

Originally Processed With FOIA(s):
S; 1999-0582-F; 1999-0586-F; 2004-2265-S

FOIA Number:
S

FOIA MARKER

**This is not a textual record. This is used as an
administrative marker by the George Bush Presidential
Library Staff.**

Record Group/Collection: George H.W. Bush Presidential Records
Collection/Office of Origin: Speechwriting, White House Office of
Series: Speech File Backup Files
Subseries: Chron File, 1989-1993

OA/ID Number: 13790
Folder ID Number: 13790-006

Folder Title:
Toys-R-Us--[Japan] 1/7/92 [OA 7565] [1]

Stack:	Row:	Section:	Shelf:	Position:
G	26	22	2	1

TOPPER PAPERSON - NSC 6173 (RM 493)
VASON HYLAND - STATE (JAPAN DESK) 647-2914
LEW COLTEN - 637-6834
TOYS-R-US (WASHINGTON)

Photocopy-Preservation

Jason at draft
to answer @ 1:05 pm

Torhel call letters
msg @ 1:05 p.

2

Jason Hyland

647-2914

Jason Speches

Message

Operator

AMPAQ
EFFICIENCY
33-031 CARBONLESS

Article B's. Week

P. 7 (?) on 10/15-1-18

(10/15-1-18)

- 1st 2nd in Japan

- One near Tokyo

- (→) One in a chain

Spain

W/12 France

Canada
Smith
Gerry

Office of the Press Secretary
(Osaka, Japan)

For Immediate Release

January 7, 1992

REMARKS BY THE PRESIDENT
AT TOYS-R-US GRAND OPENING

Toys-R-Us Store
Kashihara, Japan

4:10 P.M. (L)

THE PRESIDENT: Thank you all very, very much -- all of you. And may I first thank Governor Kakimoto and Mayor Miura for their gracious hospitality, and say to all of you that it really is, for Barbara and me, a deep honor to visit this ancient and venerable city of Kashihara right here in Japan.

And may I thank Minister Watanabe for being here. His ministry did so much to change the great retail store law, and I am personally very grateful to him for taking the time to be with us today.

And Mr. Charles Lazarus, thank you, sir, for your introduction. It's a pleasure being at your side and sharing your joy in the successful opening of Toys-R-Us. When our grandchildren heard about this trip to the Far East, they figured the highlight would be today -- stopping at Toys-R-Us. And I'll just have to tell them I couldn't buy them anything because Barbara has cut my kozukai -- my allowance that is. (Laughter.)

What we see here today is success, for Japanese consumers as well as for ourselves, in the effort to eliminate a major barrier in the Japanese distribution system. For years, American retailers have sought to compete in the Japanese market. And after all, Japan has the second largest economy in the world and its consumers are increasingly demanding wider choices for themselves and their families, lower prices, and certainly uncompromising quality.

But American companies before weren't making any headway because the regulations, particularly the large retail store law, made opening new foreign retail stores virtually impossible. From the beginning of our administration we've had a key trade policy objective, and that was to break down the barriers to the sales of U.S. goods and services.

And in 1990, we launched the Structural Impediments Initiative, or what we call SII -- those talks to remove the underlying economic barriers to trade and balance of payment adjustment and to promote open markets. SII has indeed enabled us to take aim at the rules that prevent our companies from competing in Japanese markets.

And when Japan changed its large store law, it lowered a key barrier to open trade. And Japanese consumers -- your buyers here in this country -- and our workers stand to reap the benefits. Japanese consumers will get stores with wider selections, more competitive prices and quality goods from around the world. And U.S. companies will be able to operate businesses and sell their products in this huge and promising market.

And I think we're all here today because Toys-R-Us was ready to take up the challenge of SII and it literally lived up to the old Japanese saying, "Three years on top of a stone." We have

MORE

much to learn from the three-year battle that Toys-R-Us waged to pry open the \$6-billion Japanese toy market.

After all, this is the first time that a large U.S. discount store has opened here, and it's blazed a trail. And now all kinds of companies can come on in, from toy stores to high-tech outlets.

And I hope that Toys-R-Us is but the first in a long line of American retailers to locate in this great country. Greater access is an exciting idea, and it will help create more jobs in America. And the opening of the Japanese retail market gives our manufacturers, particularly the small manufacturers, a conduit into markets they otherwise couldn't have touched and brings the Japanese consumer a wide choice of world-class goods.

The relationship between the United States and Japan is one of the world's most vital economic relationships. Our two nations produce over 40 percent -- 40 percent of the world's gross national product and, therefore, our actions, taken separately or together, affect many countries.

We've worked together in close cooperation, for instance, at the economic summit, in the G-7 framework, and in international financial institutions to promote global growth and shared prosperity -- Japan and the U.S. working for those common goals.

But we still face many challenges. And each partner must realize that it benefits from free trade and open markets. Our economic relationship is not a zero-sum game for either side. And though we're pleased at the success so far, we're not satisfied with just reaching these piecemeal trade agreements. In the cause of free and open trade, we want agreements that produce permanent improvement in access and in U.S. sales to Japanese markets and permanent improvement in the lives of Japanese consumers.

And what makes me so happy here today is that we see here the beginning of a dynamic, new economic relationship. One of greater balance. There is much that we can do for the world based on a forward-looking global partnership between two great nations, two powerful economies and two resourceful innovative peoples. And together we will go far.

Just two last points: I will do my level-best as President of the United States to preserve and strengthen the important relationship between Japan and my great country.

It has a lot to do with world peace. It has a lot to do with world economic stability. It has a lot to do with two great economic and democratic countries working together, setting an example for other countries around the world. So I want to say to the Minister and to the Prime Minister, I will do my part to keep this relationship on track.

And lastly -- and this is the end, you'll be happy to know -- I just want to thank all of the people in this wonderful city who have given Barbara Bush over here and me such a warm welcome. When we got off that helicopter here and came by those wonderfully warm, smiling faces, extending to us a warm, Japanese welcome, we felt very, very grateful and very emotional. And that said an awful lot about the friendship between Japan and the United States of America.

Thank you. And may God bless each and every one of you.
(Applause.)

END

4:25 P.M. (L)

And if I might say a pleasant word of my bride of 47 years as of yesterday, newlyweds we are -- (applause) -- I think -- what Barbara is trying to do in terms of getting kids and getting families to read to their kids and kids to read to one another and adult education -- all adds into this program which we call America 2000. Next spring, actually, we're going to hold a meeting of the education ministers of the APEC, the Asia Pacific Economic Cooperation Group. And it's going to bring together the total experiences of 15 member societies to raise our common educational standards and to draw the most from our precious resource: the imagination and the energy of our people.

So student exchanges reach beyond the technical and the expert level. They enrich the individual spirit, and they nourish the cultures of communities and nations. So we need them. And while we need them to promote efficiency in markets and institutions, we simply must not neglect exchanges in the humanities, in history, fine arts, philosophy, the study of religion, languages and literature.

Octavio Paz, the 1990 Nobel Laureate for Literature, put it well when he wrote, "If human beings forget poetry, they will forget themselves." So those of you all involved in the liberal arts, you have nothing to do but be proud of the work you're engaged in. And if you don't believe it, just ask old Octavio Paz, winner of the Nobel Prize. (Laughter.)

But look, I do honor you -- salute you for your spirit of scholarship and adventure. And if you get a little lonely from time to time, keep it in the big perspective. As I see it, with the crying need for better education, the crying need for people to understand each other better, you are doing something important just being here, just working, just understanding the culture of this great country. In my view, you're really doing something important.

I will simply conclude by this broad comment on my job opportunities -- my own, that is. I can't think of a more exciting time in the history of this country to be -- in the recent history of this country -- to be President of the United States. Now, you go back to where things were just a couple of years ago as you look at Eastern Europe; you look at parties in the Middle East that weren't even willing to talk to each other; you look at the Soviet Union that we lived in fear of when you all were two or three years younger. You wondered whether we were going to evolve into some kind of a nuclear holocaust. Little kids going to bed scared in our country and in other countries all around the world. And that's changing, and it's changing for the better.

And so it is a very exciting time to represent the only, I guess in terms of both military and economic, the only remaining what they call superpower. But the thing that -- what we want to do is use our ingenuity and use our energies, well represented by this group here today, to help people around the world, to assure the peace; to raise the standards of living for our own people by, as I said earlier on, opening markets and having our economy much more vibrant.

