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Departure of Prime Minister Kaifu of Japan 3/3/90 [OA 4728]

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**DEPARTURE STATEMENT: PRIME MINISTER KAIFU OF JAPAN
PALM SPRINGS, CALIFORNIA / MARCH 3, 1990**

I WAS VERY PLEASED TO WELCOME MY FRIEND, THE PRIME MINISTER OF JAPAN, HERE TO PALM SPRINGS FOR TWO DAYS OF VERY USEFUL AND FAR-RANGING DISCUSSIONS ABOUT THE CRITICALLY IMPORTANT RELATIONSHIP BETWEEN THE UNITED STATES AND JAPAN.

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IN THE FIRST INSTANCE, I WANTED TO SEE PRIME MINISTER KAIFU AGAIN AND EXTEND PERSONALLY MY CONGRATULATIONS FOR HIS VICTORY IN THE RECENT ELECTIONS. I ALSO WANT TO EXPRESS MY VERY HIGH REGARD AND ADMIRATION FOR THE OUTSTANDING LEADERSHIP HE HAS GIVEN HIS COUNTRY AND HIS PARTY SINCE HE WAS PROPELLED INTO OFFICE JUST SIX MONTHS AGO.

WE FIRST MET LAST SEPTEMBER, AND IN THE INTERVENING MONTHS WE HAVE SEEN SOME OF THE MOST MOMENTOUS CHANGES IN RECENT WORLD HISTORY. IT IS IMPORTANT THAT THE LEADERS OF THE UNITED STATES AND JAPAN COME TOGETHER AND REVIEW THE ENTIRE SCOPE OF THEIR RELATIONSHIP AT THIS TIME OF PROFOUND CHANGE IN THE WORLD.

THERE ARE THREE THINGS THAT ARE VERY CLEAR TO ME:

-- THAT OUR RELATIONSHIP WITH JAPAN WILL BECOME EVEN MORE IMPORTANT TO US AND TO THE WORLD IN THE COMING DECADES;

-- THAT JAPAN IS MOVING RAPIDLY TO ASSUME A LEADING ROLE IN THE WORLD, AS WAS EVIDENT IN PRIME MINISTER KAIFU'S RECENT TRIP TO EASTERN EUROPE AND THE NEARLY \$2 BILLION IN ASSISTANCE THAT HE PLEDGED TO THE NATIONS OF POLAND AND HUNGARY; AND

-- THAT NO MATTER WHERE WE LOOK AROUND THE WORLD --
FROM EASTERN EUROPE TO PANAMA TO CAMBODIA -- THE UNITED
STATES AND JAPAN ARE WORKING TOGETHER TO PROMOTE
POLITICAL AND ECONOMIC TRANSFORMATIONS THAT WILL
STRENGTHEN DEMOCRACIES AND MARKET ECONOMIES.

OUR MEETINGS THESE TWO DAYS WERE NOT FORMAL
NEGOTIATIONS.

THIS HAS BEEN AN OPPORTUNITY TO COME TOGETHER AND TAKE
STOCK OF THE ENTIRE RANGE OF OUR DEALINGS -- FROM
SECURITY, TO ECONOMICS AND TRADE, TO FOREIGN POLICY --
AND TO TALK ABOUT WHERE WE ARE GOING -- TOGETHER -- AS
WE MOVE TOWARD THE 21ST CENTURY.

THE PRIME MINISTER AND I DISCUSSED HOW WE CAN
EXPAND EVEN FURTHER OUR GLOBAL PARTNERSHIP.

