WASHINGTON braces for the real budget battle

November 21, 1995
Web posted at: 12:40 a.m. EST

From Correspondent Candy Crowley

WASHINGTON (CNN)-- The federal government is offering full services again, the result of the ultimate compromise agreement.

But the short-term agreement reached Sunday ending the budget stalemate is only a short-term solution funding the federal government until December 15.

The real work begins as the Congress and White House begin negotiations on the Balanced Budget Act, the centerpiece of the Republicans' Contract With America which the House passed Monday.

Nevermind the future. Having gotten themselves out of the furlough mess, both sides were content Monday to claim victory in the compromise reached Sunday.

"Everyone won. Everyone got to put their beliefs in the resolution"

-- House Minority Leader Richard Gephardt

Republicans got to say they got the president to agree to balancing the budget within seven years.

"It won't make any difference who won and who lost, I think we won," said Senate Majority Leader Robert Dole. (34K AIFF sound or 34K WAV sound)

Democrats get to say that the Republicans have promised to protect Democrats' program priorities.

"One of the things the president stressed today is we shouldn't gloat over the agreement that was reached right now," said White House Press Secretary Mike McCurry.

The problem with agreements that everybody agrees to is that often it turns out everybody agreed to something different.

"A commitment to a seven-year balanced budget, despite Mr. (Leon) Panetta's confusion, it's a pretty straightforward number," said House Speaker Newt Gingrich.

The president had nothing to say about what he thinks he agreed to and Democrats continue to insist the argument over timetables is beside the point.

Rep. Sam Gibbons, D-Florida, said, "The question before us all is not when the budget is balanced, we all want to do it as soon as possible. The question is how you do it, and who's going to pay for it." (112K AIFF sound or 112K WAV sound)

A look at just a few of the numbers Congress and the White House will wrestle with in the next few weeks, illustrates Gibbons' point.
For Medicare, the president has suggested $124 billion in savings on the health care program for seniors. Republicans are looking at more than twice that.

For Medicaid, the president comes to the table offering $54 billion in savings. The Republican figure is triple that and then some.

For tax cuts, the president's figure is $105 billion over seven years. The Republicans, again, double that figure and more.

In the next week, Congress and the White House move into the budget negotiations with two core questions. How much money does the government have to spend? And on what should it be spent? They have until December 15 to agree on answers.

The issues are controversial, the differences are huge. But after last week, nobody wants to worry about that just yet.

"We'll get this done. We'll work it out. We put the country first and we got the framework and Happy Thanksgiving!" said House Budget Chairman John Kasich. (70K AIFF sound or 70K WAV sound)

Related Stories

- CNN Interactive's Federal shutdown page