

that, barring further incidents, security should significantly improve over the course of the next several weeks as factional tensions ease in the wake of Mr. Johnson's departure. There are approximately 230 non-official American citizens in Liberia and 29 official Americans at the Embassy.

On September 27, 1998, due to the tenuous security situation and the potential threat to American citizens and the Embassy in Monrovia, a stand-by response and evacuation force of approximately 30 U.S. military personnel from the U.S. European Command deployed to Freetown, Sierra Leone. About half of this unit has moved onto the Navy's coastal patrol craft, USS CHINOOK (PC-9), which is operating in the waters off Monrovia. The U.S. military personnel are prepared, if needed, to augment the Embassy's security unit in Monrovia and to conduct an evacuation of American citizens, if required. Although the U.S. military personnel are equipped for combat, this action is being undertaken solely for the purpose of preparing to protect American citizens and property. The U.S. forces will redeploy as soon as it is determined that the threat to the Embassy compound has ended or, if an evacuation is necessary, it is completed.

I have taken this action pursuant to my constitutional authority to conduct U.S. foreign relations and as Commander in Chief and Chief Executive.

I am providing this report as part of my efforts to keep the Congress fully informed, consistent with the War Powers Resolution. I appreciate the support of the Congress in this action to assist in Embassy security and the security of American citizens overseas.

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Strom Thurmond, President pro tempore of the Senate.

Remarks on Achieving a Budget Surplus

September 30, 1998

Thank you very much. Let me begin by saying to Kay McClure, we thank you for

being here. All of us who have been a part of this effort to tame the deficit and to turn our economy around, we did it for people like you. And I think you made everybody here proud to be an American and everybody who was part of that project proud of that.

I'd like to thank the members of the Cabinet and administration who are here, and the former Cabinet members. I would also like to say that we invited Henry Fowler, who was President Johnson's Treasury Secretary the last time the budget was balanced, to come here, but he couldn't come because of hip surgery. Our thoughts are with him, and his thoughts are with us today.

I want to thank Senator Moynihan and Senator Robb, Senator Rockefeller, Senator Breaux, Senator Conrad, Senator Dorgan, Mr. Sabo, who was our chair, along with Senator Moynihan back in '93; and Congressmen Boyd, Brown, Edwards, Filner, Congresswoman Furse, Congressmen Hastings, Hinojosa, Markey, Vento, Wise, and Congresswoman Thurman for being here.

The Vice President also noted that there were several former Members of Congress here who voted for the budget in 1993. There are quite a number here, and since they—most of them who are here paid quite a high price for doing what makes it possible for us to be here today, I'd like to ask them to stand. Would every Member of Congress who is no longer a Member of Congress, who was here and voted for that budget in '93 please stand. Thank you very much. [*Applause*] Thank you.

Mark Twain once said that two things nobody should ever have to watch being made are laws and sausages. And the aftermath sometimes is not very pretty. They and many others had to endure being accused of raising taxes on people they didn't, being accused of not lowering taxes for people they did, and all manner of other perfidy to try to bring us to this moment, to break the spell that had gripped America and led to a quadrupling of the debt of this country in the previous 12 years. And a lot of the people who are still here took very significant risks, as well, and set the stage for what has been done since.

Let me ask you to begin by just thinking about what 29 years means. Twenty-nine

years ago Neil Armstrong walked on the moon, Bonanza was one of our top-rated TV shows, and Sammy Sosa was one year old. [Laughter] We have waited a long time for this, not quite as long as we waited for Roger Maris' record to be broken but nearly.

For 29 years, the last day of the fiscal year was not a day of celebration but a day we were handed a powerful reminder of our Government's inability to live within its means. In the 12 years before this administration took office the debt quadrupled, partisan gridlock intensified, and a crushing debt was being imposed upon our children. These deficits hobbled economic growth, spiked interest rates, robbed too many people of their chance at the American dream.

The end of this fiscal year, obviously, is different as the flashing sign behind me shows. Tonight at midnight, America puts an end to three decades of deficits and launches a new era of balanced budgets and surpluses. While the numbers will not be official until the end of the month, we expect the 1998 surplus to be about \$70 billion. [Applause] Thank you.