I BELIEVE THAT IN THE COMING YEARS WE HAVE A UNIQUE AND CHALLENGING OPPORTUNITY TO EXPAND EVEN FURTHER OUR COOPERATION ON INTERNATIONAL ISSUES ACROSS THE BOARD; TO STRENGTHEN THE POLITICAL "TRI-ALOGUE" AMONG THE UNITED STATES, JAPAN, AND OUR EUROPEAN ALLIES; TO EXPAND OUR AID COOPERATION TO EMBRACE A LARGER EFFORT AIMED AT PROMOTING ECONOMIC AND SOCIAL DEVELOPMENT IN THE THIRD WORLD;

AND TO THINK ABOUT HOW JAPAN CAN MORE FULLY PLAY A LEADING ROLE IN THE WORLD'S POLITICAL AND ECONOMIC INSTITUTIONS.

WE TALKED ABOUT DEVELOPMENTS OF RECENT MONTHS IN EUROPE AND IN U.S.-SOVIET RELATIONS. I BELIEVE THAT WE ARE AGREED THAT OUR TWO COUNTRIES MUST WORK CLOSELY TOGETHER TO PROMOTE THE SAME KIND OF POSITIVE CHANGES IN ASIA.

I REAFFIRMED TO THE PRIME MINISTER, AS DID SECRETARY OF DEFENSE CHENEY DURING HIS RECENT VISIT TO TOKYO, THAT THE UNITED STATES IS, AND WILL REMAIN, A PACIFIC POWER; THAT THE UNITED STATES ATTACHES THE GREATEST IMPORTANCE TO ITS SECURITY AND POLITICAL ALLIANCE WITH JAPAN; AND THAT OUR TWO COUNTRIES MUST CONTINUE TO STRENGTHEN OUR DEFENSE COOPERATION.

AT A TIME OF GREAT CHANGE IN THE WORLD, OUR TREATY OF MUTUAL COOPERATION AND SECURITY HAS BECOME EVEN MORE IMPORTANT TO INSURING CONTINUED PEACE AND PROSPERITY AS DEMOCRACY AND FREE MARKETS SPREAD ACROSS ASIA AND THE PACIFIC.

WE ALSO DISCUSSED OUR ECONOMIC RELATIONSHIP -- ONE OF THE MOST BROADRANGING AND COMPLEX SET OF COMMERCIAL AND FINANCIAL INTERACTIONS IN THE WORLD. THERE ARE MANY ECONOMIC AREAS IN WHICH WE HAVE CLOSE COOPERATION.

FOR EXAMPLE, WE HAVE WORKED CLOSELY WITH JAPAN IN DEALING WITH THIRD WORLD DEBT PROBLEMS. WE HAVE ALSO COLLABORATED ON ECONOMIC POLICY COORDINATION, AND WE REAFFIRM OUR COMMITMENT TO THAT PROCESS, INCLUDING COOPERATION IN EXCHANGE MARKETS. WE MUST ALSO REMEMBER, JAPAN IS THE SECOND LARGEST MARKET IN THE WORLD FOR OUR MANUFACTURERS, AND THE LARGEST MARKET IN THE WORLD FOR OUR FARMERS.

OUR EXPORTS TO JAPAN ALREADY TOTAL \$44 BILLION -- ONLY CANADA BUYS MORE FROM US -- AND OUR EXPORTS TO JAPAN ARE GOING UP FASTER THAN OUR SALES TO THE REST OF THE WORLD.

THE PRIME MINISTER AND HIS GOVERNMENT ARE VERY AWARE OF THE MOOD AND CONCERN IN THIS COUNTRY ABOUT THE CONTINUING IMPEDIMENTS TO FURTHER GROWTH OF OUR TRADE RELATIONSHIP.

EVEN WITH THE 18 PERCENT GROWTH IN OUR EXPORTS TO JAPAN LAST YEAR, WE STILL HAVE A \$49 BILLION BILATERAL TRADE DEFICIT. MAKE NO MISTAKE ABOUT IT: I WANT TO SEE THAT DEFICIT COME DOWN, NOT BY RESTRICTING OUR MARKETS OR MANAGING TRADE, BUT BY FURTHER INCREASING OUR EXPORTS TO JAPAN. IN THE COMING MONTHS, OUR COMMON TASK MUST BE TO FURTHER OPEN MARKETS AND EXPAND TRADE.

