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Exchange With Reporters Prior to Discussions With Prime Minister Brian Mulroney of Canada

February 5, 1993

The President. Hi, Helen [Helen Thomas, United Press International].

Q. Hi.

Prime Minister Mulroney. Hi, Helen. How are you?

Unemployment

Q. What's your reaction to the unemployment numbers, Mr. President?

The President. Better, but still too high: you know, at the trough of the recession, unemployment was 6.8 percent, lower than it is now. And now we've had 14 months over 7 percent, and I hope it's going down. But until we get it way down, there will still be a lot of unused capacity in the country and a lot of idle people.

Bosnia

Q. Are you going to have a statement soon on Bosnia, Mr. President?

The President. Well, Mr. Christopher is working on it, and we're working on it. I've spent a good deal of time on it in the last 2 weeks. But I don't have anything to say yet. It's a very difficult problem, I'm very concerned about it, and I have spent a good deal of time on it. When I have something to say, I will.

Q. Will that be a topic for this meeting, sir?

The President. We're going to talk about a lot of things. We don't have a typed agenda.

Q. This isn't the first time you've met, is it?

The President. Yes, but we've talked before several times.

Q. On the phone, but not——

The President. This is our first meeting.

Prime Minister Mulroney. And you were probably mentioned in those conversations. [*Laughter*]

[*At this point, one group of reporters left the room, and another group entered.*]

Trade

Q. Prime Minister, will you be seeking some assurances against the winds of protectionism in Congress you mentioned yesterday?

Prime Minister Mulroney. Yes, I will. I think that any time protectionism takes hold in the United States or Canada or elsewhere, it's bad for prosperity. It cripples growth everywhere. And so the President's a free trader, and so am I. And so I expect that we'll resolve the difficulties that we have, not in today's meeting but over a period of time. And so I look forward to the meeting. I have been very encouraged by my earlier telephone conversations with the President in regard to trade and other matters.

[*At this point, a question was asked and answered in French, and a translation was not provided.*]

Q. Mr. President, what do you think about the free trade of Canada? Is it important for U.S., do you think?

The President. I think it's very important for both of us. And I think it will have real benefits over the long run. As a Governor, I was one of those who took responsibility for trying to lobby the original agreement through the Congress here. And I hope we can complete the North American Free Trade Agreement, bringing in Mexico, making some changes that I think will be good for the Mexicans and good for the Canadians and the Americans.

But I think that if you just look at the last 50 years, the only way you can have growth within advanced countries over the long run is to have global growth. The only way you can have global growth is to expand trade.

This is a difficult time. Europe is in distress economically. Japan is having some difficulties. And of course, there will always be discussions among us about whether the rules of trade are fair or not. But our goal must continue to be the opening of trade and the increase in volume of trade.

Q. So do you want to reassure Canadians? Because there's a little fear in Canada about U.S. protectionism.

The President. Oh, I think Canada is our most important trading partner. I hope that we can do some things that will improve the economy of Canada. I'm very concerned that—our economy has started to pick up now. And normally when it does, Canada follows behind just by a few months. I want some of that growth to

come back into Canada now.

One of the reasons I want to try to generate more jobs here is I think that would create more jobs in Canada. The more people we have with incomes and the more consumers we will have, the more economic impact we'll be able to have in Canada to bring that unemployment down there.

Q. What are the problems, if any, in the relationship?

The President. Well, let me say, this is our first conversation face to face. I don't want to dwell on the problems. The opportunities overwhelm the problems. And I'm sure we'll work through the problems.

Prime Minister Mulroney. Maybe I could just say, Mr. President, in regard to that, that our total trade, all in, is in Canadian dollars about $275 billion a year. It dwarfs anything that the United States has anywhere in the world. But more importantly, at the end of the year when you factor everything in, from interest payments to dividends, our trade is in rough balance. It is extraordinary that the largest trading relationship between two nations in history is in rough balance at the end of the year, which means that with the imperfections that we have, that we've got a pretty good system that is self-governing. And from time to time, the President and the Prime Minister of Canada have to intervene to make sure that this really remarkably productive relationship with both countries is preserved and strengthened.

That's what President Clinton did. He was selling the free trade agreement when he was Governor of Arkansas throughout the United States. So I'm very encouraged by his attitudes and his record in regard to developing world trade.

NOTE: The exchange began at 11:38 a.m. in the Oval Office at the White House.

The President's News Conference With Prime Minister Brian Mulroney of Canada

February 5, 1993

Canada-U.S. Relations

The President. Good afternoon. I'm delighted that my first meeting as President with a foreign leader is with the Prime Minister of Canada, Brian Mulroney. On the day after I was elected, I spoke of the essential continuity of our country's foreign policy. Our steadfast relationship with Canada is an indispensable element of that continuity. Prime Minister Mulroney and the people of Canada should know that the United States is still their friend and their partner.

It is worth noting that the United States and Canada share the world's longest undefended border and that we haven't had a battle between us since the War of 1812. Now having said that, Mr. Prime Minister, I will tell you that I look forward to winning back the World Series. [*Laughter*]

Canada has long stood as our partner in promoting democracy and human rights around the world. Today Canada is demonstrating her international leadership for peace and freedom through her commitment of troops in peacekeeping efforts around the world, in Somalia, in Bosnia, and elsewhere. Canada is our largest trading partner. Both our nations benefit enormously from the immense river of goods and services flowing across our border, with an increase of $30 billion just since the free trade agreement went into effect.

It is remarkable how relatively few disputes have attended the vigorous trading between us. Yet it is inevitable that there will be some disagreements even among close partners. And we agreed today to maintain high-level attention to that trading relationship, to ensure that the problems are addressed before they become crises.

The Prime Minister and I discussed the North American Free Trade Agreement. I assured him that my administration intends to move forward with NAFTA while establishing a process to provide adequate protection to workers, to farmers, and to the environment. Canada was our partner in working with Mexico to negotiate NAFTA, and Canada will be our partner as we move forward to put it and its related agreements into effect. We've made a good start here today