## LAOS

PRESS CONFERENCE GIVEN BY THE PRIME MINISTER, MR. HAROLD HOLT AT VIENTIANE

2ND APRIL, 1967

Ladies and Gentlemen:

There will be a joint communique released by the Prime Minister of Laos and myself, the terms of which we agreed on. That will be distributed to you later, maybe by the time we finish here.

I don't know that I need to go into detail on it because it deals with a number of items which you would predictably expect to find in this communique - the fact that we had a very frank and friendly exchange of views on the situation in Laos and on international questions of common interest, this was particularly the case of course in our discussions in the Cabinet Room, although I have had opportunities additional to that of talking with the Prime Minister and also some very interesting discussions a little earlier today with His Majesty the King, who of course keeps himself very fully informed on all that is happening inside his own country.

In the Communique you will find the Prime Minister expressing feelings of gratitude of the Lao Government and people for the positive and constructive aid given by Australia and in particular its substantial contribution to the maintenance of the stability of the KIP.

One aspect which has interested me very much while here has been to learn how vital to the economic wellbeing of the country and its capacity to engage in work of development is the stability of this currency fund - or the stability of the currency assisted by this fund to which Australia is one of a group of contributors. At a distance it is not easy to understand why so much importance was attached to this in this country but both the Prime Minister and the King are emphatic that this is vital to the wellbeing of the nation at this time, although of course they hope that, notwithstanding the state of war which is being imposed on them by a foreign country and part of their territory being held in enemy hands, they still aspire to exploit the natural resources of the country in order to become progressively self-sufficient.

And the Prime Minister of Laos reaffirmed in conclusion in the Communique the policy of neutrality which the Royal Government desires to pursue in accordance with the Geneva accords of 1962.

There is, perhaps, an aspect of the Communique which I might elaborate to a degree for you because it will, I think, amplify what Isaid very briefly last night when speaking about what has come to be known as the new colonialism. The process of support, whether defence support or of economic assistance, which some free world countries have given to those under threat or actual aggression, the economic assistance which they have given them in order to better their way of life, has become of course and understandably an object of attack by those who hold a very different philosophy and who see the future of the world in very different terms from those which we hope for ourselves.

But all the propaganda seems to me to run the one way, and I think it not inappropriate, and certainly it could fittingly be said in this country, that the interpretation which we in Australia, and I believe, people of good will everywhere, place on these processes of military support and economic aid — that interpretation can take in reality and in all sincerity a very much more commendable aspect.

Now I can illustrate that in relation to this country and as from Australia. Such aid as Australia gives is given without any conditions attached. We make no loans - any funds we make available are made available by way of grant, they require no obligations on the part of those who receive the aid. And you may well ask has not Australia some self-interest in this matter, as indeed other countries which give their aid either the military kind or of an economic kind. And of course we have a self-interest in this sense, that we are looking towards a world order in the future.

The progress towards that may be painstakingly slow, and at times difficult. We may have our setbacks but if we are working together for that better world order, then those of us who are more favourably placed by reason of a wealth of natural resources or the prosperity we have managed to create ourselves, if we can give assistance along the road to better standards and greater security to others, then not only are we able to do something useful and indeed valuable and helpful for them, but we are helping to build the better kind of world in which I believe most people in the world today, certainly people of good will and of thoughtfulness, wish to see established.

Here is a country in which we find, as I said last night, both the ravages of nature and the ravages of man which have held back its development and the standards of its people. It is led by men of intelligence and courage. But its progress will be painfully slow unless it can look to others to help both in securing its national integrity and identity but also in enabling it to make better progress along the road to a better standard of life.

This is a very strong reaction which has developed within me as I studied, even in the brief time here, the circumstances of this country, have pondered over what we and others are trying to do to help and have thought of this against the background of these propaganda attacks. The new colonialism, I would allege, is the policy line which denies the underdeveloped countries of the world means of a modern technological assistance which would have them chained to the age-old enemies of mankind down through the ages, of ill-health, disease, illiteracy, poverty, lack of national security, instability in a financial sense - these are things which so many people of the world have had to live with down through the centuries, and those who are charged today with being neo-colonialists are, with good will and of sincere purpose, trying to improve this situation. So I must throw back in the teeth of those of the propagandists their charge. They are the people who, by denying these opportunities and this security, would be keeping chained to the past, not merely a colonial past of a superior power, but a colonialism in the sense of these deficiencies of the past - the ill-health, the illiteracy and these other matters of which I have spoken.

Now, you wouldn't expect me in two brief days here to attempt to comment, nor would it be proper for me to do so, about domestic matters of this country, but there may be some other matters you would like to put to me by way of questions, and I invite you to do so.

- Q. Mr. Prime Minister, do you think that your two days here have brought home to you the need for action to correct these deficiencies? That means do you see a need for Australia to do more about it, and so are we going to do so?
- P.M. Australian aid has taken particular forms which have been sought of use by the Government here and I stress the fact that this particular kind of aid is helping to keep the currency strong we regard as of vital importance. As you will be aware Australia has an aid programme which extends over many countries, some of the Colombo plan countries and others who are not covered by the Colombo plan.

Contrary to the experience in several other aid-giving countries of the world, our aid donation is on a rising curve, where as it has either been relatively static or has tended to recede in some of the industrialised countries which have been looked to as large aid givers. So that Australia can rightly claim that, considering that we have our own problems of developing the continent, that today we have a substantial contribution to make to security problems of the area and actually double our defence programme over the period of the last four years, that we ourselves are still a capital importing country.

The fact that we rank amongst the first four or five countries of the world in per capita aid giving, I think establishes our good faith. Just what total provision we shall be making for aid in the period immediately ahead will be resolved when we come to consider the other requirements of the Budget. But we shall be doing what we can to help this and other countries who have been in receipt of aid from us.

- Q. Mr. Prime Minister, I wonder if you like to say, on the results of your visit, your trips thus far, if you see co-operation between Australia and the countries of South East Asia extending from aid and economic ties into the political field?
- P.M. Well, there are some instrumentalities of course already in existence which enable close co-operation in various fields. There is ASPAC, there is a kind of co-operation which a group of us evidenced at the Manila Conference, there is the positive economic development which the countries who are covered in the scope, either as contributors or as beneficiaries, of the Asian Development Bank.

These are all, I believe, significant developments occurring over a comparatively short period of time. And I find a growing disposition on the part of leaders of governments in the countries of this area to work more closely together to build friendships one with the other. Whether they are of one particular school of thought, or whether they belong to a particular grouping of nations in their foreign policies, or whether, as in the case of Cambodia and Laos, they are countries whose neutrality has become internationally recognised, there is still amongst them all this disposition to co-operate more closely together.

Just what forms that takes will vary and in some of the directions I have mentioned. It may be there is room for others. We have yet to see for example, clearly what will emerge in Indonesia, and I would expect it, with the very rapid and quite dramatic growth of the trade of Japan that Japan would be found taking a more active role in political developments in the area.