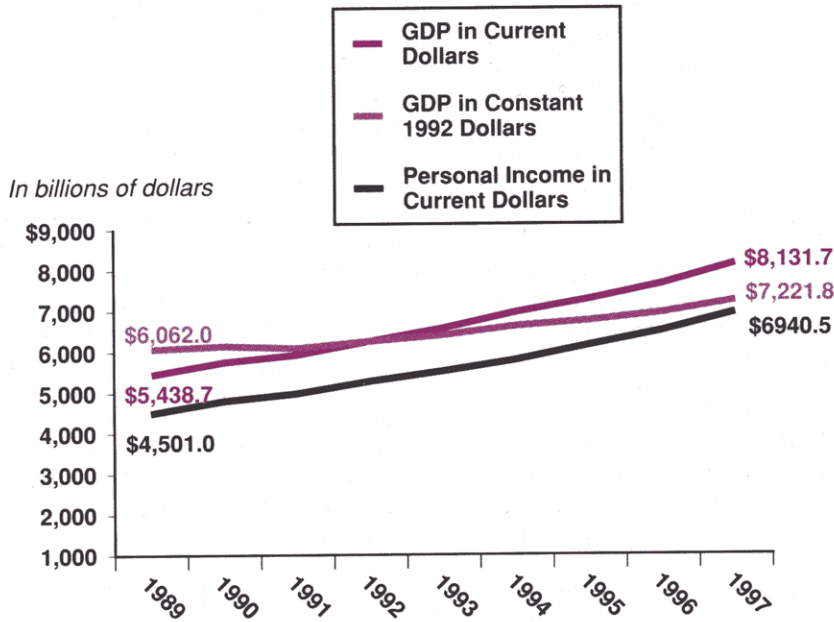


Real Gross Domestic Product Up Sharply (Again) in the Nineties



But real GDP rose more from 1979 to 1987 than from 1989 to 1997:

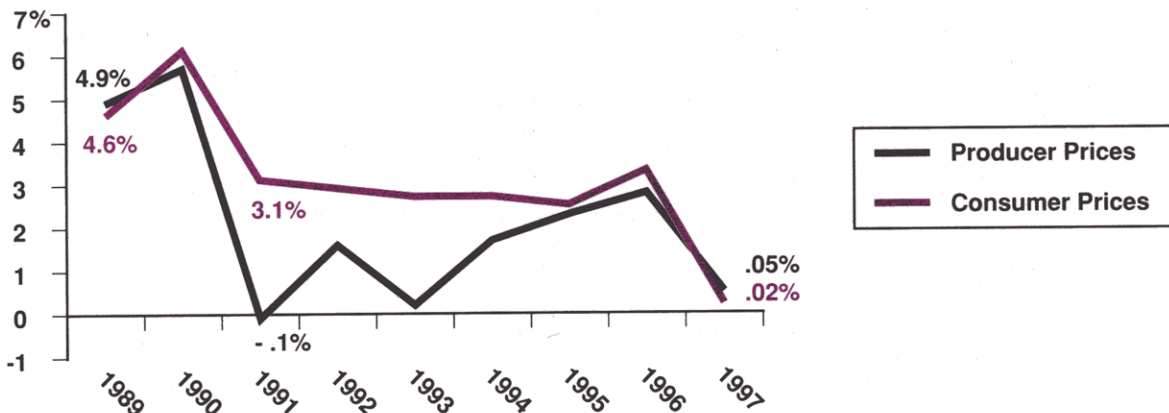
Percent increase
1989-1997 = 16.1%
(1992 Dollars)

Percent increase
1979-1987 = 20.5%
(1982 Dollars)

Source: *Economic Indicators* (Washington, DC: US Government Printing Office, October 1997 and December 1988).

Inflation Low to Nonexistent

Percent change from December of preceding year to
December of current year



Source: *Economic Indicators* (Washington, DC: US Government Printing Office, October 1997), except for the 1997 data, which was obtained from the Bureau of Labor Statistics for December 1997.

