

PRIME MINISTER

FOR PRESS

PRIME MINISTER'S ADDRESS TO THE ROYAL COMMONWEALTH SOCIETY, LONDON 3 JUNE 1977

I am grateful for the opportunity to speak to you today, just five days before the 1977 Commonwealth Heads of Government meeting opens at Lancaster House. It will be the first time that I will have attended one of these meetings. No doubt, I will be better equipped to speak about the Commonwealth Heads of Government meeting after it is over. But as so often happens, it is the demands of the itinerary rather than logic which determines the order of these things.

Perhaps from the start I should make it clear where the Australian Government stands in respect to the Commonwealth of Nations. I know there has, in the recent past, been some disappointment at Australia's apparent reluctance and coolness towards the modern Commonwealth. My Government, by contrast with the past, takes a positive constructive approach to the Commonwealth association. The Commonwealth obviously has its limitations, but within those limitations it has the scope and the potential to play a distinctive part in world affairs.

The members of this society must have heard millions of words on this subject, expressing attitudes towards the Commonwealth ranging from the reverent to the sceptical. I intend to add a few more on Australia's perspective on the Commonwealth and international affairs. This perspective seeks to be as realistic and purposeful as possible. It does not equate realism with a fatalistic acceptance of things as they are. Far from it. But it does accept that progress can only be made on the basis of an objective appraisal of reality. It recognises that the golden age of international peace and security still evades our grasp - super power rivalries persist; nations still resort to the threat and use of force; human rights are still flagrantly violated in many areas; problems of basic human deprivation -starvation, disease, illiteracy and over-population - continue to affront the conscience of the world.

Given the composition of the Commonwealth, these problems are acutely relevant to our forthcoming meeting. Power in the material sense - military and economic strength, population, access to sources of energy and raw materials - still remains the major factor of international affairs.

But realism requires that we recognise that power is not based only on material resources. Power also flows from courageous and imaginative leadership, from the ability to articulate mankind's deepest aspirations, and to inspire people to confront great challenges with purpose and determination. In this respect, the Commonwealth of Nations has a significant potential. In a period where most organisations are linked by common ideology, regional and economic interests, the Commonwealth appears to some as an anachronistic relic of Empire. To others, as a puzzlingly diffuse institution. The bonds that once united the Commonwealth: a common monarchy; a common citizenship; the Westminster system; the contacts fostered by the British Empire; a common language; the great tradition and practice of English common law; have either disappeared or are receding into the background. Yet, the Commonwealth has survived. It has done so because, transcending its origins, it has developed as an autonomous grouping of nations. few decades ago, it consisted of a few white countries - it was tightlyknit, homogenous and essentially British. Now with a membership of three dozen, it is one of the largest international associations.

Homogenity has given way to diversity. The dominant role of one nation has been supplanted by an egalitarian relationship. A largely Anglo-Saxon group has become a truly multiracial group. The very diversity of the Commonwealth, which some regard as a source of weakness, is in fact the key source of its strength. There can be no doubt of the Commonwealth's significance. It is manifest in the Commonwealth Heads of Government meeting. In terms of the number of nations involved, and the population that is represented by them; and in terms of genuine diversity of race, of regional representation, of size, and of stage of economic development, it has few rivals.

The Commonwealth Heads of Government meeting is a unique occasion on which up to three dozen leaders take more than a week from their normal duties to attend. They attend not because of habit but because the meeting provides an unparalleled opportunity for extensive discussion of vital issues.

The Commonwealth provides the opportunity to test our views in a forum in which nearly all interests are represented - in which there is a greater intimacy and equality than exists in the United Nations; and where the rivalries engendered by the presence of superpowers are more distant.

Because meetings do not try to reach binding decisions, members are not obliged to adopt hard negotiating positions. We can enjoy the rare privilege of talking to each other, not at each other. We can derive the greatest value from personal contact between Heads of Government aimed at exploring and understanding each other's viewpoints.