So it's a wonderful time to be fighting these battles and accepting these challenges that will always be with whoever is President of the United States. This, as I say, is a cameo appearance; it's a quick drop-by. But looking around here, I can get a little sense of enthusiasm that occupies this crowd. And I really wanted to wish you all a very, very happy new year. And may God bless you in your important work.

Thank you all very, very much. (Applause.)

END

2:40 P.M. (L)

9:59am

Jeanne-
Cale

Lewis Cohen

637-6834

Toys 'R Us

CBT



THE ASIAN STUDIES CENTER OF THE HERITAGE FOUNDATION

Phone: (202) 546-4400

Fax: (202) 544-2260

DATE: 18 Dec 91

TO:

JEANNIE BUNTON

FAX NUMBER: 456-6218

FROM: BILL BONDE

TOTAL PAGES: 1

COMMENTS:

MIYAZAWA'S SPEECH 8 NOV 91

KOREAN NEW YEAR: 4 FEBRUARY
YEAR OF THE MONKEY

sustaining and further developing the multilateral free trading system for the 21st century, thereby stemming the tide of protectionism and closed regionalism. These negotiations are now in their final stages, and, together with the other major countries, Japan is resolved to work to bring these negotiations to a successful conclusion by the end of the year. While agriculture is an area in which all countries face difficult problems, as for rice, I intend to make the utmost efforts for a solution based upon mutual cooperation under our basic policy.

In addition to these issues, the international community is also faced with a host of other pressing issues common to all humankind, including the protection of the global environment, support for the developing countries, drugs, terrorism, and refugees. Japan will draw upon its full experience and expertise in dealing head-on with these issues.

(Making Japan a Great Place to Live)

I would like to work to create the kind of society in which each and every person is able to enjoy the kind of life he or she wants to and feels truly well off. Looking ahead to the 21st century, I thus intend to work to enhance the social capital with particular emphasis on housing and other amenities in both the urban centers and the outlying areas and to foster quality communities and to strive to make Japan

ROM BY: HERITAGE FOUNDATION-1 ; 11-12-91
11/12/91 16:12 202 265 9484

4:07PM ;

202 265 9484-

EOJ-INFO SECTION

15104: # 6

006/007

a tangibly great place to live — a country replete with vigor and caring that we can be proud of as a true leader not only in income terms but also in terms of social accumulation, aesthetic appeal, and more.

(Economic Policy Management)

It is the economy that underlies this effort to make Japan a great place to live. Yet the Japanese economy's rate of growth is gradually slowing, as seen in the decline in housing construction and other problems. Seeking to induce sustained economic expansion led by domestic demand and grounded in price stability, the government intends, mindful of domestic and international economic trends, to embark upon suitable and flexible economic management. And through this economic management, we intend, along with striving for stable employment and self-sustaining economic growth including fair and free competition, to work to forge harmonious external economic relations while closely watching our external imbalances.

(Unzen and Other Disaster Relief)

The eruption at Unzen. the many thousands...



United States Department of State

Washington, D.C. 20520

OFFICE OF JAPANESE AFFAIRS

FAX COVER SHEET

(copy)

DATE: 12/13/91TO: White House - Ms. BuntonFAX NUMBER: 456-7565 6218

ADDRESSEE'S PHONE: _____

FROM: EAP/ J Jason P. Hyland

FAX NUMBER: 202-647-4402

SENDER'S PHONE NUMBER: 202-647- 2914NUMBER OF PAGES INCLUDING COVER SHEET: 2REMARKS: As discussed. Best regards.UNCLASSIFIED
ONLY

POINTS TO BE MADE AT TOYS R US

- o Toys R Us is a familiar name to anyone with children in the United States and now to families in more than ten other countries as well.
- o Toys R Us has the global orientation that is essential to succeed in today's global marketplace.
- o Toys R Us now has 126 stores in ten countries, compared to 497 stores in the US. Its overseas sales went from zero in 1984 to over one billion dollars this year.
- o Toys R Us years ago recognized that Japan, the second biggest economy in the world with consumers who increasingly are demanding wider choices and lower prices, without any compromise in their quality standards, would be a prime market.
- o Toys R Us made no headway in opening here, though, because of complicated government regulations that made opening new stores -- especially by foreign retailers -- all but impossible.
- o Through the Structural Impediments Initiative, SII, Japan undertook to liberalize its distribution system. The goal was to increase imports by cutting the costs of bringing them to market, and by increasing the number of outlets them.
- o Japanese consumers and American workers benefit. Japanese consumers, because Toys R Us will bring wider selections, competitive prices, and quality toys from all over the world. American workers, because Toys R Us estimates that its overseas sales of US-made toys will generate new jobs for 40,000 American toymakers by the year 2000.
- o SII has produced important results for US exporters and Japanese consumers. It aims to clear away the structural features of our economies which obstruct trade and investment. We have come to understand each others' economies better through SII. We must continue the effort.
- o Government can help change the rules of trade and investment to promote competition, benefitting workers and consumers alike. The US Government worked closely with companies like Toys R Us to learn what the problems were, and together we devised solutions.
- o Toys R Us is on a path that I hope many others will follow. Japan is changing -- the American companies here know that -- and there is opportunity for our workers and firms.

Tony-

TRKEL/NSC

12 Dec.

2:00

Zibbor cut 6

Am bis people from
city of NARA - town
in a

from Osaka to Kyoto
back to

→ KANSAI AREA - REGION
his notes -
welcome from

his comment & deep met
Osaka area in his
environment

Some structural input
initiate - eng dist of Am.
goods -

See store for in Japan

Org from to Am. his
not toys but
dist-networks

Sec. 1005

care his guy

ambulance for 100's

can his can for 100's
area -

new store

top 100's - (NJ HQ)
10 store in NJHQ

Both $\Rightarrow$ TOPS-R-US GSWF

Who is the audience?

why are we speak
there

Top-R-U

No site yet - if either of two
looked (Troyer / Mun. Subur)
Gibby bay - or what

NSC

Worked Patterson 395-6173

m. 493

factory under construction -

10121 DIVER
Civ. 1 Blumhardt
DIN-SPECIALS
201-599-7855
TOPS-R-145
461 From Rd.
Farmington, VT 07652
(NARA)
+ 637-6834.
(LOU COHEN in WASHINGTON OFFICE)

BREAKFAST WITH U.S. AND JAPANESE BUSINESS LEADERS

SCENESETTER

PURPOSE

You should use your breakfast meeting with U.S. and Japanese executives to: 1) emphasize the mutual benefits of U.S.-Japan business ties; 2) stress the central role of business in U.S.-Japan relations; 3) urge greater receptiveness of Japanese firms to U.S. goods and services; and 4) remind that Japanese firms benefit greatly from an open trading system and should give strongest support for GOJ liberalization measures in the Round.

THE SETTING

You will give opening remarks to an audience of top executives from U.S. and Japanese companies doing business in Japan.

Your opening remarks will provide the opportunity to highlight the benefits to U.S. firms that make the effort to establish a presence in the high-cost Japanese market. Although start-up costs seem prohibitive, long-term benefits to U.S. investors in Japan include access to Japan's cutting-edge research and development and the ability to service Japan's very demanding customers. Japan's market gives U.S. business one of the highest returns on foreign investment in the world.

You should also point out that Japan's business environment can be difficult for foreign newcomers. Inefficient transportation, agricultural, construction and distribution sectors hamper U.S. exports and investment and keep Japanese costs high for domestic firms as well. This is compounded by long-term relationships among Japanese firms which may inhibit their willingness to purchase foreign products that are competitive in price and quality. These complaints have been echoed by Japan's Asian trading partners.

Trade into and out of Japan is highly concentrated among a few firms. In 1987, Japan's nine leading trading companies handled 74% of Japan's imports and 42% of its exports. In the early 1980's, Japanese trading companies handled as much as 10% of all of all U.S. exports. The business leaders in your audience have it in their power to significantly affect U.S.-Japan trade. You may wish to ask their views on what is needed to increase the presence of U.S. firms in the Japanese market.

Finally, you want to underscore the importance to Japan of open global markets--which requires Japan to protect its global interests and exercise the leadership necessary to bring the Uruguay Round to a successful conclusion, including on tariffication.