Unemployment Low and Declining Since 1992

Thousands of persons 16 years of age and over

Percent of civilian labor force

	Total Civilian Employment	Total Unemployment	Unemployed for 15 weeks+	Unemployment Rate
1989	117,342	6,528	1,375	5.3%
1990	118,793	7,047	1,525	5.6
1991	117,718	8,628	2,357	6.8
1992	118,492	9,613	3,408	7.5
1993	120,259	8,940	3,094	6.9
1994	123,060	7,996	2,860	6.1
1995	124,900	7,404	2,363	5.6
1996	126,708	7,236	2,316	5.4
1997	130,777	6,392	1,964	4.7

Note: 1989-96: Figures are annualized. 1997: Figures are for month of December only.

Source: *Economic Indicators*, December 1997, p.11; Bureau of Labor Statistics, *Employment Situation for December 1997*, January 9, 1998, Tables C and A-5.

Unemployment Rates, By Social Groups

Percent of civilian labor force in groups

	Men 20 yrs.+	Women 20 yrs.+	White	Black	Married Men Spouse Present	Women Who Maintain Families
1989	4.5%	4.7%	4.5%	11.4%	3.0%	8.1%
1990	5.0	4.9	4.8	11.4	3.4	8.3
1991	6.4	5.7	6.1	12.5	4.4	9.3
1992	7.1	6.3	6.6	14.2	5.1	10.0
1993	6.4	5.9	6.1	13.0	4.4	9.7
1994	5.4	5.4	5.3	11.5	3.7	8.9
1995	4.8	4.9	4.9	10.4	3.3	8.0
1996	4.6	4.8	4.7	10.5	3.0	8.2
1997	4.1	4.0	3.9	9.9	2.6	7.7

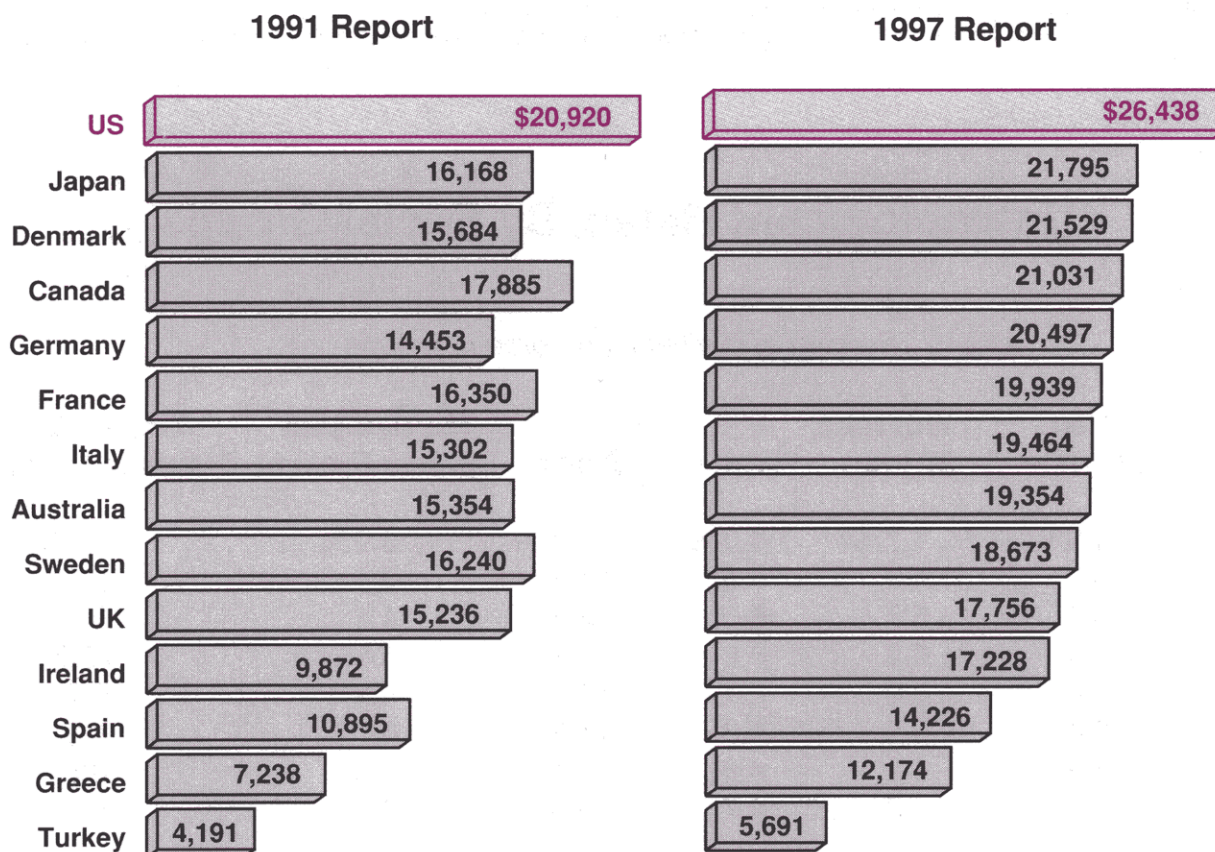
Note: 1989-96: Rates are annualized. 1997: Figures are for month of December only.

