

THE WHITE HOUSE

WASHINGTON

## MEMORANDUM OF TELEPHONE CONVERSATION

SUBJECT: Telecon with Prime Minister Mulroney of Canada

PARTICIPANTS: The President  
Prime Minister Brian Mulroney of Canada  
Notetaker: Barry Lowenkron

DATE, TIME August 12, 1992  
AND PLACE: 9:16-9:23 a.m.  
Oval Office

The President: Brian, how are you? (U)

Prime Minister Mulroney: Fine, George, yourself? (U)

The President: Okay. Look, I'm calling to tell you how pleased I am with what our people hammered out on the NAFTA. I met with your guy, Wilson. I hope the agreement will be a good thing for you and for this hemisphere. (Ø)

Prime Minister Mulroney: Congratulations George. I remember when you and I were involved in the Free Trade Agreement. But NAFTA was your vision: a free trade concept throughout the hemisphere. This is a substantial and strong vision. I insist on using the word, "visionary" to separate you from your opponents. We're pleased. Canada is not a big player with Mexico, but we hope to be. The agreement is especially important to counter the criticism that we're not doing enough for the developing countries. These countries don't want aid, they want access to our markets, and this is what they'll get. Again, it's all thanks to your vision. (Ø)

The President: Well, I appreciate your kind words, I'm so pleased. I imagine there will be some flack, such as from big labor, but you can't keep everyone happy. Carla Hills tells me that most of the private sector, if they're not supportive, are at least sullen rather than mutinous. (Ø)

Prime Minister Mulroney: I'll get pounded by the critics in Canada. But I'm absolutely certain that the one great proponent of this is the future: the US and Canada will be better served in the year 2000 and beyond and will be better positioned in the world than other countries. I'll get pounded, but its fair ball. And now you're heading into your campaign as leader of the largest trading block in the world. (Ø)

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The President: I appreciate that. I hear you're having a big Cabinet meeting today? (Ø)

Prime Minister Mulroney: Yes, it's on the unity question. (Ø)

The President: How's it going? (U)

Prime Minister Mulroney: A little better. (Ø)

The President: Really? (U)

Prime Minister Mulroney: Yes, but you couldn't tell from the way the media has portrayed it. (Ø)

The President: Tell me about the media! The sleaze is so hurtful and just points to this crazy year. It's just a flat lie. The more I talk about it, the more they want. (Ø)

Prime Minister Mulroney: George, I though you handled it well. (Ø)

The President: The incredible sleaze. (Ø)

Prime Minister Mulroney: Let me tell you something. We had a book published about me this year which contained every God-damned falsehood. (Ø)

The President: Did the media pick it up? (Ø)

Prime Minister Mulroney: Did they??!! But, I just ignored it. It had little shelf-life. It was 450 pages long and loaded with falsehoods. It contained a story about me showering with girls in college. Jesus, if only it were true, I wouldn't deny it! It was all falsehood, all garbage. (Ø)

The President: You're right about the shelf-life, but it is humbling. It sums up for me and Barbara the ugliness of the year. Its degrading. (Ø)

Prime Minister Mulroney: After that book came out, my popularity increased seven percentage points. I should push for a reprint. It's an absolutely nutty atmosphere. (Ø)

Prime Minister Mulroney: Well, in terms of American politics, the NAFTA is the biggest thing in ten years. (Ø)

The President: Thanks Brian. (U)

Prime Minister Mulroney: Take care. (U)