



PRIME MINISTER

ADDRESS BY THE PRIME MINISTER, HON. R. J. L. HAWKE, AC, MP

DINNER GIVEN BY THE PRIME MINISTER FOR THE JAPANESE
PRIME MINISTER, MR NAKASONE

IMPERIAL HOTEL
TOKYO
2 FEBRUARY

MR PRIME MINISTER, MRS NAKASONE, MR PRESIDENT, MR SPEAKER,
MEMBERS OF THE DIET, DISTINGUISHED GUESTS, LADIES AND GENTLEMEN.

MAY I THANK YOU AGAIN MR PRIME MINISTER, AND MEMBERS OF YOUR
CABINET, FOR THE WELCOME YOU HAVE EXTENDED TO ME WHILE I HAVE
BEEN IN TOKYO.

MAY I ALSO EXPRESS, ON BEHALF OF MRS HAWKE AND MYSELF, OUR PLEASURE
AND HONOUR AT HAVING LUNCHEON TODAY AS GUESTS OF HIS IMPERIAL
HIGHNESS, THE EMPEROR OF JAPAN. WE TAKE THIS AS AN EXPRESSION OF
FRIENDSHIP ADDRESSED TO THE PEOPLE OF AUSTRALIA BY THE PEOPLE OF
JAPAN. WE KNOW THAT IT ALSO REFLECTS THE PERSONAL INTEREST AND
FRIENDSHIP OF THE IMPERIAL FAMILY FOR AUSTRALIA.

THE DISCUSSIONS WE HAVE HELD HERE IN TOKYO HAVE REAFFIRMED ME
IN MY CONVICTION THAT THERE IS A VERY GOOD, VERY SOLID AND VERY
CLOSE RELATIONSHIP BETWEEN OUR TWO COUNTRIES.

AS ONE WHO IS NO STRANGER TO AUSTRALIA YOU WOULD KNOW, MR PRIME
MINISTER, THAT AUSTRALIANS SPEND MUCH TIME REVIEWING THE
RELATIONSHIP WITH JAPAN. POLITICIANS DO IT, OUR BUEAUCRATIC
ADVISERS DO IT, AND - NEED I SAY - JOURNALISTS DO IT. I THINK
THE SAME HAPPENS IN JAPAN. WE ASK THE QUESTIONS: DOES JAPAN
UNDERSTAND AND DOES JAPAN CARE ABOUT AUSTRALIA AND ABOUT AUSTRALIA-
JAPAN RELATIONS? FROM OUR DISCUSSIONS I BELIEVE THE ANSWER IS YES.

THIS IS A POLITICAL COMMITMENT THAT WE EACH SHARE AND VALUE.

AT THE SAME TIME IT IS A COMMITMENT THAT WE AGREE REQUIRES
CONTINUING WORK TO BE SUSTAINED AND TO GROW AS IT SHOULD.

I AM REMINDED OF THE 'EUCALYPTUS SOLUTION' YOU PROPOSED LAST
NIGHT. MR PRIME MINISTER, IT WAS NEARLY TWELVE YEARS AGO THAT YOU
BROUGHT EUCALYPTUS SEEDS FROM AUSTRALIA TO YOUR VILLA HERE IN JAPAN.
YOU HAVE NURTURED THEM AND SEEN THEM GROW INTO STRONG STURDY TREES.
OVER A SOMEWHAT LONGER PERIOD THE AUSTRALIA/JAPAN RELATIONSHIP
HAS SIMILARLY GROWN AND MATURED. NOW PERHAPS, WITH KOALAS COMING
TO JAPAN, WE NEED TO BE CAREFUL THEY DO NOT GET AT YOUR TREES -
THEY LOVE GOOD EUCALYPTS - BUT INSTEAD CONTRIBUTE POSITIVELY TO THE
DEVELOPMENT OF RELATIONS BETWEEN OUR COUNTRIES.

EITHER WAY, THE RELATIONSHIP BETWEEN OUR TWO COUNTRIES SHOULD NOT BE TAKEN FOR GRANTED - IT MUST BE WORKED ON.

MR PRIME MINISTER,

THE INTERNATIONAL POLITICAL AND ECONOMIC SITUATIONS ARE AT A CRITICAL JUNCTURE.