Source: *Economic Indicators*, December 1997, p.12; Bureau of Labor Statistics, *Employment Situation for December 1997*, January 9, 1998, text p. 2 and Table A-4.

The US Has Maintained But Not Enlarged Its Lead Cross-Nationally In Real GDP

Per Capita Gross Domestic Product (GDP) in Purchasing Power Parities

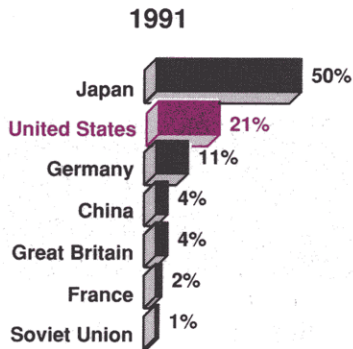
Editor's Note: The methodology used by the Organization for Economic Cooperation and Development (OECD) in deriving the data below involves valuing the goods and services sold in different countries with a common set of international prices. The OECD calls this "purchasing power parities (PPP)." PPPs are international price indexes linking the price levels of different countries. They show how many units of currency are needed in one country to buy the same amount of goods and services that one unit of currency will buy in another country, for example, how many French francs are needed to buy in France what one US dollar will buy within the United States.



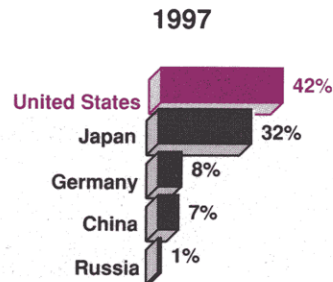
Source: *OECD in Figures* (Paris: Organization for Economic Cooperation and Development, 1997), pp. 28-29.

But the Country's Comparative Position Is Now Seen Far Stronger

Question: Which of the following countries do you think currently has the strongest overall economy...?

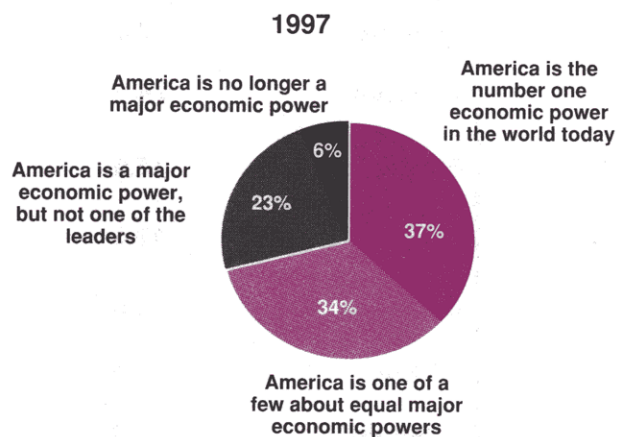
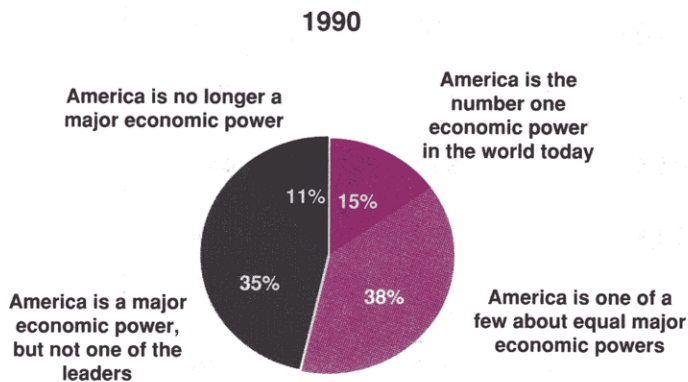


