And they vetoed and killed the Brady bill before I became President. So I signed it first chance I got. And 400,000 people couldn't get guns because they had criminal backgrounds. And we have a 26-year low in the crime rate. And we've got 100,000 more police on the street, even though on the otherside of the aisle they said, ''This won't make a lick of difference; these police will never get out there.'' Well, we funded them ahead of time and under budget and we have a 26-year low in the crime rate.

So as Democrats we should be proud—not proud as if we did it, proud that the ideas we stood for were the right ones and that it actually works when you try to create a society where everybody has a chance, all the rest of us who are going to do fine regardless, do even better; that we all do better when we try to create opportunity for each other, when we try to make sure we're responsible for each other in an appropriate way and we try to pull together.

Now, the second thing I want to say is we have to take that fast-forward to today. What's the great debate in Washington today? What are we going to do with the surplus? Now, if I had been running in '92 and I had come to you and you had never seen me before, and I said, I want you to vote for me so that 6 years from now we'll be having a debate about what to do with the surplus, you would have sent me home to Arkansas. [*Laughter*] You would have said, ''This guy has lost it; he doesn't understand. We've got a $290 billion deficit; we will always have deficits.''

So what are we going to do with it? First, the good news. There's a bipartisan agreement that we shouldn't spend the Social Security surplus. That means until we need it to pay for Social Security, we can use it to pay down the debt, and that's good. I think we have that agreement. I want to see the details, but I think we do. That's good. Now the question is what to do with the rest of the surplus.

Here's what we feel. We feel what we should do is to do the following things. Number one, we should fix Medicare and provide a prescription drug benefit. Number two, we should have appropriate money set aside to continue to invest in education, national defense, biomedical research, and the environment. Number three, we believe that as the interest on the debt comes down, because our interest payments will come down as the debt comes, we should put the savings into Social Security so we can run the Trust Fund out to 2053. So when I leave office everybody will know Social Security is all right for at least 50 years, and we can quit worrying about it. Now, that's what we think.

And you can do what we suggest and still have a tax cut, a substantial one. They believe that virtually all the non-Social Security surplus should go to a tax cut. And they think it sounds really popular—''my tax cut is bigger than your tax cut''—well, if that were the whole story that would sound like a pretty good argument. But I say we ought to save Social Security and Medicare and not just pay down the debt but make this country debt-free for the first time since 1835 and continue to invest in education.

We'll still have money for a tax cut to help families save for long-term care, for child care, for investments in our country. But we will continue—we will not risk running a deficit, destroying the education budget, not meeting our defense responsibilities, or not doing one single thing to add a day to the solvency of Medicare, and not providing the prescription drug benefit. That's the difference. That's the choice.

So it's just all back to 1993 again, or even back earlier than that. Most of you in this room, what are you doing here? You're all in upper income groups; you ought to be at their deal, not ours. Why are you here? You get more money out of their tax cut. This is very important, why you're Democrats, why I am. But 5 years from now you're going to be a lot better off, and so is America, if we pay down the debt, save Social Security and Medicare, continue to invest in education, and have a modest tax cut we can afford.

You know, if you just think about just three great challenges this country faces, we're going to double the number of people over 65 in 30 years. We hadn't been in this kind of financial shape in forever and a day. What in the world are we going to say to our children if we walk away from this opportunity to run the Social Security Trust Fund out

at least 50-plus years? What are we going to say if we walk away from our obligation to run the Medicare Trust Fund out until 2025 or beyond, and to provide all these elderly people—not all of them poor, a lot of them middle class—a little help in dealing with the prescription drug program?

What are we going to say if we adopt a tax cut which causes us to cut education when we ought to be investing more in it? What are we going to say when 5, 10 years from now some Kosovo comes along and America is asked to stand up for human rights around the world? We'd say, ''Well, we'd like to do it, but we had that tax cut''—[*laughter*]—''and I needed that tax cut.''

Closer to home, what are we going to say—I've been waiting for this, and I never wanted to be the first to raise it because I wouldn't have had credibility on it, but now it's in the press—what are we going to say if they cut taxes and the markets say, ''Well, we don't need a tax cut in the economy like this; we better raise interest rates?'' So you get it with one hand and get it taken away with the other and everything gets squeezed.

So I say to you we ought to save Social Security and Medicare; we ought to continue to move forward in education. And I want to talk just a minute about this paying the debt down. A lot of people—it just seems so alien; it's like an alien subject—we haven't been out of debt since 1835. And for most of this century we shouldn't have been out of debt. We needed to have a little debt to invest in infrastructure or to expand the economy in times of recession or outright depression. But it's different now. Why is it different now?

I want you all to think about this. You may not agree with me on this. I've really thought about this a lot. Why should the Nation's progressive party be for taking the country out of debt in 1999 when we have still an unconscionably large number of poor children and any number of things that we ought to be spending this money on? Here's why. We're living in a global economy. Interest rates are set globally; money moves globally. The best thing we've done for poor people in America is create 19 million new jobs and give tax relief to lower income working people and raise the minimum wage—to create an economy, in other words, that they could be a part of; to support the Vice President's empowerment initiative and the community development banks and all the things we've done to try to bring jobs.

Now, if we get out of debt and if everybody knows we're on the target, we're going to be out of debt in 15 years, what happens? Interest rates stay down, investments stay high, more jobs are created with inflation low, more money for wage increases. Average people pay lower interest costs for home mortgages, car payments, credit card payments, and college loan payments. And the next time a global financial crisis comes along, like the one in Asia, nobody has to worry about America gobbling up scarce dollars and driving the price of money up. So when our trading partners, who are poorer than we are, need to get money because times are tough, they can get it and get it at a lower cost, which means they will recover more quickly and we'll start doing business more quickly.

And if you don't think that's a big issue, look what is happening to America's farmers because of the collapse of the markets in Asia. Here we are at the most prosperous time perhaps in this country's history with an absolute disaster in the family farms of America.

So that's why it makes sense in a global economy for the world's richest country to be debt-free, and why it is a progressive thing to do—and why, by the way, when you do it, we won't be paying interest on the debt anymore. If you were a Member of Congress, you would find that before you did anything else you'd have to take about—it used to be 15 and now 14 cents on every tax dollar to pay interest on the debt we have accumulated, largely in the 12 years before I took office. So don't forget, you get out of debt, you've also got 14 cents you used to not have. And 14 cents of every dollar, all of you pay in taxes, is a pretty tidy sum of money. So that's why this is a good thing.

So I say to you we need to go to the country and say, tax cut, sure, but first things first: Save Social Security and Medicare and deal with the challenge of America's aging; continue to invest in our children's future and in the other basic things we have to have;