

INTERVIEW WITH TONY WALKER OF RADIO AUSTRALIA ON 19 DECEMBER 1975

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INTERVIEWER: Mr Fraser, what do you see as your most important priorities in Government?

PRIME MINISTER: First to get a good sound administration that can grapple with the internal economic difficulties and cut out extravagance and waste, cut out duplication in the general administration of the country, and get the economy back onto a sound basis so people can plan their own futures, their businesses futures in a way that will be predictable.

INTERVIEWER: Would you be looking to a recovery say before the end of the year?

PRIME MINISTER: Well I've always said that it would take a full three year term to undo the damage that we believe had been caused by two or three years of fairly wild extravagance. But I would also certainly hope that confidence would begin to show itself in the economy quite soon.

INTERVIEWER: Would you say that the economic indicators are looking fairly promising at the moment - say much more promising than six months ago?

PRIME MINISTER: Well some are looking slightly more promising but I don't think we can take yet too much heart from the sorts of figures that have come out, statistics about the past. Recovery overseas is tentative, the United States appears to be moving forward, but there is a long way to go, and we should not underrate the importance of the task and the determination that is going to be needed to get out of the economic difficulties that do confront us.

INTERVIEWER: So you're suggesting in a sense that recovery may be fairly slow?

PRIME MINISTER: Well we hope that it's going to start soon and that confidence will be regained and people will start to make investment decisions. This will lead to more employment, more productivity, and also more revenue, one of the way of helping to get down

the deficit. But it is not a job that can be done in a week or a month. I get back to the point that I believe it will require a full three year programme to establish a complete economic recovery.

INTERVIEWER: I wonder if we can turn now to foreign relations. Under your administration, what posture will Australia be adopting?

PRIME MINISTER: Well, we want to maintain friendships with as many countries as possible. I think closer relationships can be established with the ASEAN countries than has been the case in the past, and also closer relationships with Japan, which were damaged by some aspects of resources policy of the previous Government. We certainly want to maintain links with China and I've already said that when domestic matters make it possible and it is necessary for me to go overseas, that the ASEAN countries and Japan and China would be first on a list of priorities I am not suggesting that is early. I think it is quite some time off.

INTERVIEWER: Quite possibly towards the middle of next year perhaps?

PRIME MINISTER: Well I would not want to put a time on it. It would depend entirely on how domestic events go - our major problems, the problems that worry Australians, are in Australia and that is where I ought to be at the moment.

INTERVIEWER: But when you do go overseas, your first priority would be in this region?

PRIME MINISTER: Yes it would - very definitely.

INTERVIEWER: Mr Fraser, during the campaign you talked, in foreign policy terms, about reinforcing old relationships. Would that mean that Australia will generally support the United States in world bodies like the United Nations?

PRIME MINISTER: If we believe they are right. Not if we believe they are wrong. I think there is almost been a tendency over the last year or two to oppose what the United States has proposed,

or what Britain might have proposed, almost because they were the proposers, almost because they were on a certain side in an argument. There seemed to be a wish to vote with the Third World, or with communist powers, just for the sake of it. We will be judging matters on their merits on the basis of the arguments that will be put and making our own judgements accordingly about the way Australia ought to cast a vote. I think that is the way respect is gained in international relations - not by saying we are going to support one country permanently or oppose another country permanently. The arguments will be judged on their merits.

INTERVIEWER: Would you see some danger in the prospect, perhaps, if we are seen to support the United States too solidly, too often, that we may offend some of our new friends in the non-aligned movement?

PRIME MINISTER: Well if we are supporting the United States on the basis of arguments that are put on an analysis of a situation, and if as a result of that we believe the United States is right, then we certainly ought to support her and that is what we'll be doing. But it will be on the basis of analysis, on the basis of argument in each particular case. So there is no question of not supporting a point of view which will be an Australian point of view and one which we would come to because of our own analysis of events. It needs to be understood, and this is a term I've used before, that there are countries around the world with whom we have got clear philosophical links in common, generally the democratic countries which conduct their Governments in certain ways that do have free elections that are capable of changing their Governments. I think it is natural that Australia would want to strengthen ties with countries that have this clear philosophical commitment in common. One of the nearest and clearest of course is New Zealand.

INTERVIEWER: On that point it is sometimes said that you are too preoccupied with the power and influence of the Soviet Union. Would you see a hardening of Australia's attitude towards the Soviet Union under your administration?

PRIME MINISTER: I don't think I am any more preoccupied with the power and influence of the Soviet Union than China would be for example. And China, as we know, is immensely concerned at some aspects of Russian policies - the build up in the Indian Ocean of naval forces has almost entirely occurred as a result of increasing Russian involvement - developing a capacity to maintain ships of war at sea over very long periods without resupply from ports. The opening of the Suez Canal will, of course, increase Russia's capacity to achieve that. Russia is the major power that has been pushing and thrusting in different directions. But in this respect I think I have shared a number of aspects of the view that China has put.

INTERVIEWER: Do you see the Indian Ocean then as a possible area of conflict?