This is the largest surplus on record and, as a percentage of our economy, the largest one since the 1950's. Our economy is the strongest in a generation. That's why we see the deficit clock has become a surplus clock. It will tally the growing opportunities of the 21st century. It is a landmark achievement not just for those in this room who have played a role in it but, indeed, for all the American people. And it will be a gift-giving achievement for generations to come.

I want you to think about what this means for our democracy and also what it means for our obligations now. First and foremost, as our previous speaker so eloquently noted, balancing the budget has brought tangible economic benefits to the American people.

In the 1980's, high interest rates kept entrepreneurs from starting new businesses. Tight money made it harder for people to buy a new home. When I came to Washington 6 years ago nearly everybody felt our economy was drifting. College graduates were having a hard time finding jobs; factory workers were seeing their industries fall behind foreign competition. The deficit then

was \$290 billion and projected to be over \$350 billion this year alone.

But even more than the economic problems, the deficit seemed to be Exhibit A for those who claimed that America was in decline. The notion seems preposterous today. But it's worth remembering that just a decade ago the idea of America in decline was widely accepted in some circles, not only here but around the world. There were works of scholarship suggesting we were bound to go the way of other powers who had risen and then fallen. There was a little defeatism that became part of the conventional wisdom here in Washington, symbolized by this National Government that was inefficient, ineffectual, and insolvent. And therefore, the Government became the poster child for what people said was happening to America. The two political parties seemed inevitably locked in a series of false choices between old ideas competing in a very new time.

But a funny thing happened on the road to American decline. The American people stepped in. Just as we have at every critical juncture in our history, the people came together once again to become the captains of our fate, the commanders of our destiny. That is really what we celebrate here today.

The American people simply demanded a new direction. They demanded that our Government put its house in order. They demanded that America's greatness be reasserted, that opportunity be provided again to all who are willing to work for it. They demanded that we be able to say with confidence that the greatest days of this country still lie before us.

And so, in 1993, the Members of our party in Congress, some at the cost of their careers, took the courageous action which began the road we celebrate today, a new economic strategy that reduced the deficit by more than 90 percent. Then 4 years later, Congress put progress over partisanship and passed a bipartisan balanced budget agreement that closed the rest of the deficit gap and will keep us in balance structurally for many years to come.

The deficit reduction has saved the American people more than a trillion dollars on the national debt. The new strategy has helped lead to lower interest rates, higher

investments, unprecedented prosperity. We have already heard about that. The unemployment rate is the lowest in 28 years, the percentage of Americans on welfare the lowest in 29 years, the inflation rate the lowest in 33 years. More than 6 million American families have realized their dreams of owning a first home; another 10 million have refinanced their homes they had. Today, homeownership is the highest in history. And for millions of Americans, these lower interest rates have amounted to an unofficial tax cut of tens of billions of dollars, making a college education, a new car, a family vacation more affordable.

Now, balancing the budget and increasing our investment in our people is the core of a new vision of Government, one that lives within its means; one that is the smallest in 35 years but, with the Vice President's leadership, has been redesigned to meet the challenges of this new era; one that cuts wasteful spending but also makes significant investments in education, health, and the environment. We have done a lot to make this new economy. But we now have to do more to see that all our people can participate in it fully.

Our success has helped to inspire confidence here and around the world. Six years ago, when I went to my first G-7 meeting in Tokyo, every leader told me that America was holding the rest of the world back and that, unless we were willing to get our deficit down, we would always be a drag on the world; we were taking money away; we were keeping interest rates high; that it was unfair.

Well, what we have done in the last 6 years has also helped to spark economic growth elsewhere. But now that there is so much turbulence for other reasons in other parts of the world, it is important to remember that our growing economy is today serving as a bulwark of stability in the rest of the world and that without it the rest of the world would be in much worse shape, indeed.

Now, let me just ask you very briefly before we close in this celebration, what are we going to do with this moment of celebration of the balanced budget and unprecedented prosperity? What exactly are we going to do with it? That really is before the American people today.

We see from troubled economies around the world, in my view, that this is not a time to simply celebrate and rest. It is not a time to be distracted from our mission of strengthening our country for the new century, of leading the world toward prosperity and peace and freedom, of bringing our people together.

