PACIFIC BASIN ECONOMIC COUNCIL -KEY-NOTE ADDRESS BY THE PRIME MINISTER OF AUSTRALIA, HON. E.G. WHITLAM CHEVRON HOTEL, SYDNEY 14 MAY, 1973

Since taking office just over five months ago the new Australian Government has acted over a wide range of matters firmly directed towards the new realities, new prospects and new hopes for this vast Pacific region.

My first visit overseas, as Prime Minister was to New Zealand, in January. In February I visited Papua New Guinea and Indonesia. Last month I led the Australian delegation to the South Pacific Forum in Apia, Western Samoa. On my way to London after the Forum I had a very long and, as you would expect, stimulating discussion with the Prime Minister of Canada, Mr. Trudeau, I shall be in North America again in August for the Commonwealth Heads of Government meeting and in Japan for the Annual Ministerial meeting in October. We moved immediately to normalise relations with the most populous Pacific power - the People's Republic of China. We have been acting in very close co-operation with our South Pacific partners, particularly New Zealand, in opposition to French nuclear testing in the Pacific.

President Nixon said last year that 1973 would be the year of Europe. For us, however, it is very much the year of the Pacific. This is inevitably and naturally so. It is the reflection not only of geographical realities but of the political, diplomatic and economic realities in the region.

Much has been said and written about the Government's style and approach. It is true that, in many matters, we have moved with a speed which was not, one might say, altogether characteristic of Governments in Australia over the last few years. Nothing we have done, however, in these matters was not absolutely and precisely predictable by anybody who had taken the trouble to look at the considered and consistent policies of the Party which now forms the Australian Government. Interestingly enough, the very decision which is held in some quarters to represent the sharpest departure - the recognition of the People's Republic - is the very one on which failure to move rapidly would have put us most obviously out of step with the other nations represented in the Pacific Basin Economic Council. All of us, with the exception of the United States, now recognise China on very much the same terms; and the United States is moving as rapidly towards normalisation as the extraordinary complexity of power relations alow. I wish that Australia could have shown the leadership and foresight of Canada and thereby been entitled to the lasting gratitude of nations, not least the United States herself, in helping to restore reason and reality to the West's relations with China. In the event we did nothing at all radical; we merely ratified reality.

The essence of that reality in our region is that the conflict of ideologies must now give way to the rational development, use and conservation of the region's human and physical resources. The intractable nature of the war in Indochina sprang partly from the fact that as far as the foreign belligerents were concerned it had no identifiable goals in terms of the possession of resources, or the

expansion of trade, or the protection of lines of communication. It was just precisely that consciousness of unselfishness — misplaced and misjudged as we now see that idealism to have been — which drew the United States deeper and deeper into a conflict from which she could draw no material advantage. We need in this region an ideological holiday as far as our trade and diplomatic relations are concerned. This does not mean that we are ideologically indifferent or that there are no differences. The nations represented on this Council are not only all democracies but form one of the world's few significant democratic groupings. Democracy is no longer automatically taken as the only acceptable form of government. If, however, it is no longer appropriate to be crusaders it is absurd to believe the democracies are under seige.

In all the time that we have been agonising over the political future of Indochina; in all the time that we have been pre-occupied with the mistaken idea that Indochina was the appropriate ideological battleground between East and West, between China and the United States; in all the time that we have been wasting human and natural resources in pursuit of an ideological pre-occupation, we have ignored the real nature of the growing challenge to civilisation. It is a challenge which knows no ideological bias. The basic question now facing mankind is not whether communism or democracy will prevail but whether civilisation as now constituted can long endure the pressure and demands of population upon resources. We have created for ourselves in less than a century a civilisation of unparalleled complexity, unparalleled splendour yet unparalleled wastefulness. We make in a year greater demands upon this earth's resources than any entire generation ever did before. We are the first civilisation in human history whose day to day existence depends on the consumption of resources which can never be replaced. In war, in any given day in Indochina we would consume more of the world's irreplaceable material than all the battles from Rameses to Napoleon combined. In peace, in day to day living the handful of nations represented on this Council would use more fuel and energy in a year than the whole of Europe required to carry through the industrial revolution in the century after Napoleon.

