

VICTORIAN DIVISION STATE COUNCIL OF THE

LIBERAL PARTY OF AUSTRALIA

MELBOURNE

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SPEECH BY THE PRIME MINISTER, MR. WILLIAM McMAHON

Mr. President, Ladies and Gentlemen,

It had been my intention to talk to you this morning about Liberal Party policies and other domestic matters.

Because of recent events involving our international relations, I thought it would be better if I clearly identified our policies relating to China.

You will recall that about a fortnight ago, I chose China as my subject when I talked to the Young Liberals in Melbourne

Since then we have had the announcement by President Nixon that he will go to Peking sometime before May of next year for talks with Premier Chou En-Lai.

The decision is of profound importance to the whole of the free world and naturally it has attracted a tremendous amount of interest and comment.

I informed the Australian people the day it was announced that my Government welcomed this decision wholeheartedly and that President Nixon had our complete support in the initiative he was taking

We sincerely hope that his journey will be a journey for enduring peace.

There are two comments I want to make at the outset. The first is that President Nixon's initiative is a beginning. It is an exploration. It is not yet a settlement of matters at issue between these two powers, or indeed of matters at issue between the free world and the communist nations of Asia.

Therefore patience, as well as support, will be necessary and we must not be rushed or forced into hasty decisions. We do not want to compromise our bargaining position and there is no overriding national interest that compels us to do so. We must keep all our options open.

It is our interests, not China's, that I am deeply concerned with.

I also want to emphasise that my Government has, in fact, been active over a long period. In many cases we have been in the vanguard.

We have, as I shall show, made a number of practical moves:-

- (a) To establish our position in relation to representation of China and Taiwan in the United Nations.
- (b) To find a way to bring about normal bilateral relations between the People's Republic - that is Mainland China - and ourselves.

We have done this without any surrender of our national interest or the principles which govern our conduct in international relations.

Our actions are predicated on the basis that we are not a great power and cannot play a decisive role in resolving the issues between East and West.

But we are independent, we have a voice which I know is respected, in our region we have friendships and alliances which we want to honour. We will not unceremoniously dump our friends.

UNITED NATIONS

We have closely watched the movement in the United Nations towards admission of the People's Republic and the trend towards recognition by a number of other countries in the free world - all of them, it should be noted, outside the Asian region.

These events prompted me when I was Foreign Minister to have a new reappraisal made of the trend of our future relations with the People's Republic, with the Soviet Union and with Japan. The China study began in October 1970. In May I announced publicly our intention to seek a dialogue with China, proceeding cautiously step by step with the normalisation of relations as our final objective.

This was two months before President Nixon's announcement of his planned visit to Peking with precisely the same objectives and in much the same words.

In May of this year I said that we would not oppose China's representation and admission to the United Nations, and in a broader context I said that it was inevitable and right that China should be a member of the United Nations General Assembly and should hold the permanent seat in the Security Council.

I also said - and I have repeated it since - that we believed the Republic of China - Taiwan - should be given the chance of maintaining its membership if it so desired.

We have had talks with Taiwan on this matter and I hope we have been able to influence her to consider accepting proposals for retaining her membership.

It has been suggested that Taiwan may herself decide not to seek continued membership. That, of course, would create another situation. This would be a decision within Taiwan's own jurisdiction and for Taiwan itself to make.

It is clear from our talks to date with representatives of the People's Republic of China that the status of Taiwan is a major factor in their thinking.

So it is on our part. We have repeatedly said we are anxious to preserve the rights of the fourteen and a half million people of Taiwan. These include the right to continued membership of the United Nations.

I believe a majority of Australians share this anxiety and want us to treat Taiwan honourably.

The United Nations alone can decide this issue. It is a matter for a collective decision, not for unilateral action by us. We will not abandon Taiwan, nor prejudge her position in advance of any decisions in the U.N., neither will we seek by any procedural device to exclude Peking.

The People's Republic on the Mainland, has been informed of our views on the question of admission to the United Nations. I emphasise that my public statements on representation are still in advance of any declaration of attitude by America.

RECOGNITION

Turning now to the problem of recognition of the People's Republic. In the May speech I used the phrase which had been used by the Department of Foreign Affairs some time before, that our objective was to normalise our bilateral relations with the People's Republic.

We have no hostility to the great Chinese people whose history and culture have contributed much to the achievements of mankind.

I believe that, in due time, it will be possible to reach a point when we are able to recognise the People's Republic with honour and without deserting old friends. But I cannot see that happening as the first result of the first dialogue. Other decisions have to be taken. Meanwhile we want to keep moving towards normal relations with China without waiting on completion of the formalities for full diplomatic recognition.

You will recall that President Nixon said that the action he was taking would "not be at the expense of old friends". That, too, is our view. That is where Australia stands.

I can tell you that we have made some progress in our dialogue with China. We know more about the other side's position and they know more about ours. The Chinese responses to our approaches have clearly shown that the Chinese Government is positively interested in establishing diplomatic relations with the Australian Government. The dialogue is continuing.

We are active in trade and we also want to develop our cultural and scientific relationships with China.

As you know, the Minister for Trade and Industry recently announced a liberalisation of the strategic exports list. The goods on the restricted list are those with defence or security importance.

