

## FRANCE

### *President François Mitterrand*

François Mitterrand was elected President of France in May 1981, having spent 41 years in politics.

Mr. Mitterrand has had a seat in the National Assembly since 1946, with the exception of the period 1958-1962. He made his Cabinet debut in 1947 and was a minister under the Fourth Republic (1945-1958) eleven times. He ran against General de Gaulle for the presidency in 1965, obtaining 45 per cent of the votes in the second round. In 1971 he brought together several parties of the Left and was elected First Secretary of the Socialist Party. The presidential elections of 1974 saw Valéry Giscard d'Estaing defeat him by a narrow margin. The 70-year-old President has degrees in law, literature and political science.

This will be President Mitterrand's seventh economic summit. He will be accompanied by Mr. Jacques Chirac, the Prime Minister, and by Foreign Minister Jean-Bernard Raimond. Mr. Jacques Attali is President Mitterrand's Personal Representative.

### *Recent Economic Performance*

The economic recovery begun in 1985, when an increase of 1.3 per cent was registered in the GDP, continued in 1986 with a growth rate of 2.5 per cent. The projections for 1987 are for slightly under 2 per cent. This growth rate, due mainly to increased consumption by households, has reached a level comparable to that of the country's main European Community partners. However, it has not brought about any decline in the rate of unemployment, which was 10.7 per cent in 1986.

The reduction in the inflation rate to 2.1 per cent is one of the strengths of the French economy. Among the reasons for this performance are lower oil prices and moderate wage increases. However, inflationary pressure may increase in 1987 through liberalization of prices, to an expected rate of 2.5 per cent to 3 per cent. Rearrangement of the European Monetary System in January 1987 should have positive effects on the trade balance.

The present government's economic policy favours free trade, foreign investment and the privatization of state-run corporations.

### *Canada/France Relations*

Our relations have been highlighted by the success of the recent visit to Canada by President Mitterrand, which underscored the excellent relations between the two countries. In the coming years, Canada and France intend to emphasize increased bilateral economic interchange and trade, in accordance with the conclusions of last January's Joint Economic Commission. Special attention will be devoted to technological cooperation, and especially the interest of Canadian companies in the EUREKA projects and last January's bilateral agreement on economic and industrial cooperation.

Trade between Canada and France reached \$2.5 billion in 1986. Canada's trade deficit was more than \$500 million. This is due to the \$950 million purchase of aircraft from Airbus by Wardair, and the expected \$1.5 billion French sales of auto parts over five years for the production of Renault automobiles.

Scientific interchange is also important and the two countries are concentrating on space, oceanography and biotechnology. Cooperation in the communications sector and others has been furthered by the Francophone Summit, planned for Quebec City. Canadian television viewers will shortly have access to TV 5, a new Francophone international network that will feature productions from France, Belgium, Switzerland and Canada.