IN INTERNATIONAL POLITICAL AFFAIRS THERE ARE MANY REGIONAL TENSIONS AND CONFLICTS. AT GLOBAL STRATEGIC LEVEL A SENSE OF EXASPERATION AND DEEP CONCERN AFFECTS US ALL.

IN ECONOMIC AFFAIRS WE ARE AT A CRUCIAL STAGE OF RECOVERY.

IN BOTH SPHERES, WE NEED TO APPROACH THE FUTURE WITH A DETERMINATION NOT ONLY TO DEFEND OUR NATIONAL INTERESTS, BUT ALSO TO GRASP OPPORTUNITIES FOR DIALOGUE AND THE CONSTRUCTION OF NEW FRAMEWORKS FOR PEACE AND PROSPERITY.

IN THIS REGARD, MR PRIME MINISTER, I AM IMPRESSED BY THE MANNER IN WHICH YOU ARE MAKING JAPAN'S VOICE HEARD IN WORLD AFFAIRS - AUSTRALIA WELCOMES THIS.

IN THE INTERNATIONAL POLITICAL AND SECURITY ARENA THERE IS SOMETIMES A DICHOTOMY OF CHOICE: TO STAND MILITANTLY AGAINST THE SOVIET UNION AND ITS ALLIES, OR TO CAPITULATE. THE REALITY MUST BE BETWEEN THESE TWO STARK ALTERNATIVES.

WE KNOW THAT YOUR OWN RELATIONS WITH THE SOVIET UNION HAVE FREQUENTLY BEEN DIFFICULT AND VERY RARELY RELAXED OR PRODUCTIVE. JAPAN HAS NEVERTHELESS CONTINUED TO SEEK CONSTRUCTIVE DIALOGUE AND CO-OPERATION IN THE FACE OF SOVIET INFLEXIBILITY. AUSTRALIA TAKES A BROADLY SIMILAR APPROACH.

THE CONSOLIDATION AND FURTHER EXTENSION OF SOVIET MILITARY POWER WITHIN THE ASIAN REGION, WHICH ALREADY FAR EXCEEDS NORMAL DEFENSIVE REQUIREMENTS, MUST BE A SOURCE OF CONTINUING CONCERN TO ALL OF US.

WE RECOGNISE THAT JAPAN MAKES AN EFFECTIVE CONTRIBUTION TO WESTERN STRATEGIC INTERESTS THROUGH ITS SELF DEFENCE FORCES AND THE PROVISION OF BASES AND OTHER FACILITIES FOR THE UNITED STATES IN JAPAN, WITHIN THE FRAMEWORK OF YOUR MUTUAL SECURITY TREATY.

I KNOW THAT THERE IS INTENSE PREOCCUPATION IN JAPAN ABOUT FUTURE DEFENCE AND SECURITY POLICY. I HAVE BEEN ASSURED, IN OUR DISCUSSIONS, THAT JAPAN WILL, WHEN EXERCISING ITS SOVEREIGN RIGHTS IN THIS AREA, CONTINUE TO MAKE A SUBSTANTIAL AND POSITIVE CONTRIBUTION TO REGIONAL STABILITY, PARTICULARLY THROUGH ECONOMIC ASSISTANCE, BUT ALSO THROUGH POLITICAL AND DIPLOMATIC ACTIVITY. THAT CONTRIBUTION, MADE AS I KNOW IT WILL BE WITH DUE CARE AND SENSITIVITY FOR THE INTERESTS OF COUNTRIES OF THE REGION, IS APPRECIATED.

THE CAMBODIAN SITUATION, BROUGHT ABOUT BY THE VIETNAMESE INVASION WHICH AUSTRALIA AND JAPAN HAVE EACH CONDEMNED, CARRIES DISTURBING IMPLICATIONS FOR PEACEFUL RELATIONS AMONG ALL COUNTRIES OF OUR REGION.

WE BELIEVE THAT RESOLUTION OF THE SITUATION IN CAMBODIA REQUIRES THE FOLLOWING ELEMENTS:

- . A PHASED WITHDRAWAL LEADING TO TOTAL WITHDRAWAL OF VIETNAMESE TROOPS
- . AN ACT OF SEL-DETERMINATION BY THE CAMBODIAN PEOPLE
- . THE CREATION OF CONDITIONS WHICH WOULD PERMIT DISPLACED CAMBODIANS TO RETURN TO THEIR COUNTRY
- . THE EMERGENCE OF A FREE, INDEPENDENT AND NON-ALIGNED CAMBODIA.