I have not yet heard anyone say we should remove these restrictions.

So far as Taiwan is concerned, our exports have increased very substantially in recent years to about \$40 million a year.

We have therefore a substantial interest in both China and Taiwan for trade.

Our position in regard to travel, cultural exchanges and sport with China is free.

We do not place any unnecessary obstacles in the way of visits of Australian citizens to China, or of Chinese citizens to Australia.

In all of this we have followed a consistent and rational policy that has placed us well ahead of most countries of the West in our dealings with China.

We have always hoped that by encouraging contacts between the two countries in a number of lesser fields, and by private contacts between the people of the two countries, a greater understanding of each other's positions would develop and the prospects of a normalisation of political relations would be enhanced.

In taking the steps that we as a Government have taken, we have always had in mind the need to consider the policies and attitudes of the many Governments in our part of the world with whom we have close and friendly relations, and for whom China is in many cases an even more important factor than for Australia.

Many of these, like Australia, do not have diplomatic relations with China. Many of them have suffered as a result of Chinese policies directed specifically against them.

It has been obvious to the Australian Government that any precipitate move by Australia to improve relations with China could well have caused difficulties for some of the countries in the South East Asian region.

We have therefore taken the course of careful and constructive diplomatic groundwork, aimed at exploring the areas in which we may have a meeting of minds with China.

I wonder how much Peking knows about the depth and scope of Australia's relations with the countries of South East Asia.

These relations are pursued for the purposes of economic development, of stability and of constructive regional co-operation among the peoples of South East Asia. They are not directed against the interests of any country. Indeed, let me say clearly that we would not wish to exclude China from this adventure. But this Government will not prejudice the close and constructive relationships we have developed with our neighbours in this part of the world for the sake alone of better relations with Peking.

Our relations with all of these countries are important to us and we want our friends to understand what we are seeking in our attempt to normalise our relations with China. For our part, we understand and will not denigrate the efforts of our friends to adjust their own policies to the changing circumstances in Asia.

VIETNAM

Ladies and Gentlemen, I sincerely hope that when President Nixon meets Premier Chou En-Lai there will be another opportunity to bring fresh influences to bear in the search for an honourable peace in Vietnam.

I like to think that the tragedy of this war is moving to its close, but I believe that peace with justice will only be secured if an understanding can be reached between East and West based on the Bandung Principle that each nation in the region shall be free to choose the Government it wants and live the way it wishes.

When we went into South Vietnam in response to a request from its Government we did so in our own national interest and to honour treaty obligations. We felt that there was a real danger at that time of the whole of South-East Asia falling to communism.

The joint action of the allies in Vietnam in resisting this threat and enabling the smaller countries of Asia to determine their own future has led to a significant improvement in the security and stability of the region. Vietnamisation is, in fact, being successful.

With courage and determination the South Vietnamese forces have steadily taken over the brunt of the combat role, so much so that our operational role is now winding down and we can now look forward to the withdrawal of all of our combat forces.

My wish is that this should be a matter for Parliament to consider and I shall be making a statement on our position in Vietnam during the forthcoming session.

The withdrawal of allied forces will not, of course, solve the problems which face the people of Vietnam. A lasting peace in Indo-China can only be achieved on the basis of a political settlement in which all of the parties participate.

The Australian Government has consistently supported the principles upon which the Geneva Agreements of 1954 relating to Indo-China and those of 1962 relating to Laos are based.

If a new arrangement is to be more successful than those arrived at by the earlier conferences, there will need to be greater participation in the formulation of the arrangements by those most directly concerned, including the Governments of North and South Vietnam.

We took part last year in the Djakarta Conference on Cambodia in the belief that it is through the co-operation of the countries in the region that peace and stability can best be achieved in Asia.

We believe that in any future initiatives for a peaceful political settlement of the Indo-China question, great emphasis should be placed on participation by Asian countries.

Stability is most likely to flow from greater Asian participation in solutions to Asian problems.

The issues about which I have spoken - China and Vietnam - are two important international issues. The debate in Australia on China and Vietnam has, to an undesirable extent, become entangled with party politics.

The search for a lasting solution in the interests of all the Australian people has sometimes been forgotten by some people in a scramble for temporary personal satisfaction.

These are extremely complex issues, the importance of which no responsible government can afford to ignore. The Government of this country is not some kind of performing troupe that can turn on a different act in every capital of this region. We believe that Australia has a real and positive role to play, and is playing it, and will play it more and more as we grow and as we identify our interests around us.

But we recognise that we cannot order the world to our own specifications. Others bigger than we have much more capacity to do so. Our influence can best be exercised in concert with our friends, great and small.

We will have very little influence if we behave inconsistently and with quixotic attention only to what is happening day by day. What we are trying to do is to move in an orderly and responsible way towards the resolution of these problems.

This is the reality of the position of a country like Australia. We support what the United States is attempting. If it leads to rapprochement with China on fair and reasonable terms this will be good.

If the Vietnam war and the problems of the Indo-China states can be approached initially with mutual restraint and then at the conference table, of course the Australian Government favours it.

We will do all in our power to help promote international detente, but let us not deceive ourselves by exaggerating our own capacity to produce it.