

happened to them in the 1980's. In the 1980's, the middle class paid the bill while the wealthiest Americans enjoyed the fruits of their labors. Taxes went up on middle class Americans while their real incomes went down. Taxes went down on upper income Americans while their real incomes went up.

The expansion of Government services, the expansion of all the public programs was basically done on the backs of the people who weren't having any income growth. That means before we ask them to do more, we have to demand that Government do everything it can to do with less. Before I ask working Americans to work harder and pay more, I will ask the economic elite, who made more money and paid less in taxes, to pay their fair share. We have to literally be about the business, as Vice President Gore said first, of reinventing Government.

I have been very careful, I will say again, to honor the contribution of public employees. I know that to a major degree, I cannot succeed as President unless you and the people who work in all these other departments believe in our common mission.

I know that for every subject I could bring up that I want to do something about, there are 10 employees in this city of the Federal Government who know more about the details of what ought to be done than I do. I need your ideas and your energy. When I say we're going to reinvent Government, we're going to downsize some things; we're going to stop doing other things. We're going to do it in a way that lifts up the influence, the energy, and values the ideas of our best employees, not that grinds them down or uses them as political footballs. I have no interest in doing that to you or to anybody else. I think the American people know you want a change, too.

But let me just give you two or three examples. When I took office, the Labor Department had a nice executive dining room for its Secretary but not enough money to train unemployed workers. I'm going to propose a stimulus package that has some more money to train unemployed workers, and the Secretary of Labor is now eating in the dining room with the employees.

When I took office, the White House had a telephone system that had been there since President Carter and a switchboard that has been there since the 1960's. They talk about jamming the White House switchboards—you

can do it tomorrow if you want to; it's not hard. I could not have a conference call in my office on my telephone, except an unwanted one. Anybody in the central office could punch a lighted button and listen to what I had to say. [Laughter] The American people, I think, would be pretty surprised and disappointed that after a dozen years of people who promised to run the Government like a business—they meant a business in the 1950's, not for the 21st century. [Laughter]

So we are committed to making the kinds of structural changes that every major organization in this country has had to make in order to survive. It is not right for us to spend taxpayers' money on antiquated communications systems, on unjustifiable perks, and on a system that cannot be, cannot be justified to the American people, given the times that they're having and the sacrifices we're going to ask of them.

In the next several days, I will be finalizing and announcing plans which will demonstrate a substantial reduction in spending at the White House, reversing many years of growth in services and personnel provided to the President. We're going to rely more on help from people in the departments to run the Government and on a new partnership to move the country forward. And we're going to set an example by saving money for the taxpayers, which will then have to be followed by everybody else in the executive branch and I hope in the legislative branch as well.

Second, I'm going to ask, as I said, those who made more money in the eighties and paid fewer taxes to pay their fair share before I ask anyone in the working middle class to pay more. But we have to recognize that together we have to find a way to change the mix of Government spending away from so much consumption toward more investment and, at the same time, to reduce the deficit so we can bring interest rates down and bring up long-term living standards. We have no right, frankly, to continue to finance a Government budget that is 20 percent debt-financed, and will be more debt-financed in the years ahead, and leave it to our children to figure out how to live with lower incomes than they otherwise would have. And believe me, it isn't just our children. We're going to be living with the consequences in the very near future.

And I might add something that all of you who work on budgets know, which is that one