

prospects for more open trade.

And like you, Americans want a world united and enlightened by freedom and justice, by political pluralism, by the universal commitment to individual liberty and prosperity. So, we will stand fast by our principles and remain confident, strong, and vigilant.

Since 1784, when an American trading ship, the *Empress of China*, sailed for Canton from New York, the United States has tried to build strong ties of commerce with Asia. We remain committed to that vision. And together, the United States and its Asian-Pacific allies can indeed build a world filled with economic tigers, nations growing rapidly, pioneering new intellectual, commercial, and cultural terrain, spreading the blessings of free markets, democracy, and peace. My trip through Asia this week marks a new start. The next step is up to all of us.

Thank you again. And may God bless you, the people of Singapore, people of the United States of America. Thank you all very, very much.

*Q.* Ladies and gentlemen, we have a tight schedule, threaten to squeeze out the question-and-answer session. We have a very few questions that the President has offered to meet. So, can I ask the questioners to be brief, to the point. State your name, and get to the point quickly, please.

*Free and Fair Trade*

*Q.* Mr. President, the trend in closer economic interaction within region, with Europe forging a single market and the U.S., Canada, and Mexico moving towards a North American free trade area, will grow in momentum in the 1990's. How, in your opinion, can we ensure that these trends do not result in inward-looking economic blocs? How can APEC as a body promote greater economic openness and counter these inward-looking trends? Thank you.

*The President.* One, help us reach a successful conclusion to the GATT round. Therein lies the most important single step that can guarantee against trading blocs. Secondly, accept my word that nothing in the North American free trade agreement wants to contribute to dividing the world into trading blocs, into blocs that shut out

other people's goods. That is not what it's about. If we are successful in the NAFTA, that will increase markets for Asian goods in South America which has been an area that needs economic help.

So, the first answer is, help with GATT, successful conclusion of the Uruguay round. And the second answer is, please understand that NAFTA, and I can only speak for American participation therein, and I'm sure it's true of President Salinas of Mexico and of Brian Mulroney of Canada, have no intention of having that free trade between ourselves be a block to ASEAN goods. Stop worrying about it. That isn't going to happen.

If I could think of a third reason, I'd tell you. [*Laughter*] But those are the two I've got.

*U.S. Role in the Pacific*

*Q.* Mr. President, I believe that most countries in the Asia-Pacific region want to see the U.S. continue to play a major economic and security role in the western Pacific. But many are worried that Japan may become the leader in the economic competition, especially in trade and investments, in the Asia-Pacific region. Will the U.S. respond to this Japanese economic challenge and stay in the competition? However, if Japan eventually becomes the preeminent investor and trader in the region, will the U.S. remain engaged in the economies and the security of the region?

*The President.* Good question, and the answer is yes. Regardless of what happens, we are going to continue our cooperation in terms of security. That's a given. That's important. It's important, I think, to ASEAN. And I think it's very, very important to my country, to the United States of America.

I'm not as gloomy as the question implied in terms of Japan dominating ASEAN. I would be worried about it if I thought that we would all acquiesce, including Singapore, in a bloc to offset Canada or to offset a perceived trading bloc in Europe. Then I would be concerned about that. But I don't think that is going to be the reality because we are going to forcefully, with our best we can offer in terms of economics and investment and in two-way trade, stay involved in