WE RECOGNISE THAT VIETNAM'S PRESENT POLITICAL AND ECONOMIC ISOLATION IS THE RESULT OF DELIBERATE AND CONSCIOUS ACTIONS UNDERTAKEN BY ITSELF. AUSTRALIA NEVERTHELESS ATTACHES CONSIDERABLE IMPORTANCE TO THE ENDING OF THAT ISOLATION AND THE ASSOCIATED GROWING RELIANCE ON THE SOVIET UNION WHICH IN OUR JUDGEMENT, IS SIMPLY ENTRENCHING GREAT POWER RIVALRY IN THE REGION.

BECAUSE AUSTRALIA HAS AN ABILITY TO SPEAK TO ALL THE MAIN PROTAGONISTS IN THE INDO-CHINA PROBLEM - THE ASEAN COUNTRIES, CHINA, THE UNITED STATES AND VIETNAM ITSELF - WE WILL CONTINUE, WITHIN THE LIMITS OF OUR CAPACITY, TO DO WHAT WE CAN TO PROMOTE PROGRESS TOWARDS A SETTLEMENT.

AS YOU KNOW I WILL SHORTLY BE VISITING CHINA AND I UNDERSTAND THAT YOU WILL ALSO IN MARCH. IT GIVES US GREAT CONFIDENCE THAT RELATIONS BETWEEN CHINA AND JAPAN AND THE UNITED STATES HAVE MADE SO MUCH PROGRESS IN RECENT YEARS. THE HIGH LEVEL VISITS BETWEEN CHINA AND JAPAN, CULMINATING IN THE VISIT HERE LAST YEAR OF SECRETARY GENERAL HU YAOBANG, MARK AN IMPORTANT AND MUTUALLY RESPECTFUL RELATIONSHIP BETWEEN TWO GREAT ASIAN COUNTRIES. THE HIGH LEVEL VISITS BETWEEN CHINA AND THE UNITED STATES, ORIGINALLY THAT OF MR DENG AND NOW THAT OF MR ZHAO AND MR REAGAN, CARRY THE PROMISE OF GREATER STABILITY AND UNDERSTANDING BETWEEN TWO VITALLY IMPORTANT MAJOR POWERS.

WE ALL HAVE A CLOSE INTEREST IN CONTINUED PROGRESS IN THESE CONTACTS.

THERE ARE ALSO A NUMBER OF MAJOR ECONOMIC CHALLENGES WE ALL FACE.

AS WE ENTER 1984 THERE ARE GROUNDS FOR OPTIMISM THAT THE ECONOMIC RECOVERY WHICH COMMENCED IN THE UNITED STATES LAST YEAR WILL CONTINUE AND WILL STIMULATE A RETURN TO GROWTH IN OTHER REGIONS. IT IS VITAL THAT THE OPPORTUNITIES PRESENTED BY THE RECOVERY ARE NOT LOST. INFLATION FOR THE MOMENT HAS MODERATED BUT THE ECONOMIC UPTURN HAS YET TO MAKE A SIGNIFICANT IMPACT ON UNEMPLOYMENT IN MOST COUNTRIES OUTSIDE THE UNITED STATES. IT IS MY VIEW THAT THE SUCCESS OF THE RECOVERY MUST ULTIMATELY BE JUDGED BY ITS IMPACT ON EMPLOYMENT AS WELL AS IN TERMS OF INCREASED TOTAL OUTPUT.

OPTIMISM ABOUT THE COURSE OF THE RECOVERY MUST BE TEMPERED, HOWEVER, BY THE REAL CONCERNS GENERATED BY LARGE BUDGET DEFICITS, CONTINUING HIGH REAL INTEREST RATES, PROTECTIONISM AND RESISTANCE TO STRUCTURAL CHANGE, THE DEBT PROBLEMS OF MANY DEVELOPING COUNTRIES, AND VOLATILE EXCHANGE FLOWS, THIS LIST IS LONG AND THE ISSUES ARE INTER-CONNECTED.

THE SOLUTION TO THESE PROBLEMS DOES NOT LIE WITHIN THE CAPACITY OR CONTROL OF ANY ONE COUNTRY. IT REQUIRES A MIX OF APPROPRIATE DOMESTIC POLICIES AND CO-OPERATIVE APPROACHES AT BOTH THE REGIONAL AND GLOBAL LEVEL.

