

“Free Trade and Fair Trade”

Date: January 13, 1983

Participant: Ronald W. Reagan

Participant: Malcolm Fraser

Start Time: Unknown

Place: Situation Room

In this exchange with Australian prime minister Malcolm Fraser, President Reagan expressed his goal for international trade and his optimism about the American economy. Both leaders wanted to combat the lurch toward protectionism, which Reagan sought to counter in May at the G-7 Summit in Williamsburg, Virginia.

President Reagan: Well, I know Secretary [George P.] Shultz told me of your bold and farsighted idea on protectionism, and I'll look forward to talking with you about that with regard to the Williamsburg Summit coming up—coming up. And we'll see how it can develop in practice, because it sounds good.

Malcolm Fraser: Well, I think that, after the failure of the GATT [General Agreement on Tariffs and Trade] meetings, there's only one hope for all of us now, and that's the United States. [*Laughs.*]

President Reagan: [*Laughs.*] Well, I hope we can live up to that.

Fraser: I'm sure that'll happen.

End of excerpt 1.

Fraser: Well, it's going to be a very sad decade if the protectionist tendencies that have burst out over the last couple of years do, in fact, go unchecked, I think.

President Reagan: We've got to stop them. We really do. I'm optimistic, you said, about us and what we did up here. I just as—maybe I'm—well, everybody tells me I'm an optimist, but I'll tell you, every sign that we're getting up here indicates that our recession is on the upturn. We've—you know, housing, the building of houses, was one of the big things that created a large part of our recession. Well, housing right now is up 66 percent, new house starts, over last year. And there are other figures that are comparable, so we think—and we think that if we can turn our economy around here, it will have a worldwide effect.

Fraser: Well, I'm sure it will, and I know that you're working to achieve that. And I hope very much that you're successful.

President Reagan: Well—

Fraser: The—I think we've all had some difficulties, but the one thing that would help all of us, if there could be freer trade, so that people who could do things best can get the benefit of it.

President Reagan: You're absolutely right. And we've had a number of meetings and made some gains, but not what we would like to make with our European neighbors over there. And, of course, Japan continues with some of its restrictions to be a problem. But I'll be meeting very shortly with Prime Minister [Yasuhiro] Nakasone, and I'm going to take that matter up with him, too. And—

Fraser: Well—

President Reagan: Free trade and fair trade. That's what we've got to have.

End of excerpt 2.

“Ronald W. Reagan and Malcolm Fraser on 13 January 1983,” Cassette 12A, *Presidential Recordings Digital Edition* [*The Presidential Recordings of Ronald W. Reagan*, ed. Kent B. Germany, Ken Hughes, Guian A. McKee, and Marc J. Selverstone] (Charlottesville: University of Virginia Press, 2014–). URL: <http://prde.upress.virginia.edu/conversations/4022304>