

III. CREATING A BRIGHT ECONOMIC FUTURE

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There is no doubt that the economic strategy we put in place in 1993 created the conditions for the extraordinary private sector growth we have all witnessed... Four straight years of deficit cuts have produced the economic expansion as well as real benefits for ordinary Americans: lower car payments, lower mortgage rates, lower credit card rates. This balanced budget will close a chapter in American history: years—decades in fact—when our people doubted whether Government could work for them and questioned whether our Nation could set and meet goals.

President Clinton
August 1997

¹Over 20 years ago, economist Arthur Okun developed the concept of a “misery index,” calculated by adding together the unemployment rate and the rate of inflation, as measured by the Consumer Price Index.

previous two Administrations. The Administration now projects that, by 1999, spending will fall to 20.0 percent of GDP, its lowest level since the early 1970s.

Federal Receipts are Higher than Projected, M7 Growth Exceeds Economic Growth:

thaw
falls

the
surges
faster
since 1980.

⁴According to the December *Blue Chip* survey.

⁵The structural deficit is the deficit that remains after accounting for cyclical changes in the economy as well as purely temporary factors, such as the annual costs and receipts from resolving the thrift crisis.





