

they're all implemented fully and in good faith, there's going to be a timelag between the time those specific market sectors are opened and we begin to feel the benefits of it here in the United States.

The second point I would make is that at any given time, the trade relationships between two countries will depend upon the state of the economies in those two countries. We had the good fortune of coming out of our recession more quickly than did Japan. Our growth rate has been higher for the last 2 years. Theirs is now picking up again. I would expect it would be very strong.

One thing I can say to you is that imports and exports increased equally in the last 2 years, that is, by the same percentage. It was an 11 percent increase—I mean, excuse me, in this last year there was an 11 percent increase in imports from Japan and an 11 percent increase in exports to Japan. If we can implement these agreements that we have reached and if we see the Japanese economic growth rate coming up to about the American rate, then I think you will see a tightening of that trade deficit.

The final point I would like to make is that it will never be in rough parity unless we continue to strengthen and discipline our own economy and, most important, unless we make some progress on autos and auto parts, because that's about 60 percent of the trade deficit. So that's a part of our framework agreement. We're about to start the talks again there. That's all in the private sector in Japan, but that's what's going to be necessary to finally get this relationship where it ought to be.

But I don't think you can overread the figures from this year because of the impact of the recession and because of the time delay in implementing the eight agreements we made in '94 and their impact. We're clearly making progress, but not enough, and we have to move on auto parts and autos.

World War II Commemorations

Q. Mr. President, how are you going to commemorate the 50th anniversary of the end of the war? Did you, or are you going to invite the Prime Minister to some ceremony which will be held later this year?

The President. Well, there will be a number of commemorations, as you probably know, throughout the Pacific. But we have not yet

decided precisely what I will do and how we will do it.

Let me say this: I know there's a debate going on in Japan about this whole issue now and how it should be handled. I can only say that the last three leaders of Japan have expressed in the sincerest terms their regret about the war. We have had a remarkable relationship, a partnership, and a growing friendship with Japan. And I would hope that we could mark this year by saying this is something that civilized nations can never permit to occur again. But looking toward the future and what our responsibilities and what our opportunities are in the future by working together to change the world for the better, that is what I think we should do. And I hope that all these areas of cooperation that the Prime Minister mentioned that will be in the report we're mentioning today, we're releasing today will be at the forefront of what people in the world think about the United States and Japan in the years ahead.

Mexico

Q. Can you tell us something more about what the United States is doing to help stabilize the Mexican economy, what effect the crisis there is having on the U.S. economy or what effect it may have? And can you answer people who are beginning to say that this proves that getting involved, further involved with Mexico and Latin America in treaties like NAFTA may have been a mistake?

The President. Let me—there's two separate questions; let me answer them both. First of all, let me say again I have confidence in the long-term future of Mexico. What we have now is a short-term liquidity crisis. There was inevitably going to be some correction in the Mexican currency value because they had run a rather high budget deficit. But they have had stable political leadership, a good economic direction, a commitment to the right kind of future. And they have shown real discipline. President Zedillo's latest moves will require genuine sacrifice from the Mexican people.

And so the United States is committed to doing what we can to help Mexico through what I believe is and should be a short-term crisis. We have considered a number of options. We have consulted with people in our Government and, obviously, among the leadership of Congress. I spoke with President Zedillo myself last