

and the environment that are far larger than we could sustain. That would be—we cannot take the discretionary account down so low that we know that we will not be able to protect education and the environment.

So that's where we are. We can balance the budget. It's very important that the American people understand that. We have agreed, the congressional leaders and I have agreed already, to far more than enough reductions in Government spending to balance the budget within 7 years. We already have.

The issue here is over the policies involving Medicare, Medicaid, education, the environment, our opposition to raising taxes on the lowest paid working people and on the size and structure of the tax cut. This has nothing to do with balancing the budget anymore. Nothing.

We could balance the budget, literally, in 15 minutes tomorrow afternoon. And the Congressional Budget Office would say hooray. The financial markets would say hooray. Interest rates would drop. The economy would start to grow. Everything would be fine. Then we could have an election in 1996 about whether the American people agree with their view of Medicare or mine, with their view of Medicaid or mine, with their view of our obligations in education and training of our work force and our children or mine, with their view of environmental protection or mine.

Now, that's what we ought to do. We can do this in 15 minutes. So when they express pessimism, it's because they don't believe that—at least, maybe in the House and perhaps in the Senate as well—that they can pass a balanced budget program that they, their own Congressional Budget Office, will say is balanced but doesn't further these ideological goals. We ought to have an election about that.

If we're going to walk away from the fundamental commitments of Medicare, we ought to have an election about that. We haven't had an election about that. If we're going to say that our children, because they are poor, are not entitled to the health care they would otherwise get or that middle class families that have disabled children who are now getting help will or will not get that help depending on who happens to be Governor of a given State, we ought to have an election about that. And if we're going to say we're going to reduce the number of college scholarships, college loans, investments in our education system, invest-

ments in environmental protection, we ought to have an election about that. That is not what the '94 election was about, certainly not what the '92 election was about.

So let's come back here, balance a budget in 7 years, show the American people we can do it, get the economic benefits of doing it, and then have all 1996 to argue about these policies. That's the proper thing to do.

We have bent over backwards to reach good-faith, honorable, principled compromise, and we can still do that. And I don't understand what the problem is. We can even have a reasonably good-sized tax cut and do it. But there is a limit to how big the tax cut can be, and there certainly is a limit beyond which we cannot go in good conscience based on our priorities.

And let me just make one final statement. Ever since the Congress and I agreed to reopen the Government the first time, there was a resolution we passed—we all agreed to it. It said that, finally, we would agree on a budget that was balanced in 7 years, that the Congress would say was balanced in 7 years, that protected our priorities, Medicare, Medicaid, education, and the environment, and that's what the resolution said.

From the next day, all I ever heard was, "Where is your budget that they say is scored?" As if they had no obligation at all to deal with the other parts of the resolution. Well, here it is. This is their letter.

Now, what we ought to do is honor the second part of the resolution. That resolution said we're going to put off the ideological battles until the next election. That resolution said, yes, we'll balance the budget in 7 years, but we will protect education and the environment and Medicare and Medicaid. And all I'm trying to do now is honor the resolution that I signed off on when we had the first Government crisis a few weeks ago.

*Q.* Do you think they've deceived you, Mr. President, in their goals? Did they deceive you?

*The President.* No, no. I always told you what this is about. I said this weeks and weeks ago, months ago. I have not been deceived. But you know, we don't—in a political system where one party, where even, I might say, one philosophy within one party does not have total control, sooner or later you have to ask yourself, are you going to make the perfect the enemy of the good?