Question: Which of the following countries do you think currently has the strongest overall economy...?



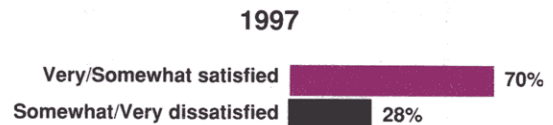
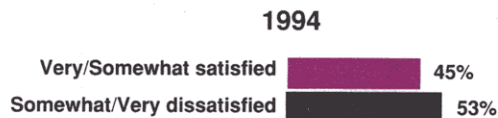
Source: Surveys by Hart and Teeter Research for NBC News/Wall Street Journal, November 20-21, 1991 and September 11-15, 1997.

Question: Which one of the following statements do you think best describes America's economic position?



Source: Surveys by Hart and Teeter Research for NBC News/Wall Street Journal, January 13-16, 1990 and June 19-23, 1997.

Question: How satisfied are you with the state of the US economy today—are you very satisfied, somewhat satisfied, somewhat dissatisfied, or very dissatisfied with the state of the economy?



Source: Surveys by Hart and Teeter Research for NBC News/Wall Street Journal, December 10-13, 1994 and December 1997.

Question: Do you think the economy is stronger than it has been in a generation, or don't you think so?



Question: Compared to 1992, do you think the national economy has gotten better, gotten worse, or stayed about the same?



Source: Surveys by Yankelovich Partners, Inc., for Time/CNN, May 7-8, 1997.

Source: Surveys by Hart and Teeter Research for NBC News/Wall Street Journal, June 19-23, 1997.

The US Leads, But Japan Gains, in Spending for Research & Development

	R&D Spending in billions of dollars (PPP equivalents)		R&D Spending per capita (PPP equivalents)	
	1991 Report	1997 Report	1991 Report	1997 Report
US	\$137.8	\$168.5	\$560	\$646
Japan	51.0	75.1	416	601
Sweden	3.8	4.8	442	554
Germany	24.6	37.4	400	460
France	17.5	26.5	313	457
UK	17.0	22.1	299	379
Denmark	1.0	1.8	190	344
Canada	6.5	9.7	249	330
Australia	2.9	5.4	177	305
Italy	9.2	12.4	160	217
Ireland	.3	.7	71	215
Spain	2.4	4.5	62	115
Greece	.3	.5	25	53
Turkey	.3	1.2	6	19

Note: Some variations in reporting years from country to country. In general, there is a two-year gap between the publication date of this document and the data reported therein.

Source: *OECD in Figures* (Paris: Organization for Economic Cooperation and Development, 1997/1991.)

Government Spending Is Lower in the US Than in All Other OECD Countries, Save Japan

	Current General Government Revenue % of GDP		Current General Government Expenditure % of GDP	
	1991 Report	1997 Report	1991 Report	1997 Report
US	31.6%	31.7%	34.9%	35.8%
Japan	34.3	32.2	26.8	27.0
Australia	34.2	34.2	31.9	36.2
UK	39.7	37.3	37.6	42.3
Ireland	43.7	38.9	49.9	40.4
Spain	35.0	39.1	36.1	42.6
Canada	39.6	42.4	41.6	46.7
Greece	31.8	44.2	47.7	52.7
Italy	41.1	44.5	47.1	49.5
Germany	44.6	45.9	41.6	46.7
France	46.5	46.8	46.2	50.9
Sweden	61.9	57.4	57.2	66.4
Denmark	57.4	59.1	56.0	61.1
Turkey	NA	NA	NA	NA