It is true that countries like ours which have all experienced and contributed to the growing wonders of modern technology tend to be supremely optimistic; technology always finds the answer — we hope. Yet we are sporting with fate if we allow sheer optimism to overcome reason in the face of one most palpable fact — and that is, the world's resources of fuel and energy are finite and irreplaceable. A civilisation, and the nations composing that civilisation, which will not face that simple fact and combine to plan modifications in its life-style to allow for this fact will not long endure.

Nations have traditionally met their need for resources by national expansion, usually by war. In the case of the United States, Canada, Australia and New Zealand, we expanded by dispossessing the indigenous peoples. These methods are no longer available, even if they were remotely acceptable.

Our great danger now is that in the competition for access to the world's resources we could stumble into the supreme folly of war for the possession of resources. I say "the supreme folly" because the plain fact is that any war for resources would use more resources in the prosecution of that war than could ever have conceivably been obtained by the victorious power in such a war. I want to emphasise this point because our pre-occupation with ideological conflicts particularly in South East Asia, and our determination to avoid nuclear war have tended to obscure the equal folly and equal dangers to the survival of civilisation posed by traditional wars over resources, even if they were waged by so-called conventional means. I might illustrate this point by reference to Japan and I had the honour to make this observation to the Crown Prince of Japan when he was with us in Canberra last week. The really important and enduring thing about the "economic miracle" of modern Japan is the hope it contains for the peace of the region and the world. Japan, unique in so many ways in world history, unique in so many things in world civilisation, is unique in nothing so great and momentous as this: That she intends to be the world's first great economic power to base her claim to fair and adequate access to the raw materials and overseas markets her industry requires without military threats or force. This is the "new course". I believe that Japan, her people and her leaders, will hold to the "new course". I have stated that belief not only here, not only in Tokyo but indeed in Peking.

We take reassurance from the fact that Japan has renounced nuclear weapons. The "new course", however, I believe rests not only upon Japan's recognition of the supreme and final folly of a nuclear war; it is not just based on her own terrible and unique ordeal; nor does the renunciation of war only rest upon a recognition that Japan, is physically and economically so utterly vulnerable to nuclear war. Even if it could be limited to non-nuclear weapons, a so-called conventional war for the control of resources would be the ultimate act of human folly and unreason. Great industrial societies, of which Japan is already the third, are facing crises in the availability of traditional fuels and many forms of raw material; yet a war over resources, particularly fuels, involving any of the great powers would itself entirely consume the very resources being fought over. These considerations reinforce the need for a "new course" not just by Japan but by all the powers.

The great relevance of these matters to the nations represented in this Council is that we are all great users of resources and great producers of resources, living in a region of tremendous inequalities in both the use and possession of resources.

We depend very much on each other as developed countries and the developing countries in our region depend very much upon us. This Council is necessarily and properly mainly concerned with commercial and investment problems, and opportunities between the member countries and other countries in the region. At any time since the formation of this Council in 1967 the emphasis in its deliberations would properly have been on the expansion of trade between our member nations. This is still your principal concern as businessmen and investors. But may

I suggest that for the remainder of this centure no international forum, whether at the governmental, official, entrepeneurial or scientific level, can ignore this basic problem of world resources. It is particularly appropriate that I raise this matter with you. Some of you come from these two great nations of the United States and Japan to provide us with our most important markets and we are, of course, one of the world's great possessors of so many of the resources for which demand threatens to outpace supply. Increasingly, the relations between Australia and Japan, Australia and the United States, and the relations between Canada and the United States will turn on the question of the use and share of resources. My own Government has already made a number of decisions about the future use and ownership and development of Australian mineral and energy resources. primarily are decisions related to national considerations - to Australian aspirations about her own future and her own rights in the use of her own resources. We do, however, recognise our wider responsibilities to our region and to civilisation. As the fortunate possessor of very great resources we want to play our part in contributing to the prosperity of the region and of the civilisation. It can't be done if the nations indulge in a catch-as-catch-can race for resources; it can't be done if corporations conduct their business operations with an eye only to the balance sheet; it can't be done if governments are not prepared to co-operate with each other and with business to develop rational and internationally responsible policies on the future use of resources. We have to make a start now on developing such policies for if we do not it's quite plain that the future of the technological civilisation we here represent, for all its splendours, for all its miraculous achievements, is likely to be nasty, brutish and short.