. "Elizabeth, forget what's the best thing to do politically. What do you think is the right thing to do?

It wasn't easy to bring inflation under control in two years instead of ten --it was the right thing to do...we Republicans did it!

It wasn't easy to create almost 10 million new jobs, half filled by working women -- it was the right thing to do...we Republicans did it!

It wasn't easy to cut taxes across the board so all Americans could keep more of what they earned -- it was the right thing to do...Republicans did it!

It wasn't easy to strike back at the terrorist regime of Muammar Kaddafi --it was the right thing to do...our Republican president did it!

We've done a lot. Much remains. For the sake of America, it's not whether our new direction should be carved in stone, but how. It's not whether we should reduce the federal deficit, but how.

The Gramm-Rudman legislation imposes some darn tough discipline. It mandates that Congress reduce the federal deficit to zero by 1991. That's a tall order. And it closes the escape hatch, by threatening across-the-board cuts if we don't reach those deficit goals. It gives everybody an opportunity, a choice. Two roads. One puts the government on automatic pilot with these across-the-board cuts in nearly every program, cutting both the fat and the meat. That's the garden path to disaster.

The "road less traveled," is a more difficult course, requiring more courage, more imagination, longer hours of grueling work...but it's the right thing to do.

We've charted a course: make taxes simpler so that all Americans know that they are paying their fair share; eliminate the complexities that confuse us; get rid of the preferences that enrage many of us; and most of all, achieve fairer taxes.

And that's just the beginning. We have the opportunity, the obligation, to get the government out of businesses that should be run by the private sector. The word "privatization," an awkward word at best, was associated with Margaret Thatcher's splendid program in Great Britain. The time has come to use the British model here. We're asking Congress to approve the transfer of two federally-owned airports, Washington National and Dulles, to an independent regional commission with members from Virginia, the District of Columbia and Maryland. It offers a significant opportunity to reduce government spending, to put the job of operating airports at the regional/local level where it belongs, and provide comfortable and convenient service for air travelers. These two Virginia airports need \$550 - \$700 million to become first-class facilities and to realize their potential. We plan to sunset the Interstate Commerce Commission, like we did the Civil Aeronautics Board, and complete deregulation of the trucking industry and others.

Earlier this year, I testified before Congress on our new four-year highway reauthorization bill. It continues a high level of funding for repair of roads and bridges. That's important for safety and efficiency, and a major feature is the flexibility it will give the states -- and cities --to meet local needs through a block grant for urban and secondary highway systems, bridges and transit projects. Cities can decide for themselves... rather than separate categories of many growing investment decisions. We must cut out subsidies for mass transit and Amtrak, which carries less than two percent of intercity travel.

The important them of my budget is the need to reduce the federal deficit so that economic expansion can continue... While at the same time ensuring a safe and efficient national transportation system. We've had to reassess the federal role in transportation policy. We can't continue to do all we've been doing! If I have may way in fiscal year 1987, my \$27 billion budget will drop by \$5 billion!... I am especially pleased that as Secretary of Transportation I can make a difference through safety programs, a positive difference in the lives of millions of Americans.

We've got some big challenges ahead of us, some tough choices. With them comes the opportunity to put our stamp on history. Within our grasp are permanent solutions to problems that have plagued us for decades.

In November of 1984, the American people set the course for this country by overwhelmingly endorsing our party's message of hope and

opportunity. The message was bold enough, believable enough to attract a solid majority of women, a significant number of minority voters and over 60 percent of the young.

In the 1984 election, the American people affirmed the direction in which this country is headed, and they signalled a fundamental realignment of political loyalties which has brought us closer than at any time in the last half century to true majority status. The tide of affairs is indeed at flood stage. But let's not deceive ourselves. In politics as elsewhere, those who rest on their laurels soon find themselves pretty uncomfortable. Ronald Reagan opened up a lot of doors in 1984. Now it's up to us to walk through them.

Which brings me to the 1986 election. For the Republican resurgence to continue, for economic expansion and deficit reduction to continue, it is absolutely crucial that Republicans maintain control of the U.S. Senate. If we fail, it will bring about profound changes in the Senate; changes that none of us want to see. I heard one Senator say recently on the Senate floor, "Gentlemen, let me tax your memories." Ted Kennedy leapt to his feet and said, "Why haven't I thought of that before?" If we lose control of the Senate, Ted Kennedy could become Chairman of the Labor and Human Resources Committee.

Even though there is no Senate race in Virginia this year, Republicans all across the country must work together to keep John Warner and Paul Trible in the Majority in the Senate. And Bob Dole will appreciate that too!

It is in our power to gain a Republican majority in both Houses of Congress in the not-to-distant future. It's incredible that of all the votes cast in the 1984 congressional races, For contested House seats, Republican candidates won nearly half a million more votes than their Democrat counterparts. But, these Republicans won 31 fewer contested seats than the Democrats. This inequity clearly resulted from unfair partisan gerrymandering in the creation of Congressional districts following the 1980 census.

In the 1990 census, officials predict as many as 19 House seats will be added in the south and west, which will increase our opportunities to become the majority party in the House of Representatives.

And we're embarked on a long-range effort to increase our strength in state legislatures and governors' mansions in 1986, 1988, 1990 and beyond. In 1984, in states like Texas and North Carolonia, we showed how much could be achieved when a lot of people, of all ages and backgrounds, pooled their idealism and sacrificed their shoe leather ot persuade their friends and neighbors that Republican ideas are the wave of the future! Indeed, there isn't a single state in the union that we can't win -- nor a single state the Democrats can take for granted.

Here in Virginia, there is no doubt that we have our work cut out for us. The Democrats are waging spirited campaigns for our House seats, and we've all got to get it together to ensure that they don't succeed. Your convention theme is most appropriate! In other states, we've shown the Democrats that a united Republican party is a force to be reckoned with, and have made solid gains in party registration, congressional seats and state legislatures. Virginia Republicans, in electing John Warner and Paul Trible to the Senate have demonstrated the ability to unite and win in the past; for the sake of the party and the state, we must do it in the future. And ladies and gentlemen, the future is now.

During the past five years, our party has established a benchmark of leadership that will require those who follow not merely to piece together a mosaic of political and special interests, but to assemble a constellation of ideas that weave together the aspirations of the people themselves. And to get the job done, we must renew our moral commitment to that spirit of service and selflessness that "flows like a deep and mighty river through the history of our nation."

Recently, a Washington cab driver was taking some tourists past the National Archives Building, where words carved over the door read, "What is Past is Prologue." The little girl in the family asked her father what it meant. Before he could reply, the cabbie said, "Honey, that means you ain't seen nothing yet!"

Ladies and gentlemen, I suggest that folks ain't seen nothing yet! Together, we can secure the promise we made back in 1980, to give America back to the American people, to restore her will, to raise her spirits, renew her sense of destiny and reach out to all those who have yet to share in her abundance.

Sometimes it seems as if the challenges are insurmountable -- it's at times like this I think of President Reagan's comment about his early days as Governor of California. "Each morning began," he said, "with someone standing before my desk describing yet another disaster. The feeling of stress became unbearable. I had the urge to look over my shoulder for someone I could pass the problem to. One day it came to me that I was looking in the wrong direction. I looked up instead of back. I'm still looking up. I couldn't face one day in this office if I didn't know I could ask God's help and it would be given." Let us never forget the source of our strength and our courage.

Ours is neither the time nor is this the place for men or women with faint hearts, feeble courage, weak commitment or selfish motives. We will pursue our vision, and complete the task. Our party deserves it, history demands it, and our children will reward it.