

Jan. 9 / Administration of George Bush, 1992

Tonight, we celebrate the essence of this new world order and the opportunity to be true partners in its construction. We see how former enemies can become close allies and friends, real friends, each supporting, competing, growing, dreaming. Each understands that we must resolve our differences fairly and constructively.

Our people both believe in work, community, faith, and family. We know how democracy supports the cause of peace among nations. We realize that although half a world may separate us, great ties unite us, ties that are economic and military, moral, and intellectual.

Your Majesty, the name you have chosen for your reign can be translated as “achieving peace.” That choice signifies your deep personal commitment to this noble aspiration and your resolve not to revisit the tragedies of the past. We are now closer to achieving the blessings of peace than we

have been at any time in this century.

When the great Japanese novelist Kawabata received the Nobel Prize in literature, the citation praised him for “building a spiritual bridge spanning East and West.” In this changing world where the walls that once divided whole nations from each other are crumbling, we all must become both bridges to and partners in a new world order.

In that spirit and with heartfelt thanks, Your Majesty, for your wonderful hospitality, I ask all of your guests to raise their glasses. To your health, sir, and to the bridge of friendship and common purpose uniting our countries, to those who built it and cross it still, and to the prosperity of our two great peoples.

Note: The President spoke at 8:10 p.m. at the Imperial Palace.

Remarks and an Exchange With Reporters on Arrival From the Trip to Asian/Pacific Nations

January 10, 1992

The President. Let me first say that it is great to be home, and Barbara and I want to thank all those who made this important trip a success. Secretary Brady is with us here, Secretary Mosbacher, and then our first-ever Presidential delegation of business leaders. I want to thank also in addition to them our ambassadors, their dedicated staffs, and so many others. And I really want to offer my heartfelt thanks to countless people at home and abroad who so kindly offered prayers and good wishes when I had that very brief but dramatic bout with the flu.

Our mission was uniquely American. America is a world leader not just because of our military or economic might but because we’ve always held the conviction that we’re part of something larger than ourselves. We now live in an entirely different economic world than a generation ago and in a completely different political and security environment than just a year ago. For-

eign relations have never before been so important to our well-being at home. When we foster democracy abroad, when we strengthen our security engagements with our allies and friends, when we work to open markets and expand trade, we make a priceless investment in our own children’s future.

The Tokyo meeting I concluded yesterday with Prime Minister Miyazawa caps a successful series of talks with four of America’s most important friends in the Asia-Pacific region. With each of these countries, Australia, Singapore, Korea, and Japan, we’re forging ever-stronger bonds of democratic values, of mutual security, and of economic growth through expanding trade. Each of four nations that I visited are robust democracies. With each we confirmed the necessity of providing nourishment for the blossoming of democracy throughout the region.

At each stop on our journey I reaffirmed

America's interest and fundamental commitment to Pacific security. We and our Pacific partners are determined to maintain strong defenses to protect our hard-won peace and stability during this new era and to provide a security umbrella under which political pluralism and market economies can flourish.

In each country on this mission we made progress on a top priority of this trip, renewing the strength of the American economy and generating world economic growth. Now, while I'm disappointed that the unemployment numbers went up in December here, our work over the last few days will help open markets for American companies and provide more jobs for our workers. Make no mistake about it, our progress this week will translate into progress on jobs and economic growth in America. The results will be clear and measurable.

Everywhere we've been I've sought urgent action on the successful conclusion to the Uruguay round of the GATT talks. The best achievement we can offer our farmers, our manufacturers, and indeed our service industries is a GATT breakthrough in unprecedented new accords for open trade.

With Australia, we reaffirmed our alliance and announced plans to conclude a new trade and investment framework agreement. With Singapore, we announced an agreement to conclude a new bilateral investment treaty as well. Everywhere I found support for strengthening APEC, that's the new Asia Pacific Economic Cooperation group, as it promotes trade and economic cooperation around the Pacific Rim. And I've carried our enthusiasm for our North America free trade agreement across the Pacific and shown how it, too, can add to everyone's prosperity by reducing the barriers to trade.

Our summit meeting in Tokyo was a turning point in our relationship with Japan. And it highlighted the progress we've made these last few years with that nation. Japan is our largest market for agricultural exports, our largest, now some \$8 billion a year. Since 1987, the U.S. merchandise exports to Japan have increased more than 70 percent, and they now account for 64 percent of our total exports to Japan, up nearly 10 percent since 1985. We reinvigorated our

commitment to the bilateral Structural Impediments Initiative talks, and we garnered new support for a successful conclusion to the GATT round.

A substantial portion of our trade deficit with Japan is in the auto sector. That is not going to change overnight. But here, too, we made significant progress, not only in terms of selling American cars and automobile parts in Japan but also in raising the percentage of American parts in Japanese-brand cars built in the United States by U.S. workers. Japanese automakers agreed over the next 3 years to increase their purchase of American-made parts from \$9 billion to \$19 billion.