IN ADDITION TO INCREASING OUR EXPORTS TO JAPAN, OUR OTHER KEY TASK IS TO ENSURE THE SUCCESS OF THE STRUCTURAL IMPEDIMENTS INITIATIVE THAT WE LAUNCHED LAST SUMMER. WE ARE FACING SOME IMPORTANT DEADLINES, AND THE PRIME MINISTER AND I ARE CALLING ON OUR OFFICIALS TO REDOUBLE THEIR EFFORTS TO ACHIEVE MEANINGFUL INTERIM AND FINAL RESULTS. SPEAKING FRANKLY, WE MUST MAKE SII AND OUR OTHER TRADE DISCUSSIONS A SUCCESS.

WE MUST PUT OUR ECONOMIC RELATIONSHIP ON A SOLID FOUNDATION IF WE ARE TO ACHIEVE THE FULL PROMISE OF OUR RELATIONSHIP.

WE BELIEVE THAT WE HAVE PRESENTED SOME VALID IDEAS ABOUT REMOVING STRUCTURAL IMPEDIMENTS IN JAPAN THAT WILL IMPROVE MARKET ACCESS AND REDUCE OUR TRADE IMBALANCES, AND WE LOOK FORWARD TO THE JAPANESE RESPONSE.

AT THE SAME TIME, THESE TALKS ARE A TWO-WAY STREET. WE AMERICANS MUST INCREASE OUR SAVINGS, REDUCE OUR BUDGET DEFICIT, PROVIDE MORE INCENTIVES FOR OUR INVESTORS, STRENGTHEN OUR EDUCATIONAL SYSTEM, AND FOCUS ON PRODUCING GOODS OF THE HIGHEST QUALITY. OUR TASK IS TO MAKE THE AMERICAN ECONOMY EVEN STRONGER AND EVEN MORE COMPETITIVE, AND THAT IS A TASK FOR AMERICA, NOT JAPAN.

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MR. PRIME MINISTER, I AM DELIGHTED WE HAD THIS OPPORTUNITY TO DISCUSS ALL THESE MATTERS, AND I AM CONFIDENT THAT DURING OUR TIME HERE TOGETHER, WE HAVE LAUNCHED A PROCESS THAT WILL CONTINUE THROUGHOUT 1990 AND THE COMING YEARS -- A PROCESS THAT WILL CREATE A BREAKTHROUGH RELATIONSHIP AND LEAD TO AN ERA OF EVEN GREATER COOPERATION BETWEEN OUR TWO COUNTRIES.

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TOGETHER, WE MUST MASTER OUR PROBLEMS AND EXPAND OUR OPPORTUNITIES. BY WORKING TOGETHER, IN PARTNERSHIP, THE UNITED STATES AND JAPAN HAVE THE CHANCE TO LEAD NOT ONLY OUR TWO PEOPLES, BUT THE WHOLE WORLD, INTO A NEW ERA OF PEACE, FREEDOM, AND PROSPERITY.

TOSHIKI -- MY FRIEND -- THANK YOU FOR COMING AND I WISH YOU A SAFE AND SMOOTH JOURNEY HOME. MAY YOU HAVE GREAT SUCCESS IN YOUR EFFORTS IN THE COMING MONTHS. YOU HAVE MY FULL SUPPORT.

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**Statement by Press Secretary Fitzwater
on the President's Meeting With Prime
Minister Toshiki Kaifu of Japan in
Palm Springs, California**

March 2, 1990

The President and Prime Minister Kaifu met for approximately 1 hour this afternoon. Their meeting began with a brief one-on-one session, followed by a plenary. In their private session, the President and the Prime Minister took the opportunity to reaffirm the close and friendly bilateral relationship of the two countries, and the growing significance of their global partnership. The President congratulated the Prime Minister on his recent electoral victory. The President noted that the pillars of the relationship are the U.S.-Japanese security relationship, the global partnership, and the bilateral economic relationship.