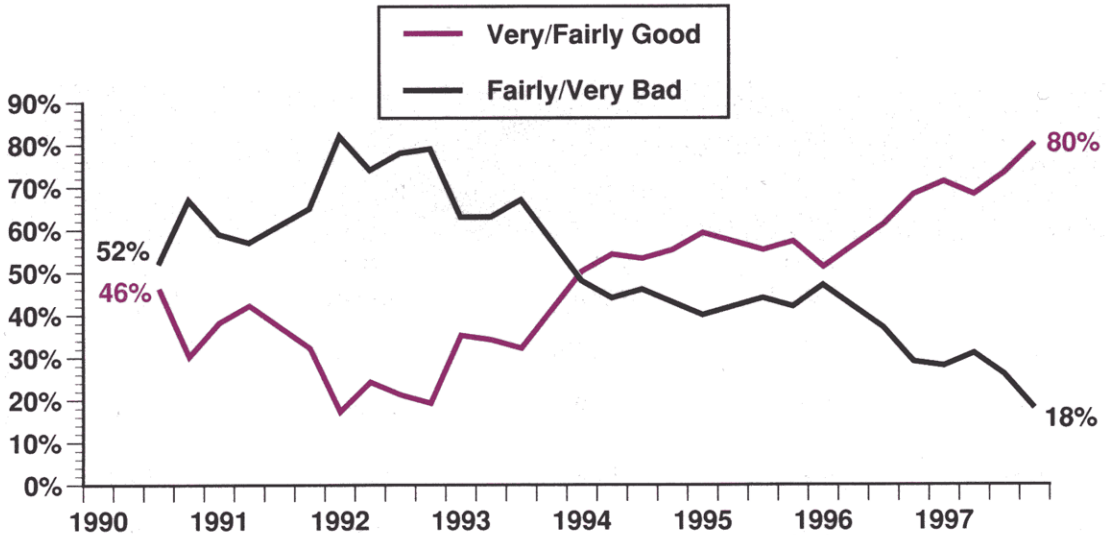
Note: Some variations in reporting years from country to country. In general, there is a two-year gap between the publication date of this document and the data reported therein.

Source: *OECD in Figures* (Paris: Organization for Economic Cooperation and Development, 1997/1991.)

The Sense the Economy is Strong Is Up Sharply Since 1992

CBS/NYT Data

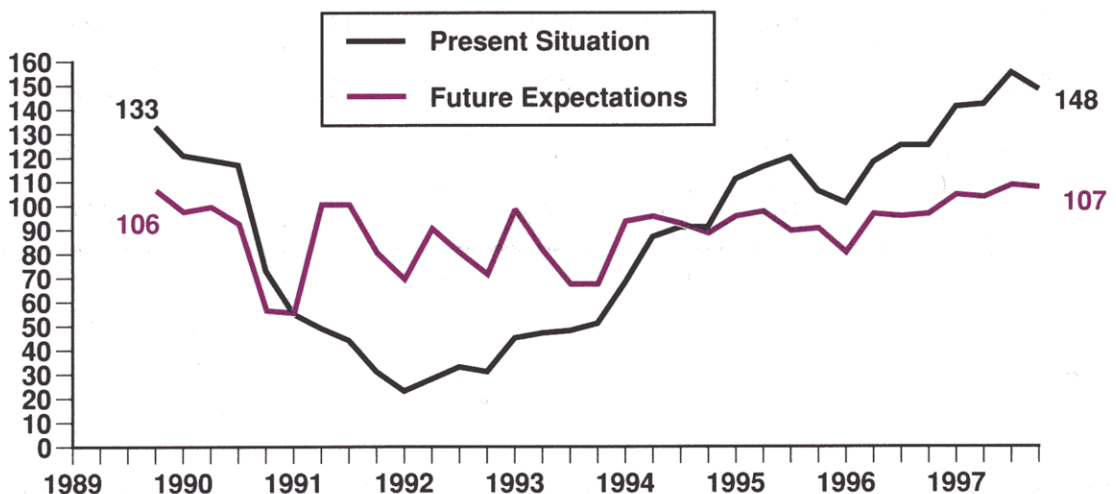
Question: How would you rate the condition of the national economy these days? Is it very good, fairly good, fairly bad, or very bad?