The Commonwealth has shown a remarkable resilience and capacity to adapt to change, both in the international environment, and in its own nature, function, and range of concerns. Given the magnitude of some recent changes and the diversity of nations and cultures represented in the Commonwealth, survival is no mean achievement. Survival, however, is not enough.

The real question is "Survival for what?" There are many things the Commonwealth can achieve if we, its members, have the will and determination not to submit to the effects that habit, routine and repetition can have on our enthusiasm and energy. We can more effectively use the Commonwealth not by trying to convert it into something it is not; not by altering its essential characteristics; but by using them more extensively. For example, it may be that we can become more effective if we can expand our consultations on a regional basis as a supplement to plenary Commonwealth Heads of Government meetings.

Before coming to London, I consulted with Commonwealth leaders in the South East Asia-South Pacific region in order to gain the benefit of their views before the Commonwealth Heads of Government meeting. My aim was not to develop an Asia-Pacific Commonwealth "bloc", not to pursue narrowly conceived interests or compete with other groups. Rather, it was to identify common ground and possible areas of disagreement, and to get the maximum benefit from the Commonwealth's tradition of informal discussion.

I found the discussions most useful, and I think there may be value in expanding the process of informal regional consultations among Commonwealth countries. I see no need, however, for new standing bodies nor for a regular timetable or fixed attendance for such consultations. Meetings should take place only as the need for them is identified, and attendance should be determined by the interest of members in the subject under discussion. In this way, the Commonwealth could come to play a valuable role as a channel of communication within the region and between the region and the wider international community.

I stress that I am not thinking in terms of concerted policies, which would be inappropriate and completely unworkable. My main concern is that the Commonwealth should realise its potential as the generator of ideas and initiative; as the promoter of a spirit of urgency and determination in approaching critical problems; as an example and as a goal, both to its other members and other countries.

I now turn to two issues which will be very prominent on our agenda next week: Southern Africa and the new international economic order. Southern Africa is the most pressing area for action to secure human rights. Policies based on the false and pernicious premise of one race's superiority over another, one race's right to subjugate another, are the most flagrant violation of fundamental human decency. They offend the moral sense of every person, every nation, concerned about the dignity and quality of man. Their continuance diminishes the humanity of every one of us. Apartheid cannot succeed even in terms of its own logic. A policy that pretends to foster equal social development but which involves permanent separation of the races and imposes permanent political inferiority on one race will not, and cannot, succeed. The proponents of apartheid claim that they are pursuing policies of educational and economic equality. Even if this claim is taken at face value, apartheid must fail. The more

people achieve educational and economic equality, the more they will reject political inferiority. There should be a rapid move towards majority rule in Zimbabwe. A failure to achieve this and achieve it quickly will most likely lead to disaster.

All reasonable people believe that the overwhelming majority of African leaders - despite their abhorrence of racism - still want an equitable solution based on negotiation and reason. Resolving the problem by violence would leave scars not only on the participants in the violence but on all the nations of Africa for as long as we could see into the future. We must not allow racism to poison international politics in the way that religious fanatacism poisoned them in earlier centuries.

The Commonwealth's present composition and its past associations place the Commonwealth in a good position, to make it clear that there is no international support for policies that seek to maintain the superiority of one race over another.

Apart from the other grounds on which racism can be condemned, it has prevented single minded attention being paid to the real and intractable problems of economic development, and the material relief of human suffering. No Government can turn its back on these problems. No one can assume that they are somebody else's responsibility. Developing countries must examine whether the best use is being made of their resources. Developed countries must accept the necessity of a process of adjustment. In this respect, aid, trade and commodity policies need to be examined. These are among the issues encapsulated in developing countries' call for a new international economic order.