PARTICIPANTS - TBD

DECLASSIFIED
Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By 4 NARA, Date 06/01/23

~~CONFIDENTIAL~~
DECL: OADR

POINTS TO BE MADE AT THE MEETING
WITH U.S. AND JAPANESE BUSINESS LEADERS

U.S.-JAPAN BUSINESS COOPERATION

- As I look out at this distinguished audience, I find it encouraging to see so many American and Japanese business leaders sitting side-by-side, partners in our shared goal of ensuring the continued economic prosperity enjoyed by both of our countries.
- I want to commend you for the valuable contributions you and your firms make every day to the welfare of Americans and Japanese alike.
- I would especially like to recognize the American firms represented here today, for their success in developing a strong presence in Japan, one of the world's most important commercial markets.
- The strong and growing presence of U.S. firms in the Japanese market shows that your hard work and perseverance can make many American firms household names in Japan.
- It is often said the Japanese market is one of the toughest in the world to crack. Labor and land costs are high, and certain structural impediments work against foreign entry into the market.

~~CONFIDENTIAL~~

DECLASSIFIED
Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By 14 NARA, Date 06/07/23

~~CONFIDENTIAL~~

- 2 -

- o In particular, overregulation and inefficiency in the transportation, agricultural, construction and distribution sectors hamper U.S. exports and investment and keep costs high for domestic firms as well.
- I call upon you business leaders of Japan, American and Japanese alike, to make the case to your elected officials that free trade and open markets are the best hope for our continued prosperity.
- I applaud recent efforts by the Japanese Government to deregulate certain sectors of the economy and promote healthy competition through better enforcement of its anti-monopoly laws.
- o I also welcome MITI's proposal for a Global Business Partnership, which would expand its import promotion program to include efforts to promote local sourcing for overseas transplants. The success of that effort will depend on the cooperation of our private sectors.
- However, more work needs to be done on eliminating structural impediments to the Japanese market. While efforts by U.S. companies have resulted in strong trade surpluses with the European Community and other important markets, the U.S. trade balance with Japan is worsening.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

- 3 -

- o I will continue to request that Japanese leaders take steps to facilitate entry of U.S. firms into Japan.
- I strongly urge the Japanese companies represented here today to purchase American products that are competitive in price and quality, and I ask that Japanese firms do their part in our global business partnership by opening up their supplier networks to U.S. firms.
- o You will be the determining factor in making MITI's import promotion program successful, which will bring Japan into more constructive relations with the United States.
- Of course, my focus is not limited to the Japanese market alone. Successful conclusion of the Uruguay Round trade negotiations will lead to more open markets around the world, offering new opportunities for U.S. and Japanese firms alike.
- o The U.S. and Japanese business communities have the greatest stake in the Round's success.
 - o American and Japanese leadership is essential to achieve this goal, and I urge you to give your

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

- 4 -

strongest support for the Uruguay Round to elected officials both in Tokyo and Washington.

- I hope the Japanese Government will act now to protect its interests in maintaining an open global economy by exercising leadership in the Round.

- I want to thank you for this opportunity to meet with you today, and I would be interested in hearing your thoughts on what is needed to promote the presence of U.S. firms in the Japanese market.

~~CONFIDENTIAL~~

BREAKFAST WITH U.S. AND JAPANESE BUSINESS LEADERS

12-2-91

Sejec 6663

Drafted:EAP/J:HKenworthy 7-4459

Cleared:EAP/J:RLudan, RDeming

EAP:JAndre, Acting

EAP:DAnderson

EB/DCT:SWickman

E:WWhyman

P:MMcMillion

C:RWilson

S/P:MO'Neal

D:JWarlick

USTR:EEndean

Commerce:TETHridge

Treasury:HWalsh

HK fr

~~CONFIDENTIAL~~

DECL: OADR

VISIT TO JAPANESE HIGH SCHOOL

SCENESETTER

PURPOSE

Your visit to the Japanese High School is an excellent occasion to reaffirm your commitment to superior, universal education, which has been the basis for U.S. strength and competitiveness.

THE SETTING

You will visit Mita High School and be greeted by Education Minister Hatoyama and other officials. You will tour classrooms for 15-20 minutes, including a science laboratory and an English or math class. There will be media coverage of your conversations with students in these classes. You will proceed to a small auditorium to meet with about 200-300 students, parents and teachers and will make brief remarks and take questions from the audience with simultaneous interpretation. There will be live television coverage.

The economic achievements of the U.S. and Japan are rooted in the universality and competence of their respective educational systems. As we enter an era in which cooperation between the two countries becomes increasingly crucial to world stability, our need to learn about each other and from each other takes on major new significance.

Our respective strengths can assist each other as we reform and improve our educational systems. The strong community sense and high level of achievement that are features of elementary and secondary level Japanese education are balanced by the extraordinary creativity and scholarship of post-secondary American education.

The high school visit and town meeting with parents, teachers and children offers a unique framework within which to focus on the positive benefits our close bilateral relationship can provide to both nations.

PARTICIPANTS

US

President Bush
Mrs. Bush
Ambassador Armacost

Japan

Minister of Education Hatoyama
Other MOFA and Education
officials
Japanese students, teachers,
parents

~~CONFIDENTIAL~~

DECLASSIFIED
Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By 4 NARA, Date 06/07/23

~~CONFIDENTIAL~~

DECL: OADR

POINTS TO BE MADE AT THE VISIT
TO THE JAPANESE HIGH SCHOOL

U.S.-JAPAN EDUCATIONAL EXCELLENCE

- The economic achievements of the U.S. and Japan are rooted in the universality and competence of their respective educational systems.
- Our commitment to major national investment in superior, universal education must be renewed.
- As we enter an era in which cooperation between the two countries becomes increasingly crucial to world stability, our need to learn about each other and from each other takes on new significance.
- As we reform our educational systems to meet the needs of the twenty-first century, we should learn from each other's educational successes.
 - o Japan's disciplined, achievement-oriented primary and secondary education system is virtually unmatched the world over; I believe the creativity and scholarship of American university system is equally unparalleled.
- We need to expand our knowledge of each other through increased educational exchanges and language study. Fulbright, Japan Exchange Teachers (JET), and the Center for Global Partnership are examples of programs that encourage this.
- The number of Japanese students studying in the U.S. is nearly forty times larger than the number of Americans studying in Japan. This imbalance should be corrected.
- We need to coordinate policies and support each other in our joint efforts to ensure a peaceful and prosperous world. Since this process relies on mutual respect and understanding, we must begin this effort in the education of our children.

~~CONFIDENTIAL~~

DECLASSIFIED
Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By 11 NARA, Date 06/27/23

VISIT TO JAPANESE HIGH SCHOOL

12-5-91

SEJEC 6684

Drafted:EAP/J:HKenworthy⁷7-4459

Cleared:EAP/J:RLudan, RDeming

EAP:JAndre, Acting

EAP:DAnderson

EB/DCT:SWickman

E:WWhyman

P:MMcMillion

C:RWilson

S/P:MO'Neal

D:JWarlick

USTR:EEndean

Commerce:TEthridge

Treasury:HWalsh

HKf

~~CONFIDENTIAL~~
DECL:OADR

LUNCH WITH FORMER PM KAIFU

SCENESETTER

PURPOSE

You should use this opportunity to thank Kaifu for his contributions to strengthening relations and resolving economic/trade problems. Kaifu took difficult stands in support of US and multilateral efforts in the Gulf War. He was an advocate of consumer welfare, a break from the traditional GOJ emphasis on producers, that lent considerable momentum to the Structural Impediments Initiative at critical junctures. His public statements were important to progress in the SII talks.

You may also wish to use this occasion to explain to Kaifu and other distinguished guests the broad themes of the visit: shaping the visit to meet the needs of the post-cold war world; demonstrating our global partnership in both the political and economic areas; working together to resolve bilateral economic differences; reaffirming our commitment to the security relationship. As a former prime minister, Kaifu has some influence but is far from the center of party activity and not likely to move closer.

Kaifu and others present will wish to offer their comments on your visit and bilateral relations in general.

THE SETTING

About 18 guests will attend, including Ambassador and Mrs. Armacost and seven members of the President's party. In addition to former PM and Mrs. Kaifu, the GOJ side will include Vice Foreign Minister Owada, North America Director General Matsuura, and Chief of Protocol Nakamura.

