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PRIME MINISTER

JOINT STATEMENT BY PRESIDENT GERALD R. FORD AND PRIME MINISTER MALCOLM FRASER - 28 JULY 1976

At the invitation of President Gerald R. Ford of the United States of America, the Right Honourable Malcolm Fraser, M.P., Prime Minister of Australia, made an official visit to Washington on 27, 28 and 29 July. This was Prime Minister Fraser's first visit to the United States since assuming office. During his visit the Prime Minister held talks with the President, the Vice President, and Cabinet Secretaries, and met senior members of Congress.

The Prime Minister and the President agreed that the visit reemphasised and strengthened the cordiality of the relationships between the Australian and American people, and reinforced the close ties between the two Governments.

The President and the Prime Minister recognised that all nations should treat each other as equals despite differences in power, size and circumstance. The President expressed the view that there was a significant role for countries of Australia's material wealth and power in influencing opinion in the world. The President said that the United States intended to work closely with her friends and allies, with those of common philosophical commitment; to achieve a greater unity of purpose and understanding between such nations, large and small. In this regard the President and the Prime Minister agreed that relations between nations reflected more than factors of power. National interests, common principles, frankness of expression and mutual trust were also very significant in determining relations between nations.

The President reaffirmed the determination of the United States to pursue a policy of peace through strength, to relax tensions where it was possible without sacrifice of interests or principles, and to build a stable world order. The President and the Prime Minister agreed that shared democratic values and the goal of peace linked the international aims of Australia and the United States.

The Prime Minister expressed the belief that the United States had a unique leadership role and mission as the world's most powerful democracy. The President and Prime Minister agreed that the steady pursuit of that mission was essential for the stability and peaceful development of the nations of the world. The President noted the need for continuing close collaboration with friends and allies including Australia. The President and Prime Minister noted the importance of maintaining the cohesion and constancy of alliances in

present international circumstances, and the importance of conventional forces in conditions of nuclear parity. In this connection they agreed on the desirability of maintaining the excellent record of consultation and cooperation that has characterised the ANZUS relationship.

The President and the Prime Minister agreed on the political and strategic importance of the Indian Ocean to many countries including Australia and the United States. Noting the importance of achieving and maintaining an adequate balance, Australia supported United States efforts to upgrade the facilities at Diego Garcia. Both leaders expressed the hope that all parties concerned would exercise restraint in this key area.

The President and Prime Minister agreed that the sustained growth in the military capability of the Warsaw Pact countries beyond levels apparently justified for defensive purposes, to which the NATO countries had drawn attention, was a matter of concern not only in Europe but throughout the world.

The Prime Minister gave the President an account of his recent visits to the people's republic of China and Japan. He explained the great importance to Australia of its relationship with Japan and the steps taken during his visit to enhance the political and economic relationship and to forge closer links of understanding between the two peoples. The President and Prime Minister agreed that the close and cordial relationships Australia and the U.S. enjoy with Japan are essential to the continued stability, progress, and prosperity of the international community. They each pledged to maintain and strengthen those ties.

The Prime Minister emphasized that widening communication between Australia and China and between China and many other countries, was of great importance. The President agreed that effective communication with and the involvement of the people's republic of China are important to the promotion of peace and progress, and reaffirmed that the United States is determined to complete the process of normalizing its relations with the People's Republic of China on the basis of the Shanghai Communique.

The Prime Minister and the President reiterated the fundamental importance which their countries attach to their relations with Southeast Asian nations and noted the significance of ASEAN, the Association of Southeast Asian Nations, as a stabilizing influence in the region. They reaffirmed an interest they share with ASEAN that no one power should dominate Southeast Asia.

The President and the Prime Minister discussed the current situation in the Middle East and Southern Africa. They expressed concern about the continuing instability in Lebanon. The Prime Minister commended the continued efforts of the United States in its search for a settlement in the Middle East. Both deplored the continuation of racial

injustices in the minority-ruled countries of Africa, and condemned any practices which did not accord true dignity to all people as equals regardless of race.

In reviewing the world economic situation the President gave the Prime Minister an outline of discussions at the recent economic summit in Puerto Rico. They agreed that the United States and Australia, together with other industrialised democracies must continue to pursue an economic strategy directed at achieving sustained economic expansion and a reduction in unemployment while not jeopardising the common aim of reducing and avoiding a new wave of inflation. This strategy would require the application of continued disciplined measures in the field of fiscal and monetary policies.

They recognised that a period of sustained non-inflationary growth in the major industrialised nations will make a major contribution to the economic progress of the developing countries. The President and the Prime Minister reviewed developments in the dialogue between the industrialised and developing nations and agreed on the need for a continued effort in the various international fora for a constructive long-term relationship of common benefit.

The President and the Prime Minister agreed that a more open international trading system was in the interest of both developed and developing nations, and stressed the need for increased momentum in the multilateral trade negotiations now behind held in Geneva. They agreed that increases in trade opportunities, particularly in processed goods and agricultural products, would help to lift the standard of living in the developing countries.

The President and the Prime Minister had discussions about Australia's commercial relations with the United States. It was agreed that further progress in the trading relationship would be to the advantage of each country.

The Prime Minister gave the President an outline of recent changes in Australia's foreign investment policy. He indicated an increased need for foreign investment in Australia in partnership with Australian investors. He therefore welcomed such investment to help develop Australia's great national resources to the advantage of Australia and of Australia's trading partners.

The Prime Minister conveyed to the President the good wishes of the Australian people on the occasion of the American Bicentenary. The Australian Government was participating in a range of activities to celebrate the occasion. The Prime Minister said he was looking forward to his visit to Harvard University to inaugurate the Chair of Australian Studies. He expressed the hope that this Chair would be used to advance understanding not merely between the United States and Australia but between both countries and other nations with different history, traditions and culture.

The President and the Prime Minister considered that their discussions had shown a very close similarity of views on a wide range of important international and bilateral matters and had further strengthened ties between Australia and the United States. The Prime Minister thanked the President and Mrs Ford for the warmth of the welcome and the hospitality extended to him and to Mrs Fraser and to members of his party.