Source: Surveys by CBS News/*New York Times*, August 16-19, and October 8-10, 1990; January 27-28, June 3-6, and October 15-18, 1991; January 6-8, April 20-23, August 11-14, and October 2-4, 1992; January 12-14, June 21-24, and September 16-19, 1993; January 7-20, April 21-23, July 14-17, and October 29-November 1, 1994; January 10-20, August 5-9, and October 22-25, 1995; January 18-20, March 31-April 2, July 11-13, and October 7-8, 1996; January 14-17, April 2-5, July 13-14, and December 6-8, 1997.

Conference Board Data

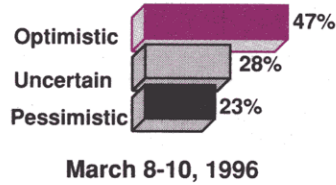
Note: The "present conditions" index is constructed from responses to two questions: "How would you rate the present general business conditions in your area...good, normal, or bad?" and "What would you say about available jobs in your area right now...plenty, not so many, or hard to get?." The "expectations" index is constructed from responses to three questions: "Six months from now, do you think they [general business conditions] will be better, the same, or worse?"; "Six months from now, do you think there will be more jobs, the same, or fewer jobs?"; and "How would you guess your total family income to be six months from now...higher, the same, or lower?."



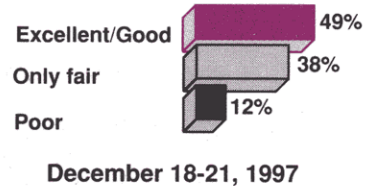
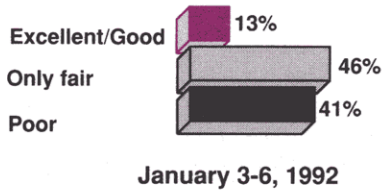
Source: Surveys by National Family Opinion Research for the Conference Board, conducted quarterly each year.

Americans See the Economic Structure As Sound

Question: ...[P]lease say whether you feel generally optimistic about it as far as the future is concerned, generally pessimistic about it, or uncertain about it...The soundness of our economic system over the long run?

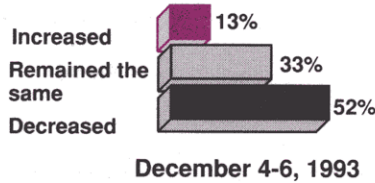


Question: How would you rate economic conditions in this country today?...

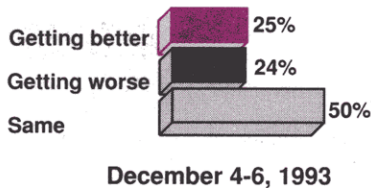


But Economic Anxieties Persist

Question: Overall, do you think the quality of jobs available to American workers has increased in the past few years, decreased, or remained the same?

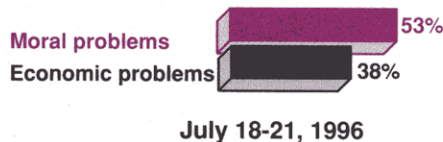


Question: Right now, do you think that economic conditions in the country as a whole are getting better, getting worse, or staying about the same?



Moral Problems Seen Most Pressing

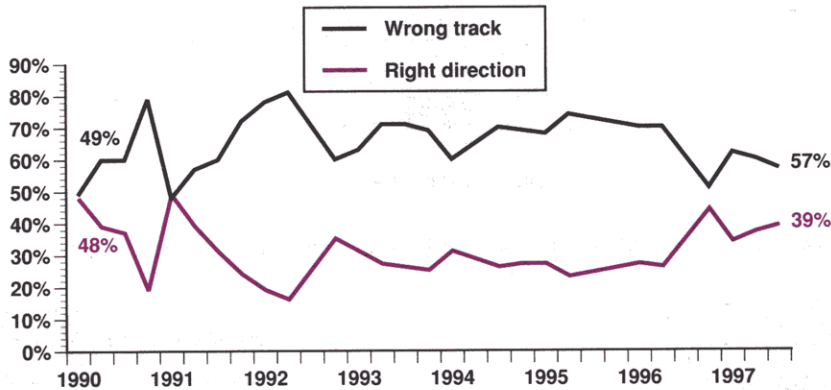
Question: Which concerns you more—the nation's economic problems or the nation's moral problems?