~~CONFIDENTIAL~~

DECLASSIFIED
Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By 18 NARA, Date 06/07/23

~~CONFIDENTIAL~~

POINTS TO BE MADE AT THE LUNCH WITH
FORMER PRIME MINISTER KAIFU

ACHIEVEMENTS UNDER FORMER PM KAIFU

- I very much appreciated the close personal relationship I enjoyed with you. Under your leadership, Japan has taken unprecedented steps in strengthening relations with the US.
- Japan's support for US and coalition forces in the Gulf War is greatly appreciated in the U.S. Japan's contribution is emblematic of our global partnership.
- Our January 1991 new Host Nation Support (HNS) agreement has reduced Congressional criticism of Japan on burdensharing issues and ensured our ability to maintain our forward deployed strategy.
- Your efforts on the Structural Impediments Initiative can have far-reaching positive effects on our economic integration. We hope to continue to build on your work in SII to achieve results and demonstrate that SII is constructive for both our countries.

US-JAPAN GLOBAL PARTNERSHIP

- The collapse of communism and the Soviet empire represents an historic victory for the forces of democracy and market economics.
- The alliance between Japan and the United States played a critical role in achieving this victory.
- We are faced with new challenges as economic issues become the focus of government and public attention.
- I am confident that the leadership of the US and Japan will meet these challenges. No other bilateral relationship is more important for the future prosperity and stability of the world.

~~CONFIDENTIAL~~

DECLASSIFIED
Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By W NARA, Date 06/07/23

~~CONFIDENTIAL~~

-2-

BILATERAL TENSIONS

- Our global partnership can succeed only if we manage divisive forces in our relationship. The public mood in both countries toward the other is deteriorating.
- We need to demonstrate that the alliance works, and that our people benefit from it; and to step up efforts to resolve trade and investment issues that erode support for the relationship.
- We must also maintain our commitment to fostering understanding between our peoples.
- I am especially grateful for Japan's generous commitment to help expand Japanese-language teaching in our secondary schools, and to improve understanding of Japanese business practices among our business people. These initiatives will stand us all in good stead in the coming years.

ECONOMICS AND TRADE

- I urge Japan to make progress on reducing its global trade surplus, which is destabilizing politically and economically and will fuel protectionist pressures.
- Under your leadership, we made solid progress in the Structural Impediments Initiative (SII). SII brought us closer together on economic issues and can continue to be a constructive factor in our economic relationship. It is essential we continue to expand SII by making new commitments to foster policies that correct imbalances and address the changes in our dynamic economic relationship.
- Stronger market opening efforts in public procurement by your government will set an effective example for the private sector.
- The key to dealing with protectionist pressure is to expand our trade flows and achieve more equitable trade relationships.

~~CONFIDENTIAL~~

Lunch with Former PM Kaifu

Drafted:EAP/J:RLudan *RL*
sejec 6672 12/3/91 7/3155

Cleared:EAP/J:RDeming

D:JWarlick

P:MMcMillion

E:WWhyman

EB:RHecklinger

S/P:LKeene

EAP:DAnderson

C:RWilson

EB/DCT:SWickman

DOC:Tetheridge

Treas:HWalsh

USTR:EEndean

by RL

~~CONFIDENTIAL~~
DECL:OADR

GET-TOGETHER WITH TOKYO AMERICAN COMMUNITY
Ambassador's Residence, January 7, at 7:00 p.m.

SCENESETTER

PURPOSE

This all-American event provides an opportunity to hear, informally and directly, the views of prominent Americans who live and work in Japan.

THE SETTING

Senior US business executives, our top military commanders, outstanding Americans in the arts and education, and senior embassy personnel will attend this informal get-together on the eve of your first substantive meetings with the Japanese. Ambassador Armacost's reception will provide a good opportunity to hear the views of these prominent Americans, who work at the leading edge of our relationship with Japan and, in many respects, play pivotal roles as decision and opinion makers.

~~CONFIDENTIAL~~

DECLASSIFIED
Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By 11 NARA, Date 06/07/23

Scenesetter: President's attendance at US community
function, January 7, Ambassador's residence

Draft:EAP/J:RGdeVillafranca

Sejpol 8560 11/25/91

Clearance: EAP/J:RDeming
EAP:DAnderson
EAP/P:EYamauchi
P:MMcMillion
C:RWilson
S/P:LKeene
E:WWhyman
D:JWarlick
EB:SWickman

~~CONFIDENTIAL~~
DECL:OADR

JOINT PRESS EVENT

Akasaka Detached Palace, January 9, 11:00-11:30 a.m.

SCENESETTER

PURPOSE

You may wish to use the joint press event with the Prime Minister to review for the media the results of your discussions during the visit, and to emphasize the importance of the global partnership in meeting the challenges ahead. The event will also provide an appropriate occasion to announce and distribute the Tokyo Declaration and provide our unilateral (though coordinated) press statements.

THE SETTING

This meeting with the press will be the only time journalists will be able to query you directly, and there will be great media interest in what transpired in your two meetings with the Prime Minister and about the meaning of the Tokyo Declaration.

Owing to the weather, this event will be conducted inside Akasaka detached palace. You and Prime Minister Miyazawa will have just finished your second meeting, focusing on international issues.

We expect the joint press conference to be heavily attended, with several hundred journalists seeking to participate.

Interpretation will be consecutive.

~~CONFIDENTIAL~~

DECLASSIFIED
Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By 14 NARA, Date 06/01/23

SCENESETTER: JOINT PRESS EVENT, JANUARY 9
AKASAKA DETACHED PALACE, 11:00-11:30 a.m.

Draft:EAP/J:RGdeVillafranca
Sejpol 8620 12/5/91 X72813
Clearances:

EAP/J:RDeming
EAP:DAnderson
P:MMcmillion
E:WWhyman
S/P:LKeene
PA:RBoucher
D:JWarlick
EB:SWickman
C:RWilson
EAP/P:EYamauchi

REMARKS: AMERICAN COMMUNITY GET-TOGETHER



We are especially pleased to be here with you this evening. You live and work at the heart of our daily interaction with Japan where the "rubber meets the road". Your presence here in Tokyo reflects the size and variety of American-Japanese contact in so many different undertakings. The dimensions of this relationship -- and its potential -- make it absolutely vital to both sides.

So I'm delighted to be here with you and to spend some time in this great country meeting with people who want to make the U.S.-Japan relationship as mutually beneficial and productive as possible.

Some at home think the end of the Cold War means America can retreat into isolationism and that time spent abroad is not relevant to America's current concerns. If there is one lesson we've learned over the last 50 years, it is that American interests can only be protected by active American involvement abroad. Nowhere is this more true than the Asia/Pacific region, where the U.S. is the key stabilizing force in an area still beset by tensions, and where American economic interests continue to grow.

And there is no relationship more important to U.S. interests than the U.S.-Japan relationship. Our growing economic interdependence, our critical security relationship, and our shared foreign policy interests and objectives make it essential that we work together even more closely.

This is not always easy. Competitive elements in our economic relationship, while basically healthy, at times cause great strain to our relationship, especially when there is a lack of reciprocal access to each other's markets.

We need to make our global partnership work to address continuing problems in the economic relationship. We have much to do at home, and my State of the Union message will set out a broad active agenda to restore American competitiveness. At the same time, we need greater access to Japan's markets, and many of you here can testify that, though this is not an easy task, it can be done.

These are objectives that can and will be achieved, not by turning our backs on strong and cooperative relationships, but by applying the strengths of those relationships to find solutions.

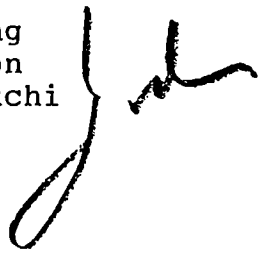
I want to thank each and every one of you here tonight for the daily contribution you make toward building stronger U.S.-Japan relations. And I urge you to keep up the good work.

Thank you.

President's remarks at US community function
Ambassador's residence, January 7, 1992

Draft:EAP/J:RGdeVillafranca 

Sejpol 8561 11/25/91

Clearance: EAP/J:RDeming
EAP:DAnderson
EAP/P:EYamauchi
PA:RBoucher
C:RWilson
S/P:LKeene
E:WWhyman 

~~CONFIDENTIAL~~
DECL:OADR

SPEECH TO JAPANESE AND AMERICAN POLITICAL/BUSINESS LEADERS
AT LUNCHEON HOSTED BY OFFICIAL WELCOMING COMMITTEE

SCENESETTER

PURPOSE

To give a major policy speech setting out your vision of the U.S.-Japan relationship, emphasizing the importance we attach to our bilateral relationship, to the need for a more equitable economic relationship, and to the opportunities facing the global partnership.

