

Remarks Prior to a Meeting With the Economic Team and an Exchange With Reporters

January 21, 1997

Budget Proposal

The President. Are we all here? Are we all awake? [Laughter] Are we all cogent?

Q. How about you?

The President. Yes, I'm fine. I got a good night's sleep last night.

Yesterday was a great day of celebration for us, but it's time to get down to work. I told everyone at all the balls yesterday that I felt better at the second Inauguration than the first because the country was better but that I wanted us to see it not as a reward for the first 4 years but a mandate for the next 4. And that's what I want to be working on today.

I wanted to begin this second term by meeting first with our economic team to discuss finishing the job of balancing the budget. I said yesterday that we need a new Government for the new century ahead, and that means a Government that lives within its means, that our parties must work together, and that we have to be repairers of the breach that has developed in our partisan system over the last 4 years and too often among our people.

To that end, on February 6th I will submit a balanced budget. As I said yesterday, we have to do—what I will do—maintain our commitment to a balanced budget and the balance of our values. That's why we will also expand education, research, and technology, protect the environment, and preserve health care for our parents and our children.

The only way we can actually balance the budget is if we seize this moment to work together. And I'm going to do my best to reach out to the Republicans. So today I want to announce that our balanced budget will contain Medicare reforms that will make the program work better and will meet my goal of securing the Medicare Trust Fund for 10 years. It will save \$138 billion over 6 years. And it should bring us much closer to bipartisan agreement, because based on the scoring of the Congressional Budget Office last year, this means that we're meeting the Republicans halfway. I want to meet them halfway on this and on many other issues. And I hope they'll meet me halfway.

I'm determined that if we'll do that, we can resolve our remaining differences and reach agreement to balance the budget and do a lot of other good things for the American people as well. I'm looking forward to it, and I hope this first gesture is one that will be treated in good faith and responded to in kind.

Reprimand of Speaker Gingrich

Q. Mr. President, what effect do you think today's House vote on Mr. Gingrich will have on your stated effort yesterday and today to repair the breach?

The President. Well, of course, it depends on how everyone reacts to it. But I believe I said what I needed to say in the Inaugural. I think the House should do its business, and then we should get back to the people's business.

Budget Negotiations

Q. Mr. President, on the \$138 billion, what does that come to over 5 years, since you're going to be submitting a 5-year balanced budget proposal, not a 6-year balanced budget proposal?

The President. It's about a hundred. But the point is that the Republicans will be, too. In other words, the ratio will be about the same.

Q. And do you expect them to simply accept that or to see that as an opening bargaining position, going forward in the negotiations to try to find some sort of common ground, given the history of the so-called Medicare tactics that were used against them during the campaign?

The President. Well, first of all, as you know, I dispute that. I vetoed a budget that had \$270 billion in Medicare cuts. Throughout the campaign and in the debates, I pointed out that the Republicans and I had moved closer together at the end, but that if we adopted a 15 percent across-the-board tax cut it would push the Medicare number back to a number I vetoed. I don't think that's Medicare. So I just dispute that.

But the main thing is we've got to get up today and do the work of the country. There are lots of elements to this budget. Medicare is not the only one, but it's a very important one. And I do believe, obviously, if we adopt