MEMORANDUM OF CONVERSATION

SUBJECT: One-on-One Meeting with Prime Minister Noboru Takeshita of Japan (U)

PARTICIPANTS: U.S.
The President
James A. Kelly, NSC, Notetaker
Mrs. Fumiko Gregg, Interpreter

Japan
Prime Minister Noboru Takeshita
Director-General Tatsuo Arima, Notetaker
Shinichi Nishimiya, Interpreter

DATE, TIME AND PLACE: February 2, 1989, 11:00-11:19 a.m.
Oval Office

The President greeted the Prime Minister in the Oval Office. He said it was his delight and honor to have the Prime Minister as his first official visitor. He noted the important relationship of the countries and the essentiality of good communication between the top leaders. He invited the Prime Minister to join him on the Rose Garden portico for press photos. (U)

After the photo session, the principals were seated in the Oval Office and the President commented to the Prime Minister that as had been the practice with his predecessor, he was hoping that the relationship could be on a first-name basis. The President wanted to call the Prime Minister "Noboru" and hoped that the Prime Minister would call him "George." He noted that this would be a good symbol because of the very special relationship between the two countries. (U)

Prime Minister Takeshita replied with pleasure and said that when the President calls him "Noboru" he feels a special affinity in friendship. He said he is honored to be the first visitor from overseas, and that he was particularly honored to be a guest in Blair House. He recalled many years ago when he visited Blair House, as a part of the support staff of former Prime Minister Sato, that he dreamed of some day being a guest at Blair House. Now this dream had been realized. (U)
The President expressed hope that Blair House was comfortable, noting it had just been redone for the comfort of our distinguished guests. (U)

The Prime Minister responded that it was beautiful and exceptionally comfortable and that he had had a wonderful rest. His wife particularly appreciated Mrs. Bush's invitation to the coffee that morning. She had been especially interested in Blair House and had visited all of the rooms in the house. (U)

The President remarked on the Bush family's stay in Blair House on the night before the inaugural. He noted that his five children had been there with their five spouses, ten grandchildren, a total of 22. (U)

The Prime Minister continued that he appreciated very deeply that the President had so promptly accepted the invitation to come to the funeral of the Emperor. He brought the President personal greetings from the Emperor, who was his tennis partner during the September 1987 visit to America. The Emperor sent special greetings. The Prime Minister touched on his appreciation for the President's remarks when he had been asked about his planned travel to Tokyo. The Prime Minister praised these remarks, in which the President emphasized that the past was unimportant, but that the present and the future were what interested him. The Prime Minister said he had found this very moving, and that all Japan was deeply grateful to the President for his comment. (U)

The President responded there was great respect in his, and in all America's heart, on the death of the former Emperor. The Emperor was a man of honor and wisdom who contributed much. (U)

The President continued that he did not have a special agenda for this meeting, but that if there was anything the Prime Minister would like to bring up privately he would be happy to receive it. (U)

The Prime Minister said that he had only one point to mention, that the purpose of his visit was to establish a personal relationship of trust with the President. No other country could replace America as the leader in the world. Japan, as a close friend of America, would discharge its responsibilities to the maximum extent possible. It would also cooperate with the United States to the maximum extent possible. The Prime Minister assured the President that he hoped they could consult on any matter and use any convenient means, whether through cables, letters or telephone calls. (P)

The President responded that we should agree on this. Before any problem becomes too difficult and causes divisions across our
government, we will talk together about these problems. (U)

Prime Minister Takeshita said "I cannot agree with you more." He said it has been his practice when he went to the Diet to identify the problem early, speak honestly, and try to work on the problem before it becomes more serious. (U)

As the meeting concluded the President noted that the Prime Minister had a long friendship and had the respect of his dear friend, Secretary Baker. (U)

The Prime Minister said that Secretary Baker had been his teacher on financial and monetary matters, including on exchange rates. (U)

The President commented that exchange rates had been a problem, but seemed to be fairly stable at the moment, to which the Prime Minister agreed. The President mentioned to the Prime Minister that the Prime Minister could be the golf teacher of Secretary Baker, whom he described as not a very good golfer. The President said he had not been able to play golf for a long time and did not consider himself to be very good. The President noted that in the 1950s he had an eleven handicap, but he was sure it could not be any better than 22 at the moment. (U)

The Prime Minister responded that his golf is legendarily bad, but officially he is a 28 and some think it is even worse than that. The Prime Minister mentioned that both men had been born in 1924, that this further facilitated their friendship, and he noted that he was 100 days older than the President. (U)

With this conclusion, both proceeded to the Cabinet Room. (U)