

Regulations. Timely interdiction action prevented the aircraft from being exported from the United States. On October 23, 1998, the defendants in the case entered guilty pleas. A sentencing date has not yet been scheduled.

Since my last report, OFAC has collected one civil monetary penalty totaling nearly \$4,200 for violations of the sanctions. These violations involved prohibited importations into the United States of goods originating in Serbia.

6. The expenses incurred by the Federal Government in the 6-month period from May 30 through November 29, 1998, that are directly attributable to the declaration of a national emergency with respect to the FRY (S&M) and the Bosnian Serb forces and authorities are estimated at approximately \$360,000, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in OFAC and its Chief Counsel's Office, and the U.S. Customs Service), the Department of State, the National Security Council, and the Department of Commerce.

7. In the last 2 years, substantial progress has been achieved to bring about a settlement of the conflict in Bosnia-Herzegovina acceptable to the parties. Resolution 1074 terminated sanctions in view of the first free and fair elections to occur in Bosnia and Herzegovina, as provided for in the Dayton Peace Agreement. In reaffirming Resolution 1022, however, Resolution 1074 contemplates the continued blocking of assets potentially subject to conflicting claims and encumbrances until provision is made to address them under applicable law, including claims of the other successor states of the former Yugoslavia.

The resolution of the crisis and conflict in the former Yugoslavia that has resulted from the actions and policies of the Government of the Federal Republic of Yugoslavia (Serbia and Montenegro), and of the Bosnian Serb forces and the authorities in the territory that they controlled, will not be complete until such time as the Peace Agreement is implemented and the terms of Resolution 1022 have been met. Therefore, on May 28, 1998, I continued for another year the national emergency declared on May 30, 1992, as expanded in scope on October 25, 1994, and will continue to enforce the measures adopted pursuant thereto. The importance of maintaining these sanctions is further reinforced by the unacceptable actions and policies of Belgrade authorities in Kosovo and in the areas of human rights, democratization, and war crimes investigations. These developments threaten to disrupt progress in implementation of Dayton and security in the region generally.

Accordingly, I shall continue to exercise the powers at my disposal with respect to the measures against the Government of the Federal Republic of Yugoslavia (Serbia and Montenegro), and the Bosnian Serb forces, civil authorities and entities, as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

Sincerely,

WILLIAM J. CLINTON

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate.

Remarks on the Earned-Income Tax Credit

December 4, 1998

Amy's children are over there. And we also have Bernadette Hockaday and her children, and Rhonda Clarke and her children here. They're all here, and we thank them all for coming because they all have benefited from the earned-income tax credit.

I'd like to thank Gene Sperling, who believed passionately in this when I first met him, well

over 6 years ago now; Janet Yellen, the Council of Economic Advisers; Secretary Herman, who was here in the White House helping us to implement the earned-income tax credit in '93. I thank Congressman John Lewis and Congressman Bob Matsui, who are here, who have been passionate advocates; and all the other advocates in the room here—Bob Greenstein, Justin Dart,

the others who are here—we thank you for your support.

One of the main reasons that I ran for President in 1992 was that I believed that people like Amy could achieve real success if we could unstack the deck against them. I knew that when our Nation was taxing working families into poverty, that was wrong. I knew that when a mother rises at dawn, putting in an honest day's work, and still can't afford to buy the children's clothes, that's wrong. And I was determined to try to do something about it.

I also knew that there was a little-known provision in the Tax Code which had been in for several years called the earned-income tax credit that had the potential, if it were actually expanded at an appropriate level, to lift all working families out of poverty. And that's how all this started.

Again, let me say, I'm very grateful for everybody who has supported this. I think the important—one important thing I'd like to point out is that we have representatives here from the AFL-CIO, from AFSCME, from other unions, most of whose members do not get the earned-income tax credit, and they lobbied for it, too, because they thought it was right. And so, for all of you, I just say I'm very grateful.

What we tried to do in 1993 was two things. First of all, we had to get the economy moving again, and secondly, we had to focus on the special needs of people who were working hard at lower wage levels. But first things first—we had to get the whole economy moving again. Middle class incomes have been stagnant for 20 years, and we could never have given lower income working people the chance to raise their incomes if it hadn't been for a policy promoting overall economic growth.

Just this morning, we received more good news for America's families on our overall economic policies. Secretary Herman's Department reports that last month unemployment fell to 4.4 percent, while inflation remains low and stable. But for nearly a year and a half, the unemployment rate has remained below 5 percent, for the first time in 28 years. And in November the economy added more than a quarter of a million jobs, which means now America has created about 17.3 million jobs in the last 6 years. That is a very good record of which the American people can be very proud.