Source: Surveys by the Gallup Organization.

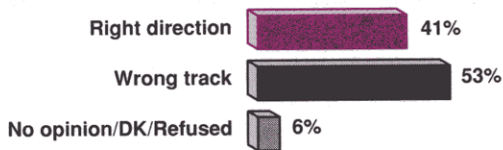
When We Say the Country's "Off on the Wrong Track," We're Thinking of a Lot More Than the Economy

Question: Do you think things in this country are generally going in the right direction, or do you feel things have gotten pretty seriously off on the wrong track?

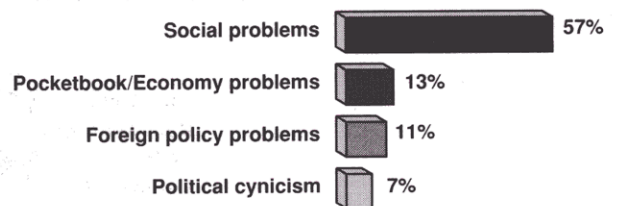


Source: Surveys by ABC News/Washington Post. January 11-16, May 17-21, July 19-23, and October 10-14, 1990; January 23-27, May 30-June 2, August 23-27, and November 5-10, 1991; January 13-15, April 8-9, and December 11-14, 1992; January 14-17, April 23-26, August 6-8, and November 11-14, 1993; January 20-23, July 19-20, and October 27-31, 1994; January 3-4, April 4-5, 1995; March 14-17, June 27-30, and October 13-14, 1996; March 6-9, June 5-8, and August 24-27, 1997.

Question: Generally speaking, would you say that things in the country are going in the right direction, or have they pretty seriously gotten off on the wrong track?

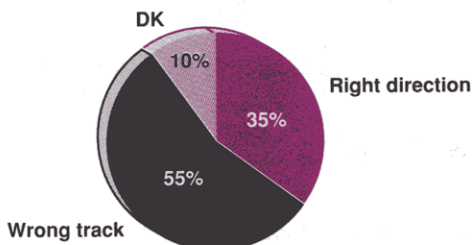


Question: What would you say is the single most important problem facing the United States today, that is, the one that you, yourself, are most concerned about?

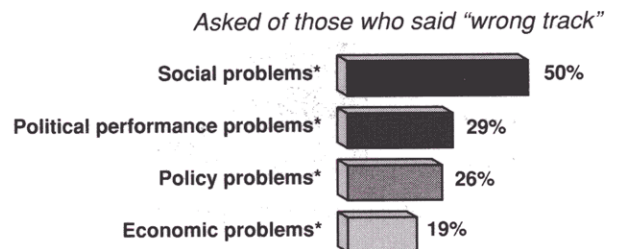


Source: Surveys by Wirthlin Worldwide, November 10-13, 1997.

Question: Do you think things in this country are generally going in the right direction or are they seriously off on the wrong track?



Question: Why do you say things in this country are off on the wrong track?

