

controlled the Senate and the White House, and they had effective control of the House of Representatives. And they put us in the hole we're still digging out of.

Now, when we came in, we cut the deficit in half in 3 years. They said—you need to know, when you talk to your friends about this budget debate, the Federal budget would be balanced today with a surplus—today with a surplus—but for the interest payments we pay on the debt run up between 1981 and the end of 1992. Only in those 12 years.

Now, I want to be fair. We have really worked hard together. We spent 50 hours together, the Vice President and I, the Republican and the Democratic congressional leaders. We found we did agree on a lot of things. One of the things we've agreed on is over \$600 billion, way over \$600 billion, in savings over the next 7 years, more than enough to bring our budget into balance and enough to still have a modest tax cut.

We don't have an agreement because of the things we disagree on. They think we should cut Medicare more than I think we should cut it. I think \$400 a couple for elderly people—[inaudible]. If we don't need it to balance the budget, I don't think we ought to take it. We don't know how much can be taken out of these rural hospitals and rural nursing homes without doing damage to them. We have to save some money, but we've got to be careful.

The Medicaid program is not so widely known as Medicare. But there are millions, millions of children, poor children, many of them in poor working families, who depend upon it. Our middle class families have their parents in nursing homes depending on it. A lot of middle class families have disabled children who get a little help from Medicaid. It keeps them from going broke while they care for their children. And people say, "Oh, you know, the Democrats, they're pandering to the elderly." Bull! [Laughter] Bull!

If the savings that the Vice President and I have proposed are enacted into law, they will represent the biggest savings ever achieved in the Medicare and Medicaid programs. We know we've got to do better. We know we can't keep letting health care costs go up at 3 times the rate of inflation. We know we have to support these health care providers that are giving folks more choices if they want to go into managed care networks. We're all for that. But I say we should not do more than we know the sys-

tem can take. We should not hurt any seniors that we know we can avoid hurting.

And keep in mind, this is not just an issue of elderly people. If you make it more difficult for people to have their parents in nursing homes and they have to spend more money on that, where will the money come from to send their children to college? If you make college loans more expensive or you have fewer scholarships, where will the strength in our economy come from 10 years from now when we know we need more young people going to college?

Look, we're all in this together. That is the central issue. And I will say again, my plea to the leaders of Congress—just as I pleaded with the Democrats to bend over backwards to meet the Republicans halfway, just as we have worked hard to do that—is we need to pass a plan to balance the budget because it will drive interest rates down, it'll make it easier for business people to go get a loan, easier to expand payrolls, easier to keep economic growth going. We need to do this.

But we are going to have some disagreements. What we need to do is to agree on everything we can, identify the disagreements and tell the American people that it's their business, it's their future, and they should resolve those disagreements in the election. But to put off balancing the budget because we have some disagreement over the size and shape of a tax cut, over changes at the margins in the Medicare program that can make huge impacts but aren't necessary to save the money we've talked about, over big cuts in education and the environment, that's wrong. We should not put this other business off.

You know, we have a system—this is not a parliamentary system. If we were having this kind of fight in Great Britain, for example, we'd just call an election 5 weeks from now, and you all would decide what you want, and I'd either go home or they'd do it our way or vice versa. That's the way we'd do it. This is not a parliamentary system. We can't have a work stoppage in Washington until November. It is inexcusable; it is unacceptable.

We ought to go back there and say, "Look, we've agreed on enough money to balance the budget. We've agreed we can provide at least a modest tax cut to people for childrearing and education. We can help small business some with their pensions and with some other things.