The plenary session was devoted to a discussion of security issues of common concern. The President and the Prime Minister noted the mutual benefits that the security relationship brings to both countries and noted that it continues to be the best guarantee for stability and prosperity in the Pacific region. The President stated that the adjustments the United States is contemplating in its defense posture in the Pacific area will not affect either deterrence or stability, nor its commitment to its Asian allies. The two leaders discussed the issue of burden sharing, noting the need for suitable arrangements for balanced cost sharing. The President reaffirmed the United States support for the Northern Territories issue, and noted that Secretary Baker had raised the subject during his Moscow ministerial and that the U.S. would continue to raise the Territories with the Soviet Union.

The President emphasized that this summit should lay the conceptual framework through which the two countries could realize the full potential of the already close bilateral relationship. The Prime Minister stressed the importance to coordinate our policies and tackle the issues from the standpoint of mutual cooperation.

**Nomination of John C. Foltz To Be
Administrator of the Federal Grain
Inspection Service**

March 2, 1990

The President today announced his intention to nominate John C. Foltz to be Administrator of the Federal Grain Inspection Service, Department of Agriculture. He would succeed W. Kirk Miller.

Since 1979 Mr. Foltz has served as executive director of the Ohio Grain and Feed Association in Worthington, OH. Prior to this he served as chief of the division of markets at the Ohio Department of Agriculture, 1977-1978; Assistant Administrator for Market Development at the Foreign Agricultural Service, 1976; Deputy Under Secretary for Legislative Affairs at the Department of Agriculture, 1973-1975; deputy director for agriculture for the Committee to Re-elect the President, 1972; Director of Congressional Relations for the Cost of Living Council in the Executive Office of the President, 1971; legislative assistant in the Office of the Secretary at the Department of Agriculture, 1969-1971; and staff member and manager of public relations for the Future Farmers of America, 1958-1968.

Mr. Foltz graduated from Ohio State University (B.S., 1955; M.S., 1971). He was born February 23, 1933, in West Lafayette, OH. Mr. Foltz served in the U.S. Navy, 1955-1957. Mr. Foltz is married, has two children, and resides in Worthington, OH.

**Remarks Following Discussions With
Prime Minister Toshiki Kaifu of Japan
in Palm Springs, California**

March 3, 1990

The President. Well, I was very pleased to welcome my friend, the Prime Minister of Japan, here to Palm Springs for 2 days of very useful and far-reaching discussions about the critically important relationship between the United States and Japan. In the first instance, I wanted to see Prime Minister Kaifu again and extend personally my congratulations for his victory in the recent elections. I also want to express my

very high regard and admiration for the outstanding leadership he has given his country and his party since he was propelled into office just 6 months ago. We first met last September, and in the intervening months we've seen some of the most momentous changes in recent world history. It is important that the leaders of the United States and Japan come together and review the entire scope of their relationship at this time of profound change in the world.

There are three things that are very clear to me: that our relationship with Japan will become even more important to us and to the world in the coming decades; that Japan is moving rapidly to assume a leading role in the world, as was evident in Prime Minister Kaifu's recent trip to Eastern Europe and the nearly \$2 billion in assistance that he pledged to the nations of Poland and Hungary; and that no matter where we look around the world—from Eastern Europe to Panama to Cambodia—the United States and Japan are working together to promote political and economic transformations that will strengthen democracies and market economies.

Our meetings these 2 days were not formal negotiations. This has been an opportunity to come together and take stock of the entire range of our dealings—from security, to economics and trade, to foreign policy—and to talk about where we're going, together, as we move toward the 21st century. We talked about how we can expand even further our global partnership. I believe that in the coming years we have a unique and challenging opportunity to expand even further our cooperation on international issues across the board; to strengthen the political "trialogue" among the United States, Japan, and our European allies; to expand our aid cooperation to embrace a larger effort aimed at promoting economic and social development in the Third World; and to think about how Japan can more fully play a leading role in the world's political and economic institutions.

