The President. Write them a letter; send them an E-mail; send them a fax. Do something to—and say, I'm just a citizen, but I want you to know that I will support you if you save most of the surplus to fix Social Security and Medicare and make America debt-free. I will take the smaller tax cut, and I don't want you to have to cut education or national defense or medical research or any of those other things. Let's do this in a disciplined way, in a commonsense way. I think you just tell them that that's what you want them to do, and don't make it a partisan issue, don't make it a—I don't want Americans to get angry over this.

Like I said, this is a high-class problem. You would have laughed me out of this room if I had come here 7 years ago and said, ''Vote for me. I'll come back, and we'll have a debate on what to do with the surplus.'' So let's be grown up about this and deal with it as good citizens.

[*The conversation continued.*]

The President. Yes, I thank you for that. I agree with that. Let me say, if you think about it, every time we do a big change in this country, the people that are doing pretty well under the status quo normally oppose it. And in the 15th century, the great Italian statesman Machiavelli said there is nothing so difficult in all of human affairs than to change the established order of things, because the people who will benefit are uncertain of their gain, and the people who will lose are afraid of their loss.

Well, I don't think they will necessarily lose. Once they go back to what this gentleman said over here about it, and let's put what he said and what you said together, the profit margins may go down some on heavily-used drugs where we have the power to bargain per drug, but the volume will surely go up. That's the point you're trying to make.

Look, none of us have an interest in putting the American pharmaceutical companies out of business. They're the best in the world, and they're discovering all these new drugs that keep us alive longer. And I wouldn't—we'll never be in a position where we're going to try to do that. But I've seen this time after time after time—not just in health care, in lots of other areas. It will be fine if we just have to get the point where they can't kill it. I think the pharmacists will help us, and I think if we keep working, we'll wind up getting some pharmaceutical executives who will eventually come out for it, too, once they understand that nobody has a vested interest in driving them out of business. We all want them to do well and keep putting money into research and the increased volume—if the past is any experience of every other change, the increased volume of medicine going to seniors who need it will more than offset the slightly reduced profit margins from having more reasonable prices.

Thank you very much.

[*The conversation continued. Participant Loren Graham said his 44-year-old daughter, who suffers from rheumatoid arthritis, should be able to buy into Medicare because she is refused insurance.*]

The President. But she's not designated disabled?

Mr. Graham. I beg your pardon?

The President. Medicare covers certain—the disability population—she's not disabled enough to cover, to qualify?

Mr. Graham. Correct.

The President. I don't know if I can solve that or not. I'll have to think about it. [*Laughter*]

Ms. Aldrich. But you obviously have other people that you know that are dealing with the same type of issue that you are right now, is that correct?

[*Mr. Graham said he knew a lot of people in the same situation that have supplemental insurance but no guarantee they will keep it.*]

The President. Let me say one thing. You said you wanted Medicare to be around another 32 years. Another point I should have made that I didn't about taking the Trust Fund out 27 years, you think how much health care has changed in the last 27 years. The likelihood is it will change even more in the next 27 than it has changed in the last 27. And we may be caring for ourselves at home for things that we now think of as terminal hospital stays. They may become normal things where you give yourself medication, you give yourself your own shots, you