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beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Libyan emergency is to continue in effect beyond January 7, 1998, to the *Federal Register* for publication.

The crisis between the United States and Libya that led to the declaration of a national emergency on January 7, 1986, has not been resolved. The Government of Libya has continued its actions and policies in support of terrorism, despite the calls by the United Nations Security Council, in Resolutions 731 (1992), 748 (1992), and 883 (1993), that it demonstrate by concrete actions its renunciation of terrorism. Such Libyan actions and policies pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure to the Government of Libya to reduce its ability to support international terrorism.

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. This letter was released by the Office of the Press Secretary on January 5. The notice of January 2 is listed in Appendix D at the end of this volume.

Letter to Congressional Leaders Transmitting a Report on Cyprus
January 2, 1998

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95–384 (22 U.S.C. 2373(c)), I submit to you this report on progress toward a negotiated settlement of the Cyprus question. The previous submission covered progress through July 31, 1997. The current submission covers the period August 1, 1997, to September 30, 1997.

Highlights of the reporting period include the U.N. sponsored talks between President Clerides and Turkish Cypriot leader Denktash held in Glion-sur-Montreux, Switzerland; U.S. Special Cyprus Coordinator Miller's trip to the region; and U.S. success in convening direct talks between the Greek and Turkish Cypriot leaders on security issues.

Sincerely,

WILLIAM J. CLINTON

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Jesse Helms, chairman, Senate Committee on Foreign Relations. This letter was released by the Office of the Press Secretary on January 5.

Remarks on the Federal Budget and an Exchange With Reporters
January 5, 1998

The President. Good afternoon and happy new year to all of you. I'm glad to be back at work, and I'm looking forward to 1998.

We can begin the year with some good news. I can now say that we believe that the deficit this year will be less than $22 billion. That means that it will decline for the 6th year in a row, a truly historic event. Twenty-two billion dollars is a far cry from the $357 billion the deficit was projected to be this year when I took office or the $90 billion it was projected to be when the balanced budget agreement was enacted. So we have come a very long way.

I can also say that the budget that I present to the Congress in February will be a balanced budget for 1999. Again, this will be the first time in 30 years we've had a balanced budget, and that's good news for the American people and for the American economy. It continues the