We talked about developments of recent months in Europe and in U.S.-Soviet relationships. And I believe that we're agreed that our two countries must work closely together to promote the same kind of positive changes in Asia. I reaffirmed to Prime

Minister Kaifu, as did Secretary of Defense Cheney during that successful visit of his to Tokyo, that the United States is, and will remain, a Pacific power; that the United States attaches great importance—the greatest importance to its security and political alliance with Japan; and that our two countries must continue to strengthen our defense cooperation. At a time of great change in the world, our treaty of mutual cooperation and security has become even more important to ensuring continued peace and prosperity as democracy and free markets spread across Asia and the Pacific.

We also discussed our economic relationship—one of the most broad-ranging and complex set of commercial and financial interactions in the entire world. There are many economic areas in which we have close cooperation. I think of the Third World debt problems, economic policy coordination—collaborated there. And we reaffirm our commitment to that process, including cooperation in exchange markets. We must also remember that Japan is the second largest market in the world for our manufacturers, and the largest market in the world for our farmers. Our exports to Japan already total \$44 billion—only Canada buys more from us—and our exports to Japan are going up faster than our sales to the rest of the world. The Prime Minister and his government are very aware of the mood and concern in this country about the continuing impediments to further growth of our trade relationship. Even with that 18-percent growth in our exports to Japan last year, we still have a \$49 billion bilateral trade deficit. Make no mistake about it: I want to see that deficit come down, not by restricting our markets or managing trade but by further increasing our exports to Japan. And so, in the coming months, our common task must be to further open markets and expand trade.

In addition to increasing our exports to Japan, our other key task is to ensure the success of the Structural Impediments Initiative that we launched last summer. We're facing some important deadlines, and the Prime Minister and I are calling on our officials to redouble their efforts to achieve meaningful interim and final results. We must make the SII, the Structural Impedi-

ments Initiative, and our other trade discussions a success. We must put our economic relationship on a solid foundation if we're to achieve the full promise of our relationship. We feel that we presented some valid ideas about removing structural impediments in Japan that will improve market access and reduce our trade imbalances, and we look forward to the Japanese response. But let's face it, these talks are a two-way street. We Americans must increase our savings, reduce our budget deficit, provide more incentive for our investors, strengthen our educational system, focus on producing goods of the highest quality. So, our task is to make the American economy even stronger and even more competitive, and that is a task for America, not for Japan.

So, Mr. Prime Minister, I am delighted that we had this opportunity to discuss all these matters. I am confident that during our time here together, we have launched a process that will continue throughout 1990 and the coming years—a process that will create a breakthrough relationship and lead to an era of even greater cooperation between our two countries. Together, we must master our problems and expand our opportunities. By working together, in partnership, the United States and Japan have the chance to lead not only our two peoples but the whole world into a new era of peace, freedom, and prosperity. So, Mr. Prime Minister—Toshiki, my friend, thank you for coming. And I wish you a safe journey home. May you have great success in your efforts in the coming months. You have our full support.

The Prime Minister. George, thank you very much, first of all, for your warm remarks. I would also, first of all, like to express my appreciation for the heartwarming hospitality extended to me by you, George, and Mrs. Bush. I am particularly pleased to have had the opportunity to come together in scenic Palm Springs and to discuss issues at such length that our two countries face and that relate to peace and prosperity of the world.

My meeting with you was a meaningful opportunity to discuss coordination between Japan and the United States as we move into a new era of turbulent international situation in search of a new order based on freedom and democracy. I am fully satisfied

that I was able to share fundamental thoughts with you through in-depth exchange of views. I value very highly the careful but bold initiatives taken by the President to foster desirable changes in the East-West relations and to promote arms control and disarmament negotiations. I am determined that Japan must share responsibility from the standpoint of its being one of the countries who are responsible for maintaining and strengthening international order.