For the sake of our children, now that we've balanced the budget, I think the first thing we ought to do is commit ourselves to save Social Security for the 21st century. The system is in very good shape now, but everyone knows in its present terms it is not sustainable when the baby boomers retire. And that if we do not act now, when the baby boomers do retire, we will be confronted with two very unpleasant choices: One is to lower the standard of living of the baby boomers so that their children can continue on with their business; the other is to lower the standard of living of their children and their ability to raise our grandchildren so that we can live in the same manner that seniors today are living. Neither choice need be made if we act now with discipline and use the fact that we're going to have this surplus to make a downpayment and to begin with deliberation to save Social Security. It is a huge issue.

Now I am well aware that it is a popular thing, particularly right here, just 4 weeks and change before an election day, to serve up a tax cut, to say, "Well, we've got a surplus. We're going to give you some of your money back." But all of us know this surplus was run up over the years—or the deficit over the years was made smaller because we actually were taking in more money in Social Security taxes than we were paying out. And all of us know that this problem is looming out there and will need money to fix. And so I think the American people have waited 29 years, and I think most Americans would like to see the ink change from red to black and then just dry a little—[laughter]—before we put it at risk.

But if you think about this issue, there is hardly anything that goes to the core of what we are as a people more than our sense that we owe an obligation to both our parents and our children. And if we squander this surplus and start spending a little here, a little there,

a little yonder on the tax cuts just because we're a few weeks before an election, before we take care of this, what are we going to do when times get tough and we still have to take care of it?

So I say to all of you again, I think that's the first thing that we ought to do. We are not against tax cuts. There are tax cuts in this budget, as has already been said, for education, for child care, to help small businesses provide pensions for their employees. There are tax cuts for environmental investments that help to cut energy bills. But we don't take any money out of the surplus. We adopted a disciplined framework for the future in 1997. We ought not to depart from it. We had a bipartisan commitment to that framework in 1997, and we ought not to depart from it.

The second thing we ought to do is to recognize that we have money set aside in the budget to invest in education, and we're still a long way from having the ability to say that every American child can get a world-class education. We ought to fund smaller classes. We ought to fund the initiative to revitalize, repair, or build 5,000 schools, to hook up all our classrooms to the Internet, to give kids in troubled communities mentoring programs, guarantees they can go on to college, after-school programs, summer schools programs, the kind of things that don't treat them as failures just because the system they've been in has failed.

We ought to pass the Patients' Bill of Rights for the 160 million Americans that are in managed care to put health care first and make sure you're managing for a healthier America, not the other way around. We ought to keep the economy going and maintain our leadership in the global economy by funding our fair share of the International Monetary Fund because, as Alan Greenspan said the other day, we cannot forever maintain our position as an island of prosperity in a sea of distress.

Now, that's what we ought to be doing. So we're here to celebrate. But this country is here now, after 220 years, still again at the top of its game, having totally debunked all the defeatists who said we were in decline. But let's not forget why it happened. Don't you ever forget that these seven people back

here stood up, and a lot like them, and laid their jobs on the line for America's future.

Now, when no one has that kind of risk, nobody is being asked to cut their throat and give up a job they love and work they believe in to do the right thing, no one is being asked to do that, how can we possibly walk away from this session of Congress, when there is no pain in doing the right thing, not the kind of pain they had to endure, without saying we're going to save Social Security first, put education as our first investment priority, pass a Patients' Bill of Rights, and keep America and the world's economy growing? How can we do that? We owe it to the people who made the sacrifice that brought us to this day to build for another day. We should not sit on or celebrate this balanced budget. We should build on it.

Thank you very much.

NOTE: The President spoke at 11:21 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to J. "Kay" McClure, president, Walhonde Tools, Inc., who introduced the President, and former Representative Martin Olav Sabo.

Memorandum on Refugee Admissions

September 30, 1998

Presidential Determination No. 98-39

Memorandum for the Secretary of State

Subject: Presidential Determination on FY 1999 Refugee Admissions Numbers and Authorizations of In-Country Refugee Status Pursuant To Sections 207 and 101(a)(42), Respectively, of the Immigration and Nationality Act, and Determination Pursuant to Section 2(b)(2) of the Migration and Refugee Assistance Act, as Amended

In accordance with section 207 of the Immigration and Nationality Act (the "Act") (8 U.S.C. 1157), as amended, and after appropriate consultation with the Congress, I hereby make the following determinations and authorize the following actions:

The admission of up to 78,000 refugees to the United States during FY 1999 is justified by humanitarian concerns or is