But let's go back to the main point. Even with all those new jobs, under the present cir-

cumstances, the way the economy works, millions and millions of those people would be working full-time and still be living in poverty. So what I wanted to do in 1993 was to create new incentives to help people climb the economic ladder and reach true independence, to enable people to succeed at work and at home, in raising their children.

So we got the dramatic increase in the earned-income tax credit into the budget in 1993. And 2 years ago we fought for and won a substantial increase in the minimum wage, which I still believe we ought to increase again. Unemployment and inflation are low, and it still has not recovered its levels of 20 or 25 years ago, in real-dollar terms.

Today we release a report prepared by the Council of Economic Advisers. It shows that the earned-income tax credit, as a family tax cut, has been a major factor in encouraging work among single mothers, which you heard Amy talk about. It has also been responsible for much of our strong progress in reducing child poverty. In fact, the report shows that of the 4.3 million people who have been lifted out of poverty since 1993 by the earned-income tax credit, over half of them—well over half of them—have been lifted out because we basically doubled the program in 1993.

And again, I want to say to Bob Matsui and John Lewis, we had—it was hard to raise the money to pay for that doubling. And there were a lot of people, even in our party, who were afraid to do it—and with some good reason, as it turned out. But it was the right thing to do, and I hope it is something that all of you will always be proud of.

Now, since 1993, families with two children and one parent working full-time at the minimum wage, therefore, have seen their incomes rise by more than \$2,700 because of the increase in the minimum wage and the earned-income tax credit. This has strengthened families; it's strengthened communities. It's helped to restore our compact of mutual responsibility that people who work hard and play by the rules ought to have a chance to be rewarded for it. And again, it helps us to promote both the values of family and work.

So I feel very, very good about this. And I feel great about the overall economic news this morning. But let me also say to all of you, this is not a time for self-congratulation or a time to rest. We have more to do here at home

and more to do to stabilize the global economy, if we expect economic growth to continue.

We all know about the economic troubles in Asia; we all see sectors of America's steel industry being overwhelmed by imports at firesale prices. We have all read the headlines about Boeing's layoffs because of the inability of Asian airlines to pay for planes which they have already ordered. We see other problems in the global economy as well. Now we're working hard to reverse the problems in Asia, to limit their reach, to stabilize the long-term system under which so many Americans and so many hundreds of millions of people around the world have benefited. But it is a sobering thought to remind us that we have to continue to work on this.

Finally, let me say, we have to continue to work on the conditions of working families here at home. Many people still cannot get affordable child care. The minimum wage should still be raised. We still have a great deal to do to stabilize the conditions of working families and to genuinely reward work in this country.

In the last session of Congress we passed an expansion of our empowerment agenda to try to bring more jobs, more incomes, more investments into poor inner-city and rural areas. We still have a great deal to do there.

So as you leave there today, and you think about Amy and these other two fine mothers and these beautiful children who are here, and the millions and millions of people whom they represent all across America, I hope you will always be proud of what you have done. But remember, this economy still is not working for everyone, and it is still living in a very turbulent international environment. So I ask you also to continue to support our efforts to deal with the challenges which still have to be met to keep the growth going, and to make sure that what we do here, so far from the lives of most Americans, actually helps them to make those lives better.

Thank you very much, and God bless you all. Thank you, Congressman Rangel. It's good to see you.

NOTE: The President spoke at 10:12 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to Amy Hillen, a job counselor who introduced the President; working mothers Bernadette Hockaday and Rhonda Clarke; Robert Greenstein, executive director, Center on Budget and Policy Priorities; and Justin Dart, Jr., advocate for the rights of disabled persons.

Statement on the International Space Station

December 4, 1998

America has taken a bold and exciting step toward a permanent U.S. presence in space with today's launch of the first U.S.-built component of the International Space Station. A passion for discovery and a sense of adventure—both deeply rooted American qualities—spur our de-

termination to explore new frontiers in space and spark our can-do spirit of technological determination. All Americans join me in congratulating the thousands of men and women in our space program that are transforming the dream of an orbiting space station into a reality.

Joint Statement From Pakistan and the United States

December 4, 1998

At the invitation of President Bill Clinton, the Prime Minister of Pakistan, Mohammad Nawaz Sharif, visited Washington on 1-4 De-

cember 1998. The Prime Minister was accorded a warm welcome in Washington.

During a cordial and productive meeting and luncheon at the White House on December 2,