Our summit meeting this week accelerated the opening of more Japanese markets to our exports. In addition to the Japanese car manufacturers, 23 companies in the Japanese electronics, automobile, and machinery industries announced plans to increase American imports into Japan by a total of \$10 billion over the next 3 years. Some of this will be to the automakers, and taken together represents a welcome increase in exports made in the U.S.A.

This week we breached the wall that kept American exports of computer products and services out of the \$3 billion Japanese Government market. Our agreement will expand Japanese public sector procurements of our quality computer goods and services. Our leading-edge computer industry employs millions of technologically savvy Americans, and we can expect dramatic gains in this market.

We made breakthroughs for access to Japan's huge markets for our glass and paper products, virtually untapped markets that are billions of dollars in size. We reaffirmed goals for our higher market shares for semiconductors and then resolved standards problems—these are the invisible barriers to free trade—in 49 different sectors of American industry, from processed foods and cosmetics to industrial equipment and machinery.

Anybody who thinks that Americans can't compete with the Japanese hasn't talked with these business executives who joined

me in Japan, some of whom made the trip all the way. And they haven't seen the recent studies that show overall U.S. productivity is the highest in the world, far exceeding Japan's. We must work hard to keep that productivity growing. I know and these business leaders know that as long as the playing field is level, American workers can outcompete and outproduce anybody, anywhere, anytime.

Yes, we faced a turning point with Japan, and when the time came, we took a major step forward. But it was only a step, one in a long process to achieve markets as open as our own. We will build on these results. We will monitor the progress, and I will keep pressing for jobs and market access when Prime Minister Miyazawa comes to the United States, hopefully in a few months.

That ongoing effort includes the strategy for world growth which the Prime Minister and I developed and which we are coordinating with the other industrialized nations. America and Japan are the two largest economies in the world. Together we comprise 40 percent of the total world economy. And global growth is a top priority for both of us. Already our two countries have made deep progrowth cuts in interest rates. Japan cut their discount rate to 4.5 percent, and as you know, our Federal Reserve has just lowered interest rates a full percentage point, both of which are keys to stimulating long-term growth here and abroad.

But clearly, with December's unemployment figures, our economy is not growing fast enough. In my State of the Union Message later this month, I'll present to the American people my action plan to get it growing faster. And I am looking forward to spelling out our ambitious agenda for economic growth clearly and repeatedly to the American people in this vigorous and exciting political year. I am absolutely confident that the American people will join me in this vision for a new era of expanded markets, of peace, and prosperity.

So, thank you all very much, and thank you for being with us on that trip. I appreciate it enormously.

Unemployment

Q. Does the unemployment increase

mean that the Federal Reserve System's interest rate cuts aren't working?

The President. No, I think it takes a while to work. But certainly the Federal Reserve cuts will work their way through, and they are very, very important to economic growth. But I think it is a little too soon to expect them to have taken hold and turned around the December unemployment figures.

Japan-U.S. Trade

Q. Sir, what else can you do to put the pressure on Japan to open up its markets?

The President. Well, in the first place, we're going to monitor the agreements we've made, and then we'll see. I will resist protectionist legislation, however; I don't view that as pressure.

Q. Mr. President, why are you optimistic about the auto agreement, and the auto makers so pessimistic?

The President. Well, I think that we might have achieved more. I am proud of what we did achieve. And I think there is nobody suggesting anyone here is totally satisfied. What I am saying is, we made dramatic progress, and it will result in jobs for the American workers.

Q. Cuomo says it's inadequate.

The President. Well, he is entitled to his opinion. And I can't say that we've gotten everything we want, so maybe we're not very far apart. Who knows?

Q. What are the short-term—

Q. Why isn't the managed trade—

The President. Will you make up your mind? I'll go with either one of you. You're both wonderful people. Jim [Jim Miklaszewski, NBC News], go ahead. Men first, maybe. Whoops, Michel [Michel McQueen, Wall Street Journal], sorry about that. [Laughter]

Results of President's Trip

Q. In the short term, was this trip a political bust for you personally?

The President. I don't think collapsing with the flu helped, but I think I can handle that one, Jim. I feel fine, my health is good, and I don't think it's a bust at all. And I'll be glad to debate any of the—eventually; maybe I'd better phrase this proper-

ly—be glad to take on those ideas that I hear that the way to handle this economy is through protection, shrinking world markets. That is the wrong answer. And I think we made progress. And so, I think it was a successful trip.

Yes, Michel, sorry.

Free and Fair Trade

Q. Let me ask you, why isn't this managed trade, something you say you're very much against, when you're pressuring another government to force its companies to buy that which they would not otherwise buy?

The President. Well, I don't think we're forcing them to buy something that is non-competitive, and I don't think we're forcing anybody to buy something that is inadequate. What we're trying to do is get free and fair access to markets, and indeed, as I mentioned, we broke down a lot of barriers. We changed the standards procedures over there to some degree. We still have a lot of work to do. So, I don't view that as managed trade where you set a number. I remember back when I was in China, the people would come over, and they'd say, "All right, we're going to buy x, and you're going to buy y." That's managed trade. That's not what we've done here at all. What we've done is expand markets and get more access for American workers to have their products go into the Japanese market and others.

