

not based on everything will be hunky-dory every day of the next 15 years. So they're not unrealistic.

But we have to decide—since we haven't been in it—did you ever think when I was here running in '92 we would be back here having a debate about what to do with the surplus? [*Laughter*] This is a high-class problem. But it's just as important to get the answer to a high-class problem right as it is to one that you wish you didn't have to deal with. It's not like going to the dentist. But if we don't handle it right, we'll be going to the dentist and nobody will give us a shot to deaden the pain. We have got to deal with this issue in the proper way.

Let me just mention three things. We have to deal with the aging of America. Iowa has got a high percentage of people over 65. The number of people over 65 will double in 30 years. The older we get the more people that will be drawing Social Security and Medicare and the fewer people will be paying into it. This is not rocket science; this is basic math.

I believe before we pass a big tax cut we should save Social Security and Medicare and add a prescription drug benefit to Medicare for the 21st century so that—[*ap- plause*]*—why? That's going to save everybody a lot more money in the long run than a tax cut. What's going to happen? What's going to happen if we don't? This is not just about the elderly. I'm not just looking out for the baby boomers that are going to retire in a few years. You know what will happen.*

How many family stories do you know right now where parents with little children are also taking care of their parents, because it's the right thing to do? But we have Social Security and Medicare so that we can balance the responsibilities of the generations and so that families can take of their own needs and look to their children as they go along. So this is not just about the elderly. This is about the children and grandchildren of the baby boom generation.

The second thing we ought to do is take care of the economy. And I would like to mention just two things, one of which you know very well. One is, there is still a lot of places in this country that aren't participating in the economic recovery. The big problem on the farm is we've had 4 years in a

row of worldwide record harvests for the first time in history and an economic collapse in 1997 in Asia, so markets shrink, the products go, prices collapse.

Audience member. Freedom to farm—

The President. Exactly right. As Senator Harkin and I warned—Congressman Boswell and I, we were all three laughing about it—we said, you know, the people who put in that “Freedom to Farm Act” acted like there never would be a bad year on the farm. And now last year we dealt with it. Today I'm going to meet with some of your farmers, and we're working on it. The Vice President called me after he had a chance to meet with some farmers here this week, and we talked about it.

But the point I want to make is, you have farmers; you have people in Appalachia; you have people in the Mississippi Delta; you have people who live on the Indian reservations; you have people who live in the inner cities; and even though we're doing better than we've ever done, there's still a lot of people who aren't part of this train. And there are ways to give everybody a chance who's willing to work to be a part of it. That ought to be something we do with our prosperity. We ought to give everybody who's willing to work a chance to be a part of that prosperity. And I think it's very important.

One thing we can do that will help the economy more than anything else is, if we adopt the plan I put out to save the majority of the surplus for Social Security and Medicare, since it's not needed now—while we save it we can pay the debt down so much that by 2015, in 16 years, for the first time since 1835, this country can be out of debt.

If you're a middle class person, why should you worry about that? Because if we're out of debt it means lower interest rates; higher investment; more jobs; higher wages; lower college loan, credit card, car payment, and home mortgage rates. It means a more stable world economy over the long run. It means a better environment for farmers and manufacturers and everybody else. It is a good thing to do.

Now, what I want to tell you is, we can do all that and still have a tax cut and still invest in education. But we cannot pretend that there are no consequences to proposing