

I think it would—let me just say this: I think that if we could get a budget agreement, it would be better for the economy, because I think it would be a spur for even lower interest rates and to have a longer recovery with longer, more stable growth. So I don't know that anything bad will happen if we don't get it, but it would be considerably better if we did.

And let me say again, if we decide that what we want to do is to balance the budget in 7 years—I have demonstrated with this letter I keep showing you that Congress has said that I have a plan to do it; they have a plan to do it; we are closer together than we were by far when these talks began. We can balance the budget. In order to do that, some of the differences between me and the Congress over some of these issues will have to be taken out of that budget agreement and deferred for the election. But that's what elections are for. We should not make the perfect the enemy of the good. Let me say that again: We should not make the perfect the enemy of the good. It is a good thing to balance the budget. It is a good thing to have the right kind of tax cut.

If there are other matters that cannot be resolved, we should defer them, have an election about them, let the American people make their judgments. Meanwhile, all of us, whatever happens in the next election, will always be able to say we passed a credible balanced budget plan; we passed a reasonable tax cut; we did what was right for America; and we didn't undermine our obligations in Medicare, Medicaid, education, and the environment.

1996 Election Issues

Q. Mr. President, as I recall, you once told the Republicans that if they wanted to pass these ideological changes, they'd have to have someone else behind the Oval Office desk to sign them into law. Is that what this boils down to, you putting your Presidency on the line for the budgetary items and the Government programs you believe in? And isn't that what the Speaker is saying, that these have—isn't he saying that these have to be resolved before they'll do any budget, other than continuing resolutions?

The President. But the point I'm trying to make—that is what I said. And if you look at the context in which I said it, at the proposals they then had on the table, already they have moved on that. And I have made a good faith

effort to come toward them. But that's what you have elections about.

The way democracies work—and particularly the way ours has worked for 200 years—is that people of good faith and honest differences attempt to reconcile their differences. And then when they can't, they attempt to do what they can and then let the voters resolve their differences that they can't resolve at election time. The important thing now is that all the American people know that one of the differences we do not have to resolve is whether we should pass a credible balanced budget plan. That can be done. That can be done in no time. We have already—both sides have agreed to well over—well over \$600 billion in spending reductions. We have agreed to more than enough to balance the budget in 7 years and still give a modest tax cut. So that is no longer at issue.

My view is we should do both those things. We should pass the balanced budget. We should give a modest tax cut. We should put the other differences off for the election. That's what elections are for. But that's not an excuse for us to lay down on the job now. The people hired us to show up for work every day. I mean, to say, well, we're not going to do anything until the people vote in November—this is not a parliamentary system. This is the American system, and it requires us responsibly to do what we can to set aside our partisan differences when we have an agreement and not hold up the good things waiting for what we believe are the better things. The better things, we can debate those in the election.

Q. Mr. President, what are the issues you think should be deferred to the election? You've mentioned Medicare and Medicaid several times as things you just can't tolerate that degree of cut.

The President. Well, I think the—and the structure of Medicare. You know, we can try some experiments, but to fundamentally change the structure of Medicare so that it would no longer be a recognizable guarantee for our seniors, I think that is going too far in the direction of just turning it over to insurance companies and other private providers.

Whether Medicaid should be a block grant instead of a guarantee from the Nation to our poor and disabled children and to seniors in nursing homes, that's something I think could be deferred to the election. But we can make an 80 percent agreement because I am in favor