During my recent visit to Europe, I have pledged in concrete terms support to the East European countries who are seeking to establish freedom and democracy and introduce market economies. On the German reunification issue, the President explained to me that he conveyed the U.S. position to the Federal Republic of Germany at the recent meeting between the President and Chancellor Kohl concerning the adherence of the unified Germany to NATO and the continued presence of U.S. forces on German soil. I expressed my appreciation for his explanation and expressed my admiration for the efforts by the President. The President and I exchanged views on the Asia-Pacific situation, and we shared the view that the diplomacy of new thinking of the Soviet Union needs to be actively applied in this region as well, and that it is important for both Japan and the U.S. to endeavor together to ensure the political stability and economic prosperity of this region.

This year marks the 30th anniversary of the conclusion of the Japan-U.S. security treaty. Recognizing the roles played by the Japan-U.S. security arrangement for peace and stability of Japan as well as the Asia-Pacific region, I, together with the President, confirmed the increasing importance of the treaty into the future. Furthermore, the President and I share the view that the Japan-U.S. security arrangements continue to be the important basis of Japan-U.S. cooperation in the search for peace through deterrence and dialog at the time of the evolution of the new international situation. I value the continued role of the United States in this vision as a Pacific power which is irreplaceable by any other country. I expressed to the President my determina-

tion to extend the cooperation required to secure the continued smooth operation of the Japan-U.S. security arrangements, including host nation support for U.S. forces in Japan.

With regard to Japan-U.S. economic relations, the President and I agreed to continuously enhance our relations with the understanding that the sound development of economic relations between our two countries is indispensable to the development of not only our economies but that of the world economy. Although negative aspects of the issues and problems in our bilateral economic relations tend to be emphasized, as the President said with profound insight, the two markets are extremely large for each of us and our economies are moving in the right directions, due to the adjustment efforts in the past several years. Both the U.S. budget deficit and Japan's current surplus are being reduced, and their ratios to GNP have been halved. However, the imbalances are still very large, and we should continue to work harder. The SII is extremely important to consolidate this positive trend. I am determined to firmly tackle structural reforms of Japan as one of the top priorities of my new Cabinet with a view to improving the quality of Japanese life with further stress on the consumer-oriented economy. I hope that the U.S., on its part, will promote structural adjustment as the President has just said. I told the President of my determination to maintain such policies as expansion of domestic demand, the improvement of market access, and deregulation.

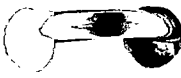
The President and I agreed that both Japan and the U.S. will make the maximum efforts for the early solution of pending issues in the spirit of cooperation and joint efforts between our two countries. The President expressed that Japan and the U.S. have worked closely in dealing with debt problems and economic policy coordination and reaffirmed his commitment, including cooperation in exchange markets. The President's statement convinces me to make maximum efforts for Japan-U.S. cooperation in these areas, including in exchange markets. Having in mind that our solid bilateral relations are indispensable to the future stability and prosperity of the world, the President and I shared the rec-

ognition of the importance of consolidating our bilateral relations to be the constructive cooperation. In this context, we shared the recognition that it is important and necessary to further strengthen and expand the constructive relations in the 1990's, including educational and cultural exchanges, science and technology cooperation, and two-way technology transfers.

U.S.-Japan relations of today, transcending our bilateral framework, have acquired the significance of a global partnership with responsibilities for tasks facing the world. The President and I welcome that the Japan-U.S. global partnership is bearing specific fruit in such a broad range of fields as a response to regional problems, the management of world economy, economic cooperation for developing countries and debt problems, environment, drugs, and the fight against international terrorism. On the problem of drugs in particular, I highly appreciate the series of initiatives of the President and the courageous determination shown at the Cartagena drug summit. I expressed my determination to the President that Japan will actively participate in the international efforts to eradicate illicit drugs.