New Hampshire Primary

Q. Mr. President, with regard to New Hampshire, do you think you're in trouble there?

The President. No, I think I'm going to win in New Hampshire. And I think New Hampshire has some serious economic problems, and I can identify with the hurt of those people. I can't tell you how many times I've been in New Hampshire in the last, well, since I was Vice President and including being President. So, I have some feel for the hardship they're going through. And I think I can identify with it, and I think I can rally support for what I will be proposing. I know that they, if they have it in focus, would be supporting what I have been proposing. So, I think we'll do fine

there.

Multilateral Trade Negotiations

Q. Mr. President, your own briefers and senior administration officials in Tokyo asked three times whether Japan was on board on the GATT negotiations. You refused to say that they were. Are they?

The President. Well, what do you mean by "on board" on them?

Q. My question is, does Japan support your position regarding the Dunkel letter?

The President. Well, I think they agree to use the Dunkel draft as a significant document from which to work. And they also agree we need to get that round solved. I think they've probably got problems with the Dunkel draft, and so do we. What we're trying to do is use that as the basis now for hammering out differences. I think that's about the way we left it with them.

Two more, and then I've got to go. This nice gentleman over here.

China-U.S. Relations

Q. Did anything you heard from Mr. Miyazawa on his talks with Li Peng encourage you to respond in any way, or could you tell us what you heard?

The President. Talks with Li Peng on what?

Q. Mr. Miyazawa talked to you about his trip to China and his talks there. Did he tell you anything that caused you to respond or give you any message?

The President. I believe it was Watanabe, wasn't it, the Foreign Minister? No, he had a good trip to China. He talked a little to them about the problems that we're having with China. He gave me some suggestions in terms of the problem of the people that are held because of Tiananmen Square. But beyond that, I can't say much. There wasn't too much specific as it relates to the U.S.-China relations.

Q. Nothing to cause you to respond?

The President. Nothing at this juncture that cause us to respond. We will keep pressing for fair treatment of people there, and I will try to keep that important relationship on track also. It is a big one and very important.

One more, and then I've got to run.

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The Economy

Q. Mr. President, don't the unemployment figures show you that the economy is in fact getting worse?

The President. No, I don't think that. But they are certainly unsatisfactory. And what they show is, we need growth. And we need to stimulate growth in a sound, fiscally sound way and not through some way that will set the economy back by shooting interest rates, long-term rates, up through the roof. And by that I mean things that are going to recklessly break this budget agreement. They show that the economy has been sluggish. They show that people are hurting. And they show that we need to

get going now with a growth agenda that will do short-term that which it can do; a lot of the suggestions are more long-term. And I think they show that, I hope they show that wherever we can make progress on expanding markets abroad, we ought to do it. And that's one reason I'm satisfied that we have made real progress on this trip. I think it will help in that situation.

Thank you all very much.

Note: The President spoke at 9:15 a.m. upon arrival at Andrews Air Force Base in Camp Springs, MD, from his trip to Asian/Pacific nations. In his remarks, he referred to Gov. Mario Cuomo of New York and Premier Li Peng of China.

Remarks to the President's Drug Advisory Council

January 10, 1992

Thank you all very much for that welcome, and thank you, Bill Moss, especially, and thank you for the job you did as Chairman in launching the Drug Advisory Council.

I'm delighted to be home. And you've got to admit, when I get the flu, I do it in a very dramatic—[laughter]—way. But it was so embarrassing. [Laughter] But I do feel well, a little bit jet-lagged. We just flew 12 straight hours from Tokyo. In fact, we got here before we took off, if you look at the international dateline. So, you will excuse me if I'm a little bit tired. But my health is good, and I am so grateful to so many across our wonderful country and then also in Japan who, I think, thinking I was a little more seriously sick than I was, expressed their concerns. And I just want to say thanks to everybody who did that.

I am delighted to be here. I did not want to go off to Camp David without stopping by this very, very important meeting. And I'm glad to be here with so many hard workers. I want to single out, of course, Bob Martinez, the former Governor of Florida, who is in charge of the fiercely committed fighters in our battle to lead America away from drugs. You heard from one of

these earlier when David Kearns, representing Lamar Alexander—David, our outstanding executive there at the Department of Education. And in addition, we are very fortunate in a Government sense to have the leadership of Attorney General Bill Barr, who is working closely with Bob Martinez, with Lou Sullivan, our very able Secretary of HHS, intimately involved in all of this. And we are trying as a Government to meet this scourge head-on.

But I believe that the answer lies right here. I know it lies with the leadership from Jim Burke who is sitting here at my left. As many of you are aware, Jim's done an outstanding job unleashing the power of the media through this Partnership for a Drug-Free America. There is no way that Government itself could do what this individual has done in getting the message, antidrug message, out across this country. We are very, very grateful to him.

I also am sitting next to another tireless worker, very successful man, Alvah Chapman, who just took this on to organize this meeting, organize this crusade all across the country, providing all of us with the vision and leadership this whole coalition movement represents. So, my thanks to him.