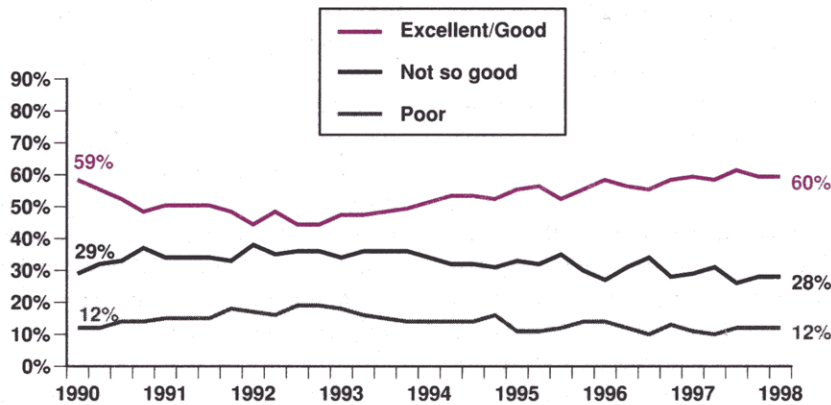


* **Social problems** were combined responses: Crime, No morality/Family breakdown, People don't respect each other, and Godlessness/Lack of religion. **Political performance problems** were combined responses: Clinton and his administration, GOP Congress, No leadership/No clear vision, Political partisanship, Egocentric elected officials, and Judicial system. **Policy problems** were combined responses: Welfare abuse, Foreign aid spending, Educational system is substandard/Poor, No health care, Poor foreign policy, Lack of social services, Rich-poor disparity, Too much federal government, Budget deficit, and Pollution. **Economic problems** were combined responses: No jobs available in area/High unemployment, We are still in a recession, and The economy.

Source: Survey by the Los Angeles Times, January 19-22, 1995.

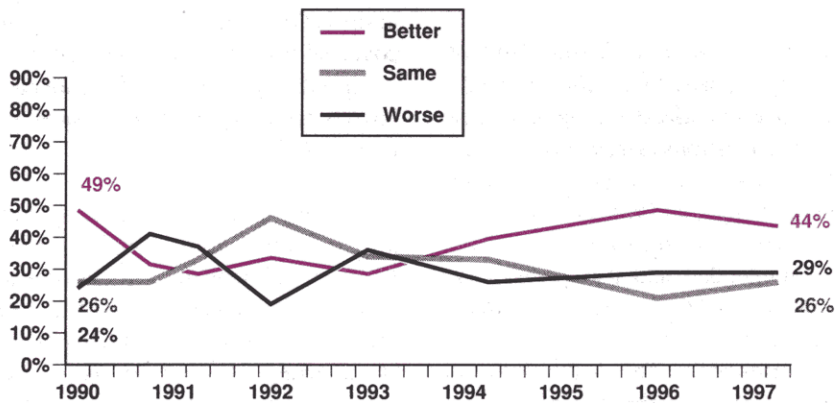
Many Call Their Personal Economic Position Good; Proportions Have Changed Little in the 1990s

Question: Would you describe the state of your own personal finances these days as...excellent, good, not so good, or poor?



Source: Surveys by ABC News for *Money* magazine, January 2-28, April 2-29, July 2-29, and October 1-28, 1990; December 31, 1990-January 27, 1991, April 1-28, July 1-28, and September 30-October 27, 1991; December 30, 1991-January 26, 1992, March 30-April 26, June 29-July 26, and September 28-October 25, 1992; January 4-31, March 29-April 25, July 5-August 1, and October 4-31, 1993; January 3-30, April 4-May 1, July 4-31, and October 3-30, 1994; January 2-29, April 3-30, July 3-30, and October 1-29, 1995; January 1-28, April 1-28, July 1-28, and September 30-October 27, 1996; January 6-February 2, March 31-April 27, July 6, and October 5, 1997; January 4, 1998.

Question: ...Would you say that you are financially better off now than you were a year ago, or are you financially worse off now?



Source: Surveys by the Gallup Organization, February 8-11, 1990, October 11-14, 1990, April 11-14, 1991, February 6-9, 1992, June 29-30, 1993, May 20-22, 1994, March 8-10, 1996, and June 26-29, 1997.

Question: How likely do you think it is that you will be laid off or lose your job in the next year...?

	1990	1991	1992	1993	1997
Very likely	8%	9%	7%	6%	5%
Somewhat likely	8%	10%	9%	15%	8%
Somewhat unlikely	9%	17%	8%	18%	15%
Very unlikely	73%	64%	73%	60%	72%

Source: Survey by ABC News, October 24-29, 1997.