THE SETTING

The official welcoming committee, chaired by former Prime Minister Kaifu, will be hosting a luncheon for you in the Crystal Room at the Akasaka Prince Hotel, a large, relatively new, luxury-class hotel in close proximity to the Akasaka Detached Palace. There will be between 500-600 guests, including the cream of the political, business, academic and cultural communities in Tokyo and approximately 80 Americans from embassy, military and business circles. While the audience will include distinguished Japanese men and women, spouses will not be invited in keeping with customary Japanese practice. This will be the premier public event of the visit, and there will be extensive media coverage. The speech will be widely viewed and read in Japan, and will help set the tone of the relationship through the 1990's.

~~CONFIDENTIAL~~

DECLASSIFIED
Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By 14 NARA, Date 04/07/23

SCENESETTER: SPEECH AT OFFICIAL WELCOMING COMMITTEE LUNCH
FOR JAPANESE AND AMERICAN POLITICAL/BUSINESS
LEADERS -- JANUARY 9 (12:30-14:00)
LOCATION: CRYSTAL ROOM, AKASAKA PRINCE HOTEL

Draft: EAP/J:JFScott
SEJPOL 8590 11/26/91

Clearance: EAP:RHSolomon
EAP:DAnderson
EAP/J:RDeming
EAP/P:EYamauchi
P:MMcMillion
C:RWilson
S/P:LKeene
E:WWhyman

~~CONFIDENTIAL~~
DECL:OADR

~~DETERMINED TO BE AN
ADMINISTRATIVE MARKING
PER E.O. 12958, SEC 3.3 (C)~~
RMC 11/04/04

DEPARTURE STATEMENT - JAPAN

(Insert appropriate names):

I have had three very productive and enjoyable days in Japan. Barbara and I saw some of your beautiful country, and we had the opportunity to meet a large number of Japanese from many walks of life. We leave with very fond feelings for Japan and the Japanese people and look forward to returning soon.

Prime Minister Miyazawa and I had a series of very useful discussions on many areas of mutual interest. I was impressed once again with the wide range of issues on which Japan and the United States share a common perspective and cooperate closely. As we move into the post-Cold War era, the importance of such cooperation - of our global partnership - will only increase as we prepare to meet the challenges of the next century.

As my trip to Asia comes to a close, I want to re-emphasize what I hope for most people is obvious -- the United States is a Pacific nation, with deep and strong

DECLASSIFIED
Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By *RMC* NARA, Date *11/09/04*

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

- 2 -

ties to Asia and her peoples. We share many values, and the human, political and economic ties which bind us are strong and growing. We are determined to meet our obligations in the region, and to work with our friends and allies in Japan and elsewhere to strengthen the ties between us and to build a Pacific community.

Barbara and I want to express our appreciation and respect to their Imperial Majesties for their gracious hospitality and to my old friend Prime Minister Miyazawa and Mrs. Miyazawa for the warmth of the reception they extended to us. We look forward to seeing them in the United States soon.

Thank you very much.

~~CONFIDENTIAL~~

DEPARTURE STATEMENT, JANUARY 10, 1992
TOKYO (HANEDA AIRPORT)

Draft: EAP/J:JFScott
SEJPOL 8592 11/26/91

Clearance: EAP/J:RDeming
EAP:DAnderson
EAP/P:EYamauchi
PA/PRS:JSnyder
P:MMcMillion
C:RWilson
S/P:LKeene
E:WWhyman

DINNER HOSTED BY THE PRIME MINISTER

SCENESETTER

PURPOSE

To outline for key Japanese decision makers and opinion leaders your views on the importance of the global partnership in meeting the challenges of a changing world.

THE SETTING

This dinner, a social occasion hosted by the Prime Minister in honor of you and Mrs. Bush, will be held at the Prime Minister's official residence. Dress will be business attire.

You will enter the residence, descend a shallow staircase, and enter a foyer where the Prime Minister and Mrs. Miyazawa will greet you. You and Mrs. Bush will join a receiving line with the Prime Minister and Mrs. Miyazawa. When the guests have passed through the line, you will proceed directly to the head table, which will face the other tables in the room. You will be seated with the Prime Minister on your left and Mrs. Miyazawa on your right. Mrs. Bush will be seated on the Prime Minister's left.

120 guests, including 90 Japanese and 30 Americans, from your party and from the American community in Tokyo, will be present. You will be expected to present a dinner toast.

~~CONFIDENTIAL~~
DECL:OADR

~~DETERMINED TO BE AN
ADMINISTRATIVE MARKING
PER E.O. 12958, SEC 3.3 (C)~~

FWC 11/04/04

ARRIVAL STATEMENT - JAPAN

Prime Minister Kaifu, (insert other appropriate names), distinguished friends:

Barbara and I are delighted to be here today and deeply appreciate your coming out to greet us. We left Washington over a week ago to come to Asia for meetings and discussions with some of our key friends and allies in the region. No ally and friend is more important than Japan.

As you know, I made my first overseas trip as President to Japan in 1989. We had hoped to be able to follow up that visit last year, and I'm sorry it took us so long to get back. I appreciate your patience and understanding for the delays.

Over the next few days I will be meeting with Prime Minister Miyazawa and other Japanese leaders to discuss the full range of issues on which the US and Japan

DECLASSIFIED

~~CONFIDENTIAL~~

Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By *RMC* NARA, Date *11/09/04*

~~CONFIDENTIAL~~

- 2 -

cooperate and to explore ways to strengthen even further the sound, vibrant relationship between our two countries.

The changes that have taken place around the world in the past two years present us with a tremendous challenge to build a new international structure to promote democracy, prosperity, and a stable and peaceful world. As the world's two strongest economies and industrialized democracies, Japan and the United States have a special role to play in meeting these challenges. I firmly believe that, working together, we will meet them.

Again, Barbara and I are grateful to you all for being here to meet us and to get our visit to Japan off to a good start. Thank you very much.

~~CONFIDENTIAL~~

ARRIVAL STATEMENT, JANUARY 7, 1992
OSAKA (ITAMI AIRPORT)

Draft: EAP/J:JFScott *for*
SEJPOL 8591 11/26/91

Clearance: EAP/J:RDeming *for*
EAP:DAnderson *for*
EAP/P:EYamauchi
PA/PRS:JSnyder
P:MMcMillion
C:RWilson
S/P:LKeene
E:WWhyman *for*

~~CONFIDENTIAL~~
DECL:OADR

AUDIENCE WITH THEIR IMPERIAL MAJESTIES
EMPEROR AKIHITO AND EMPRESS MICHIKO

SCENESETTER

PURPOSE

To highlight the close bonds between the American and Japanese people.

THE SETTING

You last met the Emperor and Empress in February 1989 at the state funeral for the late Emperor Showa (Hirohito). January 7 was the second anniversary of his death. The Emperor will have completed extensive, and tiring, ceremonies the evening of the 7th to mark that anniversary.

This audience is purely ceremonial. Conversation is appropriately limited to expressions of mutual respect and commitment to friendly relations between the two countries.

PARTICIPANTS

US

President Bush
Mrs. Bush

Japan

Emperor Akihito
Empress Michiko
Grand Master of
Ceremonies
TBD

~~CONFIDENTIAL~~

DECLASSIFIED
Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By H NARA, Date 06/07/23

~~CONFIDENTIAL~~

DECL:OADR

POINTS TO BE MADE

AUDIENCE WITH THEIR IMPERIAL MAJESTIES
EMPEROR AKIHITO AND EMPRESS MICHIKO

- Mrs. Bush and I are delighted to meet again with Your Imperial Majesties and enjoy your hospitality and that of your beautiful country.
- Please allow us to express our deepest condolences to Your Imperial Majesties and all members of the Imperial Family on occasion of the second anniversary on January 7 of the passing away of the late Emperor Showa.
- It is always a pleasure to visit Japan and renew our friendships here.
- We are impressed and gratified as always by the great sense of warmth and goodwill we feel from the Japanese people.
- We hope that you will do us the honor of visiting the United States at a convenient time for you, so that we can reciprocate your hospitality.
- Kyoto was the perfect place to begin our stay in Japan. In our hectic schedule, our brief stop in Kyoto offered a very relaxing and contemplative break for us.
- We would like to congratulate you on the birth of your first grandchild. We understand that both the mother and the baby girl are doing well.
- I am looking forward to our tennis match.

