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be difficult until after the elections of November 28.

The final meeting during the period covered by this report was Ambassador Maresca's meeting with Under Secretary Ulucevik in Ankara on September 2. Ambassador Ulucevik spoke highly of the work of Mr. Clark and looked forward to presenting Turkish views to Mr. Clark in late September. Ambassador Maresca stressed the need to make positive progress on the CBMs package and supported Mr. Clark's efforts to develop understanding and sympathy for the package in the Turkish-Cypriot community.

Finally on September 14, the Secretary General issued his "Report on his Mission of Good Offices in Cyprus." The Secretary General noted that the President of Cyprus, Mr. Clerides, had reaffirmed his community's willingness to move forward with the provisions in the CBMs package proposed for Varosha and for Nicosia International Airport. The Secretary General also noted that the Turkish Cypriot leader, Mr. Denktash, continued his criticism of the package. The report stated that inaccurate and incomplete information had been presented on the impact of the Varosha/Airport provisions, thus causing confusion for the Turkish Cypriots. In addition, it said that the Turkish Cypriots looked to Turkey for guidance, but the Turkish government had not yet sufficiently conveyed its support for the package to the Turkish Cypriots. In the report, the Secretary General also proposed to send a team of senior experts to Cyprus in early October to address questions, which have been raised concerning the effects of the CBMs package.

The Secretary General's report ended on a cautionary note. He stated that it is not possible to continue the current effort indefinitely. He stressed that it is essential that he receive the full cooperation and support of the Turkish Cypriots. If the current efforts do not succeed soon, he continued, he would have to invite the members of the Security Council to consider alternate ways to promote the effective implementation of the United Nations many resolutions on Cyprus.

Despite the lack of progress during the period this report covers, we are still working for the approval of the CBMs. As I stated in my August 12 letter to Prime Minister Ciller, the United States seeks Turkey's support in helping to achieve a settlement. The Turkish-Cypriot community must recognize that if it rejects this proposal, which is viewed by the rest of the world as fair and constructive, it risks even greater isolation than it presently faces. I hope that this can be avoided. In the meantime, I will continue to lend full support to the U.N. efforts.

I will continue to use all my energies in assisting in finding a solution to the Cyprus problem and look forward to your support in this effort.

Sincerely,

WILLIAM J. CLINTON

NOTE: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, Chairman of the Senate Committee on Foreign Relations.

Message to the Congress Transmitting the Republic of Korea-United States Fishery Agreement

November 5, 1993

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94–256; 16 U.S.C. 1801 *et seq.*), I transmit herewith an Agreement Between the Government of the United States of America and the Government of the Republic of Korea Extending the Agreement of July 26, 1982, Concerning Fisheries off the Coasts of the United States, as extended and amended. The agreement, which was effected by an exchange of notes at Washington on June 11, 1993, and October 13, 1993, extends the 1982 agreement to December 31, 1995. The exchange of notes together with the 1982 agreement constitute a governing international fishery agreement within the requirements of section 201(c) of the Act.

In light of the importance of our fisheries

relationship with the Republic of Korea, I urge that the Congress give favorable consideration to this agreement at an early date.

WILLIAM J. CLINTON

The White House,

November 5, 1993.

Letter to Congressional Leaders on the Proposed Balanced Budget Amendment

November 5, 1993

Dear Mr. Speaker: (Dear Mr. Leader:)

I write to express my firm opposition to the proposed balanced budget amendment to the Constitution of the United States (S.J. Res. 41 and H.J. Res. 103). While I am deeply committed to bringing down our Nation's deficit, this proposed balanced budget amendment would not serve that end. It would promote political gridlock and would endanger our economic recovery.

The Administration fought hard to pass a historic deficit reduction plan because we believe that deficit reduction is an essential component of a national economic growth strategy. As you know, I worked tirelessly with the Congress to gain passage of the largest deficit reduction package in the Nation's history. This legislation includes a "hard freeze" on all discretionary spending, a virtually unprecedented constraint on Federal spending. Through the National Performance Review, a new rescission package, and a major proposal to limit the growth of Medicare and Medicaid through comprehensive health care reform, we are taking continuing steps to keep the deficit on a downward path. I have also long supported such procedural innovations as enhanced rescission authority or a line-item veto and would consider workable budget proposals that distinguish between consumption and investment. The Bipartisan Commission on Entitlement Reform will come forward with suggestions on controlling entitlement costs and other serious budget reforms. Thoughtful, specific reforms are better policy than a rigid Constitutional amendment.

The balanced budget amendment is, in the first place, bad economics. As you know, the Federal deficit depends not just on Congressional decisions, but also on the state of the economy. In particular, the deficit increases automatically whenever the economy weakens. If we try to break this automatic linkage by a Constitutional amendment, we will have to raise taxes and cut expenditures whenever the economy is weak. That not only risks turning minor downturns into serious recessions, but would make recovery from recession far more difficult. Let's be clear: This is not a matter of abstract economic theory. Contractionary fiscal policy in the 1930s helped turn an economic slowdown into a Great Depression. A balanced budget amendment could threaten the livelihoods of millions of Americans. I cannot put them in such peril.

Moreover, at presently anticipated growth rates, the deficit reduction required by this amendment could be harmful to average hard-working American families. Supporters of this amendment must be straight with the American people. Given the current outlook for the FY 1999 budget, the amendment would require some combination of the following: huge increases in taxes on working families; massive reductions in Social Security benefits for middle class Americans; and major cuts in Medicare and Medicaid that would make it impossible to pass meaningful health reform legislation. This latter result would be particularly ironic and counterproductive because comprehensive health reform is our best hope not only for providing health security for all Americans, but also for bringing down the long-term structural deficit. The fact that these consequences will not be clear to most Americans for a few years does not relieve us of the responsibility of facing them today.

We must reject the temptation to use any budget gimmicks to hide from the specific choices that are needed for long-term economic renewal. The amendment by itself would not reduce the deficit by a single penny. The only way we can continue to make progress on bring-