



## PRIME MINISTER

TRANSCRIPT OF INTERVIEW WITH ALAN JONES, RADIO 2UE,  
14 FEBRUARY 1990

E & O E - PROOF ONLY

JONES: ... very significant visit to the Soviet Union. He spent three hours with Mikhail Gorbachev and at the time expressed optimism about the changes which were then gaining momentum behind the Iron Curtain. Of course, in many areas the optimism was greeted with scepticism. A scepticism which now has been proved to be grossly misplaced. During that visit Mr Hawke invited the Soviet Prime Minister, Mr Ryzhkov, to Australia and here he is in Australia now. A very insignificant (sic) visit. The importance of it can't be understated. He's number two in the Soviet hierarchy, he's most senior Soviet leader ever to visit Australia, he's here just days after the Communist Party in the Soviet Union took the first steps towards a democratic multi party state. He's regarded as the key manager of the Soviet economy and he personally drew up the blueprint for the restructuring of the Soviet economy. And make no mistake, as I've said, the Soviet Union faces enormous economic problems which have placed tremendous strain on the Soviet leadership. The Prime Minister, our Prime Minister, will be discussing with Mr Ryzhkov the Australian economy and the Soviet economy and other things later on in the day, but the Prime Minister is on the line. Prime Minister, good morning.

PM: Morning Alan.

JONES: Thank you for your time. I know you're very busy.

PM: Pleasure, Alan.

JONES: This is a very significant visit isn't it? I mean, in many ways, it's surprising that he got here?

PM: Well, we had our fingers crossed, Alan, because we would not have been surprised and, of course, would have completely understood if he'd cancelled at the last minute because, as you've indicated, these are times of absolutely momentous change in the Soviet Union and it is a credit to our country that at this time the Soviet Prime Minister is coming right across the world. He's only really coming to Australia - he stopped in Bangkok

just for a few hours on the way, not overnight and he's doing the same thing in Singapore on the way back. So for him to come to Australia I think is an indication of the importance of our country and what a relatively small country ... managing its policies can do to play some part in what's happening within the world.

JONES: Yes. It's interesting isn't it, having arrived here yesterday and given the problems that exist in the Soviet economy, that he first wanted to head off to a food packaging outlet in Australia. Did he express a lot of interest in that?

PM: It's not surprising at all, Alan, when you think of it. The major problem facing the Soviet Union today and it's indeed one of the things that I talked about with Mr Gorbachev and then wrote to him about subsequently, was the whole question of the food chain, by which I mean the tragedy, in the first place, is that the Soviets don't produce enough food to feed their people and secondly, in respect of what they do produce, they have enormous problems in transportation. Some estimates suggest that up to a quarter of their actual production may be wasted in the distribution system -

JONES: It's just such a phenomenal land mass isn't it?

PM: It is a phenomenal land mass and, of course, all these years of an irrelevant economic system has produced unbelievably archaic and irrelevant systems and so, quite fundamentally, Alan, I think one of the things that we can do and what I'll be talking about with Mr Ryzhkov is to apply the great experience that we have in the food chain. I mean, really there are very few countries that have that experience from, as we do, massive production and then experience in a great range of food processing and of distribution. So I believe that this is an area both, one, of fundamental importance to the Soviet Union and two, one within our area of experience. All the words in the world are important about welcoming change in the Soviet Union, the important thing to do is to ... in areas of irrelevance.

JONES: And see what it will produce. What commercial opportunities are there for us as a result of this visit, for example, that wouldn't have otherwise been? I mean, what are you going to be negotiating with him today apart from fishing? I mean, we all know about the fishing negotiations. What else?

PM: Well, related to the fishing is the commodities agreement because the Soviet Union for some years had expressed interest to us in having a fisheries agreement and we said, well, yes we could look at that. But we wanted to make sure that out of those negotiations we got something of importance to us as well and so we've negotiated, sort of in the complimentary fashion with the fisheries agreement, a commodities agreement which will

be signed today and that includes a schedule listing quantity indicators for several important commodities for Australia that we sell to the Soviet Union - that's wheat, we'll have a commodity target there, bauxite and sugar and manganese. So that out of these negotiations, there'll be benefit for the Soviet Union, but very significant benefits also for Australian producers.

JONES: You're looking at someone who's a bit of a political chameleon in a way, though, isn't he? A fellow who was, going right back to Andropov, was at the centre of this Communist system and yet now we're told to believe that this is a fellow who's embraced the notion of change. Do you get that impression from the limited discussions you've had with him to date?

PM: Yes, I had the opportunity when I was there - he was my host in the Soviet Union - at the end of 1987 when, as I think you've been kind enough to say, we were somewhat ahead of the game and he indicated to me then that before he and Mikhail Gorbachev had come to their positions of power, they had known one another in their respective ministries. Gorbachev was in agriculture and Mr Ryzhkov was in ... the overall economic planning area and he said at that stage, before they'd come to power, they'd realised that the Soviet economic system was in chaos, was inadequate, to meet the needs of the Soviet people and that they had exchanged ideas at that early stage. So I don't think it's a matter of some late dawning of understanding after he became Prime Minister. It's quite clear on the evidence that he and Gorbachev, going right back into the earlier part of the eighties, understood that the Marxist Leninist system -

JONES: Yes -

PM: ... organisation had failed.

JONES: Yes, sure. And is he happy to talk? Have you raised this question of multi party systems with him or will you be doing that today?

PM: We'll be doing that today. We, of course, had started at the edges of those discussions in '87 because, you know, in the discussions I'd had then I'd indicated that when you're talking about economic reform, that real economic reform which involves the capacity for private decision making and so on which must be a necessary part of moving towards a market economy, necessarily entails ... move towards political freedom and -

JONES: Yes.

PM: And that's precisely what's happened in the period since the end of '87 when I was talking about these things with both Mr Gorbachev and Mr Ryzhkov and it certainly is going to be fascinating, Alan, to get at first hand now a description from a man at the centre -

JONES: Yes.

PM: ... precisely how things have worked out.

JONES: Extraordinary. Look, one final thing before you go and this is perhaps the most serious question of the morning. I do have a rugby union commitment out of Sydney on 24 March. I just want to know ... No, seriously, I just want to know whether I register the postal ballot or whether I'm safe to go and not worry about anything. 24th March, Prime Minister.

PM: Thank you, my dear friend. Wherever you are, I know you'll - and whatever the day is - I know you'll know how to vote ...

JONES: You're not normally so evasive. I'm asking you specifically. March 24. The dogs are barking.

PM: No comment, my friend.

JONES: The dogs are barking.

PM: Are they?

JONES: Yes.

PM: The dogs are barking at Andrew's heels ...

JONES: Yes, I thought you might have been announcing the result today. If it's to be on March 24, when's it got to be announced by?

PM: If that were to be the date, it would have to be announced very soon.

JONES: OK, look forward to hearing from you.

PM: Thanks very much, Alan.

JONES: Prime Minister -

PM: Bye, bye.

JONES: OK, bye bye.

ends