DECLASSIFIED

Department of State Guidelines

E.O. 12958, SEC 3.4 (B), July 21, 1997

By 15 NARA, Date 06/07/23

~~CONFIDENTIAL~~

AUDIENCE WITH EMPEROR OF JAPAN

Drafted: EAP/J:JPHyland

SEJPOL 8564 7-2914 12/11/91

Cleared: EAP:DAnderson

EAP/J:RMDeming

P:MMcMillion

C:RWilson

D:JWarlick

S/P:LKeene

CPR:JFitzgerald

~~CONFIDENTIAL~~

DECL:OADR

INFORMAL LUNCH WITH THE PRIME MINISTER

Akasaka Palace Annex, January 9, 1:15-2:30 p.m.

SCENESETTER

PURPOSE

This informal luncheon marks the end of your substantive work with the Prime Minister. It offers an opportunity to address any discussion items remaining after your two official meetings with the Prime Minister, as well as the chance to establish a solid personal relationship with him. Prime Minister Miyazawa will probably use English during the luncheon.

THE SETTING

The luncheon, at a Japanese style annex on the palace grounds, will follow your joint press event with the Prime Minister.

We expect 18 persons to attend, including you and Mrs. Bush, Ambassador and Mrs. Armacost, and five members of your party. On the Japanese side, Prime Minister and Mrs. Miyazawa, Foreign Minister and Mrs. Watanabe, Chief Cabinet Secretary Kato, Vice Foreign Minister Kakizawa, Ambassador Murata, North American Affairs Director General Matsuura, and Chief of Protocol Nakamura will attend.

~~CONFIDENTIAL~~

DECLASSIFIED
Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By 4 NARA, Date 06/27/23

REMARKS, PRIME MINISTER'S JANUARY 8 LUNCHEON

Drafted:EAP/J:RGdevillafranca *RG*

SEJPOL 8628

12/5/91 x72813

CLEARANCE:EAP/J:RDeming

EAP:DAnderson

EAP/P:EYamauchi

PA/PRS:JSnyder

C:RWilson

S/P:LKeene

E:WWhyman

PM/DRSA:TLyng

S/NP:HLevin

TOAST: PRIME MINISTER'S DINNER

Prime Minister Miyazawa, Deputy Prime Minister
Watanabe, distinguished Ministers, ladies and gentlemen:

Barbara and I are delighted to be here. As you know, I had hoped to be here earlier, but felt a strong need to remain in the U.S. while the Congress was still in session. I apologize for the inconvenience caused by the postponement, and I appreciate both your public and personal expressions of understanding for the delay.

Mr. Prime Minister, let me offer my very warmest congratulations to you on your election. I consider the relationship between the President of the United States and the Prime Minister of Japan to be one of the most important relationships in the world. I enjoyed very close ties with Prime Minister Kaifu, and on the basis of our conversation this morning I feel we have begun to establish an excellent working and personal relationship. I look forward to working with you in the months and years ahead on all the challenges we face.

Mr. Prime Minister, the Cold War has ended. But as old challenges are overcome, new challenges take their place. We must move forward.

It is my conviction that America and Japan must move forward together. We share a common vision about the post-Cold War world: a world dedicated to the pursuit of democratic principles and international law, and strengthened by the development of prosperity, by peace, and by free and equitable trade between nations.

No two nations can do more to realize this vision than the U.S. and Japan, working together. We have the economic resources, we have the political will, and we have the leadership capability.

We stand at an important point in history, when the opportunities to realize the long-term vision we share are unequalled.

And so, for the sake of our children, and their children, we must not let these opportunities slip away. The U.S.-Japan partnership, with its tradition of successful cooperation, needs to be transformed into a global partnership to lead the way into the 21st century.

Mr. Prime Minister, I raise my glass to U.S.-Japan relations and to our global partnership -- a joint enterprise dedicated to a better future not just for America and Japan, but for the entire world.

PRESIDENT'S REMARKS: PRIME MINISTER'S DINNER

January 8, 1992

Drafted: EAP/J:RGdevillafranca *RG*

Sejpol 8562 x72813

Clearance: EAP/J:RDeming

EAP:DAnderson

EAP/P:EYamauchi *Y*

P:MMcMillion

C:RWilson

E:WWhyman

S/P:LKeene

~~CONFIDENTIAL~~
DECL:OADR

IMPERIAL STATE DINNER

SCENESETTER

PURPOSE

To provide a ceremonial expression of good will and friendship to you and Mrs. Bush, and the American people, during your visit to Japan.

THE SETTING

You and Mrs. Bush will be hosted by Emperor Akihito and Empress Michiko at a formal state dinner at the Imperial Palace on your last evening in Japan. This black-tie event will be attended by approximately 140 people. Invitees will include Prime Minister and Mrs. Miyazawa, other members of the Imperial family, former prime ministers, foreign ministers and Japanese ambassadors to the US, in addition to Japanese cultural and economic leaders.

The Emperor will make five-minute remarks and offer a toast, stressing the long bonds of friendship that the US and Japan share.

You will return the toast, highlighting the spirit of friendship that has made our partnership work, and the responsibilities that we share in making the new world a peaceful and prosperous one.

~~CONFIDENTIAL~~

DECLASSIFIED
Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By lt NARA, Date 06/07/23

~~CONFIDENTIAL~~
DECL:OADR

RM 11/04/04
~~DETERMINED TO BE AN
ADMINISTRATIVE MARKING
PER E.O. 12958, SEC 3.3 (C)~~

DRAFT TOAST

IMPERIAL STATE DINNER

Your Imperial Majesties Emperor Akihito and Empress
Michiko, Prime Minister and Mrs. Miyazawa, distinguished guests:

On behalf of Barbara and myself, I would like to extend our
warmest appreciation to Their Imperial Majesties Emperor
Akihito and Empress Michiko for welcoming us to Japan and for
hosting this beautiful evening.

We have been overwhelmed with the warm reception that the
Japanese people have extended to us during our visit. The kind
hospitality shown to us by every person we have met in Japan
has been one of the highlights of our visit, attesting to the
deep bonds of friendship that link our two countries.

Their Imperial Majesties have cultivated this spirit of
friendship that our two nations enjoy, through their education,
their international travel, and the hospitality with which they
receive American guests like ourselves. I sincerely hope that
Their Imperial Majesties will accept our invitation to visit
the United States, so that we can reciprocate with some
old-fashioned American hospitality.

CONFIDENTIAL

DECLASSIFIED
Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By *RM* NARA, Date *11/09/04*

As I look out at this distinguished gathering, I see the faces of friends and colleagues with whom we have worked over many years to build the close ties between our governments and peoples that we enjoy today.

Our efforts have succeeded beyond our greatest expectations. It is a tribute to our fundamental good will and dedication that two nations so different in culture and history, that once fought a terrible war against the other, have been able to forge such enduring bonds. Because of our differences, we benefit all the more from our close ties -- learning from one another, and contributing our own strengths in the common pursuit of peace, stability and prosperity.

We, and all our citizens, recognize that the principles of political and economic freedom, democracy, the rule of law, and respect for human rights are shared values and form an integral part of our relationship. We have witnessed great changes in the world that promise to make the future of our children, and of our children's children, a better, more peaceful one. The shadow of potential nuclear annihilation under which our generation has lived is receding. The rule of law is increasingly upheld in relations between nations.

Yet our joint endeavor -- this historic collaboration -- has only just begun. The United States and Japan share a heavy responsibility to see the promise of this new era is fulfilled. Through continued close bilateral cooperation the United States and Japan can help shape a new world that will ensure the safety and prosperity of our people, indeed of all peoples.

Tonight, as we reflect upon the good fortune, dedication and sacrifice that have brought our two nations together, and on the challenges we must face, we also rededicate ourselves to the spirit of friendship so much a part of this global partnership.

I would like to propose a toast to the good health of their Imperial Majesties Emperor Akihito and Empress Michiko and the Imperial Family, and to the spirit of friendship that guides us in our endeavors.

PRESIDENT'S JANUARY 1992 STATE VISIT: IMPERIAL STATE DINNER

Drafted:EAP/J:JPHyland
SEJPOL 8565 7-2914 12/11/91

Cleared:EAP:DAnderson
EAP/J:RMDeming
C:RWilson
P:MMcMillion
S/P:LKeene
E:WWhyman
EAP/P:EYamauchi
PA/PRS:JSnyder

U.S. EMBASSY COMMUNITY EVENT

SCENESETTER

PURPOSE

To express appreciation to US and Japanese members of the Embassy staff and their families for their work on behalf of the US-Japan relationship and in making your visit to Japan a success.