I conveyed my intention to the President to promptly implement concrete measures in support of the democratic government in Nicaragua and my belief that an early economic recovery is important for the stabilization of Panama. I expressed Japan's position that Japan would look into economic assistance for the reconstruction of the region as the peace process in Central America progresses. The development of the South Africa situation contains the possibility towards dismantling apartheid. The President and I agreed that Japan and the U.S. will continue to consult with each other on how to eliminate apartheid.


This year marks the final year of the Uruguay round. The President and I agreed that the successful conclusions of the negotiations is extremely important for the fight against protectionism and for the construction of the basis for the continued progress of the world economy as we move toward the 21st century. The President and I reaffirmed our convictions that we should closely cooperate for the success of the round.



Japan and the United States are faced with enormous challenges and opportunities in the strong current of history. Having in mind the significance of the Japan-U.S. partnership as a foundation for the stability of the world, I am fully determined to courageously pave the way, together with the President, toward the 21st century. Thank you.

Ladies and gentlemen, I understand that George will stay on here and have a most wonderful time answering your questions in a press conference. I, however, will have to leave this spot in order to return home in time to answer the questions that will be raised to me in the Diet, and also just in time to arrive in Tokyo before the night landing time limit arrives at 11 p.m. in Tokyo. Well, I hope that you will not call this night landing time limit another structural impediment.

The President. Thank you very much. That was a wonderful statement.

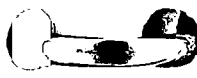


Note: The President spoke at 1:10 p.m. at the Morningside Country Club. Prime Minister Kaifu spoke in Japanese, and his remarks were translated by an interpreter.

The President's News Conference Following Discussions With Prime Minister Toshiki Kaifu of Japan in Palm Springs, California

March 3, 1990

Japan-U.S. Trade



Q. Mr. President, are you satisfied that the Prime Minister has given a sufficient political commitment to break the impasse in trade talks? And did he offer any trade concessions?

The President. You heard his statement, which I thought was very good. And all I can tell you is we had perhaps the best opportunity that I've seen to have genuinely frank discussions. I met with him in a one-on-one yesterday, and then last night sat next to him at dinner. So, I had an opportunity to continue the business part of the discussion.

Then I heard this statement—we had our other talks, too, but I heard this statement today. And I'd say that the Japanese side knows how important it is to move forward, and clearly I have a renewed feeling of how important it is for us to do some of the things that they were talking about on this structural impediment side. So, I can't tell you in terms of a specific commodity or a specific date. But we were just talking here, and all of us are very pleased with the frankness as well as the spirit of cooperation that I think was reflected by the Prime Minister's statement.

Q. Do you think he went far enough, sir?

The President. Well, nobody ever goes far enough to do everything exactly the way we want it. But I think for those who understand the complexities of this relationship at this juncture, we got everything out of this meeting that we had hoped for. Obviously, we've got things to do, and clearly the Japanese side has things to do. I want to say something on that meeting, if I could. The fact that he came here now—finished a tough campaign, just given a big speech to the Diet; indeed, he gets home at 11 p.m. and has to go to answer questions in the Diet the very next morning—should be interpreted by Americans in this manner, that the Japanese feel this relationship is very important. And to the Japanese side, the fact that I invited him when I did should send a very important signal that we have this right up in the forefront of relationships that are critical. And I was very grateful that he accepted, in such short notice and in a complicated time frame, this invitation.

Q. How confident are you that he can produce—

The President. Well, he's just won a good victory there. He's solidified his party's position. He, himself, emerges as, I would say, dynamic new leader. And so we will simply wait and see. But I wish him well.

Israeli-Palestinian Peace Talks

Q. Mr. President, there are reports out of Israel that [Prime Minister] Yitzhak Shamir is prepared to accept the U.S. formula for Israeli-Palestinian peace talks. Do you know anything about that, and if so, what shape will it take?