

Foreword

The last half of 1998 was a time of great challenge in Washington, but of even greater prosperity and progress for our Nation. Rising personal incomes, the lowest unemployment in 28 years, and the first Federal budget surplus in 29 years, all served to validate the success of our 6-year-old economic strategy of fiscal discipline, expanded trade, and greater investment in our people. In October, I signed a budget reaffirming that strategy with vital new investments, including a down payment to hire 100,000 new, highly trained teachers to bring class sizes down to an average of 18 in the early grades. To maintain fiscal discipline, I rejected proposals from the congressional majority to spend the surplus before we had a plan in place to save Social Security. To build a bipartisan consensus for such a plan, I hosted the first-ever White House conference on the future of Social Security. To advance my goal of reinventing the Federal Government to better serve the American people, I signed landmark bills reforming the Internal Revenue Service and Federal job training programs.

During this period, challenges to peace and prosperity arose around the world, testing the mettle of American leadership. When terrorists associated with Osama bin Laden bombed U.S. embassies in Kenya and Tanzania, America struck back at his terrorist network. When Saddam Hussein refused to cooperate with U.N. weapons inspectors, American and British forces struck hard at Iraq's capacity to build weapons of mass destruction and threaten its neighbors militarily. When financial turmoil in Asia spread to Russia and Brazil, dampening U.S. exports and putting the entire global financial system at risk, America led efforts that stemmed the threat. We helped strengthen the International Monetary Fund's ability to combat financial contagion, and in October, I set out a six-point plan to dampen the cycle of boom and bust in world financial markets.

And when the Middle East peace process was in danger of collapsing, I invited Prime Minister Netanyahu of Israel and Chairman Arafat of the Palestine Liberation Organization to join me at the Wye River Plantation in Maryland. For 9 exhausting days we helped these two leaders make difficult decisions for peace, aided by the appearance of my friend, the late King Hussein of Jordan.

The agreement they signed not only put this holy and tortured land back on a path toward peace, but also reaffirmed my belief that it is often at the moment of greatest challenge that we are capable of making the greatest progress.

William Clinton