THE SETTING

This event will be held in the Embassy's first floor auditorium; about 500 American staff, family members and Japanese foreign service nationals are expected to attend. Following your remarks at a similar event during your February 1989 visit to Japan, you and Mrs. Bush invited children of the Embassy community to pose with you for a group photograph, and greeted members of the audience. No outside visitors or members of the media will attend.

DRAFT REMARKS FOR EMBASSY COMMUNITY EVENT

Barbara and I want to thank so many of you for sharing your time with us today as we complete a very successful visit to Japan and our other key friends and allies in Asia.

As all of you know better than anyone else, the US-Japan relationship is one of the most important in the world. Our discussions with Prime Minister Miyazawa and other Japanese business and political leaders have further strengthened our relationship and laid the basis for a global partnership well equipped to deal with the challenges we will face in the coming decade.

Much of what we have accomplished during the past three days would not have been possible without your hard work and long hours, and I'd like to offer my sincere gratitude to you all for supporting the visit and helping to make it a success.

When I was chief of our interests section in Beijing some years ago, I learned first hand the hard work and dedication that goes into representing our country overseas. I left there convinced that there is no more dedicated a group of public servants than the men and

women who represent the United States' interests abroad, and the able and professional staff of foreign service national employees who support them in their efforts. This is one President who appreciates from personal experience the efforts you put in to support our goals here; keep up the good work.

I also want to say a special word of thanks to the unsung heroes of Embassy Tokyo -- the spouses and children of the Embassy staff for putting up with the long hours of separation from your husbands, wives and parents. Without your support and understanding, their work would be far more difficult. I know your spouses and parents appreciate it and so do Barbara and I.

A lot has happened since Barbara and I last visited with many of you in this same room three years ago. None of us could have predicted the changes which have taken place during those three years. I suspect that the coming years will be equally unpredictable and challenging. I am confident, however, that under the excellent leadership of Mike Armacost and with your continued hard work, we will meet those challenges.

Thank you all very much.

SCENESETTER: EMBASSY COMMUNITY EVENT AND DRAFT REMARKS --
January 10, 1992
U.S. Embassy Auditorium

Draft: EAP/J:DFCowhig x7-4428
12/11/91 SEJPOL 8616

Cleared: EAP:DAnderson
EAP/J: RDeming
EAP/P: EYamauchi
D:JWarlick
C:RWilson
P:MMcMillion
S/P:LKeene
E:WWhyman
PA:RBoucher
M:SSpoede

REMARKS: INFORMAL LUNCH WITH THE PRIME MINISTER

- o Honored by your hospitality.
 - Appreciate the efforts you and members of your staff have gone to, shortening or even forgoing your new year holidays to bid us welcome.
- o We are both dedicated to further strengthening US-Japan relationship and turning it into a true global partnership.
 - We are fortunate to have the benefit of your leadership, wisdom, great experience, and unsurpassed international insight at the helm in Japan as we prepare to meet the challenges of the 1990's.
- o Last year the world faced down the threat of Saddam Hussein and his invasion of Kuwait.
 - Japanese financial contributions helped restore peace.
 - Japanese Self-Defense Force minesweepers helped clear the Persian Gulf.
- o The world seems more peaceful now. But it is a world in transition, and it is marked by the emergence of new challenges that need to be addressed.
 - Maintaining an open global trading regime that will help enrich all countries.
 - The North Korean nuclear threat.
 - Human rights abuses in China.
 - Making peace work in Cambodia.
 - The disintegration of the Soviet Union.
 - Supporting the development of democracy and free market economies in Eastern Europe and Central America.
 - Supporting the Middle East peace process.
- o We can face these challenges with the knowledge that the US-Japan global partnership offers the world a powerful engine for progress, and with confidence that we are doing our utmost to make that partnership strong and effective.
- o But to sustain public support for global partnership, we need to deal effectively with trade and investment issues. Appreciate your efforts on these problems.

DETERMINED TO BE AN
ADMINISTRATIVE MARKING
PER E.O. 12958, SEC 3.3 (C)
PMC 11/04/04

~~CONFIDENTIAL~~

DECLASSIFIED
Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By *PMC* NARA, Date *11/09/04*

REMARKS, PRIME MINISTER'S JANUARY 8 LUNCHEON

Drafted: EAP/J:RGdeVillafra^{ca} *gr*
SEJPOL 8628
12/5/91 x72813

CLEARANCE: EAP/J:RDeming
EAP:DAnderson
EAP/P:EYamauchi
PA/PRS:JSnyder
C:RWilson
S/P:LKeene
E:WWhyman
PM:SMartel
S/NP:HLevin
D:JWarlick
P:MMcMillion
EB/DCT:SWickman
CPR:JFitzgerald

gr
z

Tbys-R-Us(?)

RECEPTION FOR KANSAI LEADERS AND AMERICAN BUSINESSMEN

SCENESETTER

PURPOSE

Your visit can bring the message to Japan's traditional commercial center that more needs to be done to make the bilateral trade relationship mutually advantageous.

Stress the key role that the private sector must play to achieve a more equitable trade relationship.

Note the commitment of the US to a strengthened world trade system and to enhancing American competitiveness.

Urge Japan to do more to open markets, with a focus on taking the action necessary to bring the Uruguay Round to a successful conclusion.

THE SETTING

Kansai is Japan's second most important industrial and commercial center, accounting for about one-fifth of Japan's economic output and population. The region is home to some of Japan's major auto makers, consumer goods manufacturers, and advanced industries such as aerospace and biotechnology.

You will meet 100-200 Japanese government and business leaders and key members of the American community. Kyoto Governor Aramaki will welcome you; you will offer brief remarks.

POINTS TO BE MADE AT THE MEETING WITH KANSAI
LEADERS AND US BUSINESS PEOPLE IN KANSAI

- Just as Kyoto is famous in America for its triumph of art and architecture, the Kansai has become famous as well in the United States for product innovation and quality -- Panasonic, Sumitomo, Kyocera, to name a few.
- The traditions of hard work and persistence, which we think of as American attributes, are clearly Kansai attributes as well.
- The Kansai and the United States have enjoyed a very close relationship. The products of Kansai companies have become fixtures in American life, and a large number of American firms are located here.
- In the United States, interest in Japan has never been stronger. As more American students study Japanese and about Japan, as Americans come to Kansai to work -- as academics, company employees, engineers, researchers -- and to study, real understanding grows and our friendship deepens.
- Our economic systems are based on healthy competition, and our trade and investment relationship is rooted in the free trade system.
- Free trade and investment benefit consumers, make our firms more competitive, quicken the pace of technology development and in doing so extend the frontiers of knowledge.
- The strains in our commercial relationship over trade and investment have become evident. All Americans and all Japanese have a stake in solving these problems. Solutions lie in private sector actions as well as in government policies.
- The United States is committed to doing its part to strengthen the world trade system:
 - o We are making a maximum effort to reach a Uruguay Round agreement.
 - o We continue market access talks with Japan and our other major trading partners. Serious problems remain, but I believe that our export performance indicates we have made progress.

- o We are determined to create a business environment that makes our companies more competitive, by cutting capital costs and expanding planning horizons.
 - o We are working to raise education standards so that our young people can meet the demands of the modern workplace.
 - o We are working with Japanese officials on the Structural Impediments Initiative. Through SII, Americans have learned much about Japan's economic structure and about how national economic policies affect trade flows. Japanese consumers, I believe, have also learned much through SII about rigidities in Japan's economy that raise prices of many goods and services here. We believe it would be useful to reinvigorate and expand the SII process.
- We appreciate the hard work of Japan to resolve many trade issues over the last few years, but more needs to be done. The most immediate and critical problem is the Uruguay Round. It is essential that Japan take the steps necessary to bring the Uruguay Round to a successful conclusion. We all must overcome very difficult domestic issues to reach agreement, but our prosperity depends on the success of this effort. Please join me in supporting efforts to make the Round succeed.
- I will close by emphasizing that Americans greatly value our strong relationship with Japan and we are committed to maintaining and strengthening the bonds of friendship and cooperation that ties us together. I know that you in the Kansai share this commitment.