AUSTRALIA AND JAPAN SHARE A KEEN INTEREST IN THE MAINTENANCE OF AN OPEN INTERNATIONAL TRADE SYSTEM.

WE SHARE THE VIEW THAT SIGNIFICANT, SUSTAINABLE AND BROADLY BASED ECONOMIC RECOVERY IS DEPENDENT UPON AN EXPANSION IN WORLD TRADE.

THERE IS AN URGENT NEED TO EXPLORE WAYS OF REDUCING OBSTACLES IN THE PATH OF SUCH AN EXPANSION.

FULL AND EFFECTIVE IMPLEMENTATION OF THE PROGRAM AGREED AT THE 1982 GATT MINISTERIAL MEETING IS AN ESSENTIAL FIRST STEP. A NEW ROUND OF MULTILATERAL TRADE NEGOTIATIONS, AS PROPOSED MOST NOTABLY BY YOU, MR PRIME MINISTER, COULD BE AN INVALUABLE FURTHER STEP.

I PROPOSED IN A SPEECH IN BANGKOK LAST NOVEMBER THAT WE AS A REGION CONSIDER HOW WE MIGHT BEST APPROACH PREPARATIONS FOR SUCH NEGOTIATIONS. I SAID AT THAT TIME THAT THE CHANCES FOR SUCH NEGOTIATIONS. I SAID AT THAT TIME THAT THE CHANCES OF ACHIEVING AN APPROPRIATELY STRUCTURED ROUND OF NEGOTIATIONS WOULD BE GREATLY ENHANCED IF COUNTRIES OF THE REGION WERE DELIBERATELY TO IDENTIFY THEIR OWN INTERESTS IN SUCH A ROUND, WERE TO CONSIDER HOW BEST TO SECURE ATTENTION TO THEIR INTERESTS, AND WERE TO APPLY THEIR FULL AND UNITED WEIGHT TO THEIR ACHIEVEMENT.

I STRONGLY BELIEVE THAT WE SHOULD BE ABLE TO ENHANCE THE PROSPECTS OF BROAD MULTILATERAL ACTION AND THUS CONTRIBUTE IMPORTANTLY TO GLOBAL ECONOMIC WELFARE THROUGH CONSTRUCTIVE REGIONAL CO-OPERATION.

I DO NOT WANT, OF COURSE, TO UNDERSTATE THE DIFFICULTIES INVOLVED. OUR SPECIAL INTERESTS ARE DIVERSE.

THE DYNAMISM OF THE MARKET ECONOMIES OF THIS REGION, HOWEVER, HINGES ON A COMMON APPRECIATION OF THE IMPORTANCE OF TRADE LIBERALISATION.

FOLLOWING MY TALKS HERE IN TOKYO, MR PRIME MINISTER, I AM CONVINCED THAT SCOPE EXISTS FOR US TO CO-OPERATE CLOSELY WITH EACH OTHER AND WITH OTHER COUNTRIES IN OUR REGION IN PREPARATIONS FOR A NEW TRADE ROUND IN A MANNER THAT COULD RESULT IN BENEFITS TO US ALL.

I KNOW YOU SHARE THIS CONVICTION.

TO LEAVE TOKYO WITH THIS IMPRESSION ALONE WOULD HAVE JUSTIFIED MY VISIT.

BUT, MR PRIME MINISTER, THIS HAS BEEN ONLY ONE ASPECT OF AN IMMENSELY SATISFYING FEW DAYS.

I THINK IT ALSO IMPORTANT THAT WE HAVE MANAGED SO CLEARLY TO ESTABLISH WHERE OUR COMMON INTERESTS LIE, AND - ON THIS BASIS - TO HAVE IDENTIFIED FURTHER FIELDS FOR CO-OPERATIVE ENDEAVOUR BETWEEN OUR TWO COUNTRIES.

A GOOD START HAS BEEN MADE IN REVITALISING THE IMMENSELY IMPORTANT AUSTRALIA/JAPAN RELATIONSHIP.

I WOULD VERY MUCH HOPE MR PRIME MINISTER THAT BEFORE VERY LONG YOU WOULD BE ABLE TO VISIT US IN AUSTRALIA TO CARRY FURTHER WHAT WE HAVE BEGUN HERE SO SUCCESSFULLY.