The Commonwealth has a continuing and substantive involvement in these issues. Of the Commonwealth's thousand million people, nearly 90% are from developing countries, and a large proportion of these are countries where per capita incomes are extremely low. The Commonwealth should promote constructive responses to the more pressing economic concerns of the international community. These concerns have been staring us in the face for years. Politicians and officials have spoken about them in meeting after meeting. But talk can become a substitute for commitment for really facing problems. What is needed is a real determination to do something about inequality and deprivation. Aid is one issue which has for many years figured as a substantive element in relations between members of the Commonwealth. Recently, the form and terms of aid have become the subject of close scrutiny. This is partly because the problem of aid and debt are interlinked and the debt burden of developing countri is a pressing issue. This is one area in which change is possible, and in this respect Australia's record is relevant. Our aid is provided overwhelmingly in the form of grants. Consequently, it has not contributed to developing countries debt problems. Given the seriousness of the debt burden of many developing nations, it might be desirable that others consider adopting the same policy. Similarly, consideration shoul be given to the untying of aid. Untied aid is more beneficial to the recipient than tied aid which sometimes is little more than an indirect subsidy to donors own industries. Even where circumstances dictate that aid must be in the form of a loan, there may be scope for other donors at their own initiative, to liberalise the terms of their aid, including official development assistance loans.

Another important aid development is the agreement reached at the Conference on International Economic Co-operation (CIEC) to establish a 'special action' programme designed to alleviate the balance of payments difficulties of developing countries. The principal developed nations will provide a total of \$1 billion in the form of quickly disbursable aid. Australia regards this programme as important and will contribute to it.

The transfer of resources between rich and poor is only one aspect of the developed world's response to the problems of development. The problems developing nations have in gaining access to the markets of developed countries are at least of equal importance. Many developing countries are vitally dependent on the earnings of a limited range of commodity exports. Restrictions on market access and sharp fluctuations in export earnings seriously erode the developing countries' capacity to pursue appropriate development strategies.

Australia can understand the problems faced by developing countries that want stability for their agricultural commodities and reliable access to markets. We have felt the impact of the combined effect of our products being excluded from traditional European markets - and the effects of excessive E.E.C. subsidisation of produce on our exports to third markets.

Closely tied to the problems of market access is that of commodity price stabilisation. It is of the utmost importance to ensure that prices are maintained at a level fair to producers and equitable to consumers. Accordingly, the highest priority should be attached to successfully concluding the current round of negotiations for individual commodity These negotiations have in recent months been overshadowed by debate on the establishment of a common fund. This is a complex and important issue which deserves close scrutiny. Should such a fund be established - and we support this in principle - care must be taken that it preserves the autonomy of individual commodity agreements. A fund may also take due account of the appropriateness and feasibility of buffer stock financing in respect of the individual commodities involved. Any common fund which may be established should be workable and appropriate to its purpose.

Finally, there is one issue more compelling and more fundamental in human terms than any other - that of malnutrition and in some cases outright starvation. It is an intolerable situation that some 70% of the third world's children are undernourished. There are various approaches to the problem. The International Fund for Agricultural Development (IFAD) is directed to a significant expansion of agricultural production in the developing countries. Implementation of the 1974 World Food Conference resolutions will ensure increased food aid flows to the most needy. Improving trading arrangements for grains, for example through the successful negotiation of a new International Wheat Agreement, will create the basis for a more predictable and reliable market in foodstuffs.

Action on all these fronts is necessary. Here the Commonwealth should also be able to make a distinctive contribution. Both food surplus and food deficit countries are represented among its members. Their experience should be pooled in a common effort to seek to

identify the major factors that need to be taken into account in improving national and global food security.

The magnitude of the problems I have referred to could easily provoke despair. They must not do so. What is required is commitment, determination and imagination. There are many developing countries including several Commonwealth members which have achieved sustained and impressive economic expansion. Their success reminds us that for some at least the international economic system has not proved to be a barrier to growth. It is also a reminder that the division between developed and developing countries is not fixed and unchanging.

If the Commonwealth is to convince the world of its relevance and vitality, it must do so in terms of its contribution to the major issues of our time. It is well equipped to do so. In the last quarter century the Commonwealth has demonstrated its resilience and flexibility. It is now time to demonstrate our capacity to make a constructive, positive contribution to resolving the economic and social problems which are emerging as the dominant ones of the next quarter century.

I hope that I have said enough to give an insight to current Australian thinking on the Commonwealth of Nations, and to identify some of the opportunities that I believe the association offers to help create a better world.