Scenesetter: President's Reception with Kansai Group
sejec 6664

12-6-91

drafted: eap/j:jbaron x73154

cleared: eap/j:rludan

eap/j:rdeming

eb/dct:swickman

d:jwarlick

p:mmcmillion

e:wwhyman

c:rwilson

s/p:lkeene

eap:danderson

eap:rmoore

doc:tetheridge

ustr:eedean

UNCLASSIFIED

MEETING WITH AMERICAN STUDENTS IN KYOTO

SCENESETTER

PURPOSE

To highlight the importance of educational and research exchanges in increasing mutual understanding and forging a strong partnership between our two nations.

THE SETTING

You will have an informal exchange with a group of American (and Japanese?) students at the Imperial Palace (or Stanford Japan Center) in Kyoto.

The American students participating in this event attend several different universities in the Kyoto area. The majority of the students are from the Stanford Japan Center and Doshisha University. The Stanford Center, established two years ago in Kyoto, features an undergraduate program with courses in Japanese language, culture, history and politics and is co-sponsored by nine US universities. There is also a graduate program for engineers focusing on technological exchange and a graduate research program. Doshisha University has longstanding ties to Amherst College. Approximately fifty students from various US universities are currently enrolled in the exchange program which features intensive language training and area studies.

The setting of the event in the Imperial Palace provides an excellent opportunity to showcase to both US and Japanese publics our appreciation for the history and traditions of the Japanese people and the strong efforts Americans are making to gain firsthand knowledge of Japanese language and culture. It also underscores the importance we place on the next generation to maintain and strengthen the US-Japan relationship.

The setting of the event at the Stanford Japan Center will underscore for both the US and Japanese publics the commitment on the part of American universities and students to improve our understanding of Japan, its culture, economy, history, technology and, most importantly, people.

PARTICIPANTS

US

President Bush
Mrs. Bush
Ambassador Armacost

Japan

TBD

POINTS TO BE MADE

MEETING WITH AMERICAN STUDENTS IN KYOTO

- I am pleased to see so many of you here today.
- Your efforts to learn firsthand about this fascinating and important country and its people are truly commendable. I look around me at the beautiful and historic city of Kyoto and fully understand what drew you to study here.
- I applaud your efforts to forge strong personal ties with the Japanese people. I hope each of you will take every opportunity to learn about Japan's culture and society and share your own personal, family and regional experiences with your colleagues and friends here.
- It is these personal ties and the increased understanding that flows from them that form the foundation of the partnership that has grown between our two nations.
- Too often we hear complaints that Americans are too ethnocentric, unwilling to invest the time and effort needed to understand other cultures, languages, and business and scientific practices. Your presence here tells a different story.
- But these programs are more than an exercise in cross cultural communication. To compete in today's world we need academics, professionals, scientists and engineers who are able and committed, linguistically and personally, to operate in key countries such as Japan. To this end, I recently signed a bill establishing a \$180 million trust fund for language, area, and international studies.
- We now have about 2,000 American students studying at the post-secondary level in Japan. These figures suggest what you already know: the US is committed to a strong, personal, and lasting US-Japan relationship; from these students and their successors will come the next generation's leaders in a wide variety of fields, and their familiarity with Japan will form a strong bond between our two countries.
- I note with special pleasure the growing number of US science and engineering students and researchers working in Japan. To promote this exchange, we and the Japanese government sponsor a Summer Institute to provide US science and engineering graduate students with experience working in a Japanese laboratory and in language study. As evidence of how deeply I value US-Japan cooperation in this area, the Prime Minister and I will endorse a package of joint S&T and environmental projects during my visit.
- I am proud of your efforts and I urge you all to make the most out of your stay in Japan. And please bring back what you have learned and share it with your fellow Americans. The benefits of mutual understanding are amplified when they are spread as widely as possible.

MEETING WITH AMERICAN STUDENTS IN KYOTO

Drafted:EAP/J:PHanigan Scroggs
11/5/91 SEJEC 6600 7-3152

Cleared:EAP:LDAnderson
EAP/J:RDeming
EAP/J:RLudan
D:JWarlick
P:MMcMillion
E:WWhyman
S/P:LKeene
USIA:DHitchcock
PA/PRS:JSnyder
EAP/P:KBailes
OES/S:JBoright
OSTP:SBowden

VISIT TO US HIGH TECH RESEARCH AND DEVELOPMENT CENTER

SCENESETTER

PURPOSE

During your visit to Kodak's research and development center in Kohoku, you can:

- call attention to a premier success of a US company in Japan's competitive market, emphasizing US firms' ability to meet price, quality, and customer needs;
- showcase that Japan's market-opening measures -- undertaken at the insistence of the US Government -- provide opportunities for competitive US exporters.
- emphasize the importance of US companies actively working to understand and gain access to Japan's research and development infrastructure.
- note that Kodak's investment in Japan benefits the US and Japan, but that foreign direct investment in Japan is small compared to other industrialized countries. Ask Japan to open itself more broadly to foreign direct investment.

You could link Kodak's success to its commitment to:

- design products specifically for the Japanese market;
- strict quality control standards;
- integrating Japanese ideas and technology for product development, while retaining substantial American content;
- doing business as a genuinely global company, understanding that in order to lead in information technologies it must maintain a strong competitive effort in Japan.

THE SETTING

The R&D center symbolizes Kodak's recommitment to Japan after high tariffs, erected in the 1960's and 1970's to protect Japanese infant industries, virtually forced it out of the marketplace.

Kodak built the \$70 million-plus center in 1988. It is staffed by scientists and engineers from the US and Japan. Products now under development at the center include HDTV-related systems and digital photo equipment.

The Board of Governors of the American Chamber of Commerce in Japan will meet you at the Kodak facility.

POINTS TO BE MADE

US HIGH TECH RESEARCH AND DEVELOPMENT FACILITY

- Japan's market is liberalizing and world competitive US companies like Kodak are in Japan to take advantage of new opportunities.
- Kodak was a market leader in Japan until the 1960's, when high tariffs aimed at protecting Japanese competitors forced Kodak out.
- Japan has cut these tariffs steeply, so that its tariffs on manufactured products are now among the lowest among all industrialized countries.
- Savvy American companies like Kodak have a broad international perspective and act on market information, on realities, not on generalizations.
- With the Japanese tariff cuts, Kodak could again compete here.
- To be sure, Kodak has had an uphill battle. In the twenty years that Kodak was away from the market, its Japanese competitors developed similar products and cemented tight relationships with Kodak's old customers that Kodak -- now as a newcomer -- has found difficult to penetrate.
- Why did Kodak come back?
 - o Japan is the world's second largest market for processing equipment. As a global company with a worldwide view, Kodak believes it must aggressively develop its business here, just as its Japanese competitors are doing in the United States. I agree.
 - o Kodak has been actively trying to understand and adapt research and development here in Japan. Kodak recognized that Japanese labs are now doing leading edge work in developing new products, applications, and technologies. In this state of the art research and development center, Kodak has had great success in teaming its Japanese scientists and engineers with its American scientists and engineers.
 - o The result: products that can win markets worldwide. And because manufacturing costs in the US are now actually less than in Japan, Kodak maintains a high degree of American content, generating technology transfer to its US operations, and creating jobs.

- We need companies such as Kodak which are willing to take the initiative and seek out and understand Japanese R&D efforts to truly make our relationship a two-way street.
- Through persistence, hard work, and innovativeness, by solving the problems it faced in coming back to Japan -- calling on US Government assistance, when this was needed -- Kodak's Japanese business has grown to a billion dollars a year.
- Kodak's investment here benefits Japan and the US through job creation and technology development that draws from the best of both countries. However, the level of foreign direct investment in Japan is considerably less than in other industrialized nations.
- In fact, on a per-capita basis, foreign direct investment in Japan reached only 80 dollars per person through 1989. Compare this with \$1,626 for the US, and \$2,047 in the UK.
- While foreign investment is limited in Japan, Japan itself has been very active in investing overseas. Japanese outstanding investment abroad in 1990 was 20.5 times larger than foreign direct investment in Japan. This compares to a ratio of 1.17 for the US and 1.7 for the UK in 1989.
- Through SII, Japan has taken measures to open itself to foreign investment. Investment follows trade. We would welcome additional measures, so that Japan becomes a leading importing nation, and a home to foreign investors worldwide.

Scenesetter: President's Visit in Japan to US R&D Center
sejec 6669

12-6-91

drafted: eap/j:jbaron

cleared: eap/j:rludan

eap/j:rdeming

eb/dct:swickman

d:jwarlick

p:mmcmillion

e:wwhyman

c:rwilson

s/p:lkeene

eap:danderson

eap:rmoore

doc:tetheridge

ustr:eendean

33 6

33 6