PRIME MINISTER: Well I would certainly hope not. But to argue as the previous Government tended to that the United States should stay out of the Indian Ocean - that it is wrong to establish Diego Garcia - while saying little or virtually nothing about efforts of the Soviet Union to build up its capacity was a very one sided approach to the problem. It is just not realistic to suggest that the Indian Ocean can become a zone of peace where no warships sail. The Russians are quite determined that they are going to parade around the Indian Ocean, and if that is so the United States and other countries need a capacity. Australia needs a capacity that is commensurate with her means and her requirements. It is obviously a very modest one, compared with those of either of the two major powers. But some aspects of this debate have never really been fully emphasised. Diego Garcia has often been looked upon merely as a base, a modest one, for United States purposes. It ought to be pointed out that in the event of renewed difficulties in the Middle East, if the Azores were denied to the United States as a landing and staging point for their aircraft, the only other way of reinforcing Israel in the event of a renewed difficulty would be through Diego Garcia. The other point about Diego Garcia is that it is fairly essential from the point of view of being able to protect

the shipping lanes which bring oil from the Middle East to countries in our region, and in particular, to Japan. So it has got a strategic influence and importance that ought not to be underestimated.

INTERVIEWER: You're laying quite a lot of emphasis on Australia's support for America on Diego Garcia. You don't think that there may be some difficulty for us in this in the sense of offending littoral States around the Indian Ocean, like India for example?

PRIME MINISTER: Well I think the previous Government was coming to recognise the necessity of Diego Garcia - very slowly, very reluctantly - in very much the same way as they came to recognise the necessity for the joint bases in Australia which we share with the United States.

INTERVIEWER: Mr Fraser, I wonder if I can put four foreign policy situations to you and ask for your comment? First, South Africa. What sort of relations do you expect between Canberra and Pretoria?

PRIME MINISTER: Well I would hope relationships with many countries including South Africa, are cordial. I would hope relationships with China and the Soviet Union are cordial. That doesn't mean to say we agree with the internal policies of that particular country. If we are only going to have reasonable diplomatic relations or friendly diplomatic relations with countries whose internal policies we agree with, then we are going to leave ourselves in a good deal of isolation. So, you know, I've said we wish to maintain relationships with as many countries as possible.

INTERVIEWER: What would your attitude, for example, be on sporting teams from South Africa coming to this country?

PRIME MINISTER: Well I made it quite plain during the election that if they were picked and known to be picked on a proper multi-racial basis, then that would be welcomed.

INTERVIEWER: Towards, the Middle East, will Australia's so called even handed policy be maintained?

PRIME MINISTER: Well I have also said that I don't believe that the policy adopted by the previous Government was even handed. I've branded the policy as a pro-Russian policy.

INTERVIEWER: Well how will your Government respond to the situation there?

PRIME MINISTER: We would want to make more plain our commitment to the survival of Israel.

INTERVIEWER: And how will you do that in practical terms?

PRIME MINISTER: Well in practical terms maybe there is not a great deal that Australia can in fact do. In the United Nations, however, a number of resolutions have come to which we've opposed and would certainly continue to. There appears to have been moves amongst some countries to isolate Israel something that we would resist.

INTERVIEWER: Do you see the Israeli question, say at the United Nations, as a first important test of foreign policy for your Government? Australia's stand on that question?

PRIME MINISTER: I think that might be putting it on too high a plane. I haven't got the United Nations timetable in front of me at the moment, so I don't know what events are going to occur. In foreign affairs, matters can occur sometimes quite quickly, quite unpredictably.

INTERVIEWER: A problem on our doorstep, Timor. What solution do you see to that?

PRIME MINISTER: I would hope that there can be an observer mission from the United Nations that can properly oversee the appropriate process of self determination. One of the tragedies of this situation is the breakdown of internal order in Portugal.

itself that has left Portugal without the will or without the capacity to see the the decolonisation process in Portugese Timor proceeded as it ought to have proceeded. When that situation began to develop, which I think was about 14 or 15 months ago, it would have been possible to take one of two initiatives, either through the United Nations, again with appropriate observer groups, or on a regional basis in cooperation with other countries to oversee the appropriate process of self determination. Now neither of these things occurred. Neither of these initiatives were taken, and a very difficult situation resulted as a result of that. But you will know we have supported various resolutions in the United Nations and we hope that effect can be given to that.

INTERVIEWER: On that point, your Government I think, has taken a rather stronger line on Indonesian activities in Timor than perhaps the previous Government did. Would you say that could create some problems between Canberra and Jakarta?

PRIME MINISTER: I believe our relationships with Jakarta are very close. I know Mr Peacock has been there on a number of occasions and personally knows a number of their leaders. And so do I. It is important that relationships between Indonesia and Australia remain close. It is important not only for ourselves and for Indonesia, but for the stability of the general region. But on the other hand, if there is a view that we feel needs to be put on a matter which affects our general relationships or that impinges on the interests of both countries, I believe that the relationship with Indonesia is so close that they will understand our point of view. One of the important things between countries in the same part of the world who have many friendships, attitudes and interests in common, is that they ought to be understood that when some plain views are put, they ought to be put modestly and in appropriate language. I think that is what we have done.

INTERVIEWER: I wonder if I can ask you one final question. Are you optimistic or pessimistic about prospects for peace in this region?

PRIME MINISTER: Basically optimistic, but only so long as countries are aware of possible dangers so that their policies and attitudes can be so framed that those dangers do not arise. If we take the attitude that there are no problems, there are no dangers that can even occur, well that helps to establish the circumstances in which dangers and problems can occur and will occur. So it is a question of being able to analyse the situation, see where the dangers might lie, and have a foreign policy which enables us to prevent that happening.

INTERVIEWER: Mr Fraser, thank you very much.

PRIME MINISTER: Thank you.

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