

## PRIME MINISTER

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SPEECH BY THE PRIME MINISTER
STATE BANQUET
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Mr President,

I am delighted to return once more to Seoul during such an important period in the history of the Republic of Korea.

This is my second visit to your country, so I am well able to appreciate the considerable changes - in some cases the spectacular changes - that have been wrought here since my first visit in 1984.

Over those five years the Korean economy has continued to grow vigorously, providing greater prosperity for its people through increased domestic production and through increased exports - including, I might add, to Australia. Just as striking, and just as welcome, has been the emergence of the democratic processes in this country.

And most recently, of course, with the hosting of the Olympic Games, the people of this city and of this nation showed the whole world what we in this Pacific region already knew and understood: that the Korean nation has indeed come of age as a modern, dynamic and sophisticated participant in world events.

Mr President.

In the past, foreign dignitaries visiting this nation would almost certainly spend time in the Demilitarized Zone, the border which tragically bisects the Korean Peninsula and divides the Korean people.

The DMZ is a powerful symbol of the indomitable tenacity of the people of this nation, and is a potent reminder of the sacrifices they made during the Korean War to defend liberty; Australians too recall with pride the fighting record of our soldiers under the United Nations banner, and remember with sadness the Australians who died here.

Today, the DMZ is still a vivid reminder to us of the need for vigilance.

Yet with all the changes taking place in the Republic of Korea - the growing prosperity, the very real efforts to fulfil the aspirations of ordinary Koreans - and with the growing evidence of a newly constructive dialogue between the superpowers, the DMZ has been eclipsed as the principal focus of attention for visitors to your country.

I shall not be visiting the DMZ; I shall however, on Wednesday morning, be visiting your splendid Olympic facilities - the focus of activity of the 24th Olympiad and, I believe, an appropriate symbol of today's Korea: optimistic, confident and vigorous.

Mr President,

You above all can take real credit for all these positive developments. The Republic of Korea has, of course, a number of issues to solve before the process of reform is complete. But to the extent that progress is being made and reforms are being instituted, you can claim very great responsibility for it.

History will record that you have made every effort to seize the opportunities presented by this Year of the Golden Dragon which, I am told, comes only once every 60 years. I sincerely hope that the Year of the Snake will see the wise consolidation and further expansion of your rapid economic and political progress of recent years.

Four months ago it was my pleasure to welcome you and Mrs Roh to Australia, when you honoured us by including Australia in your first visit overseas as President. Our discussions in Canberra, which covered so many issues of vital interest to both our countries, were of real value in strengthening the ties between our two countries and did much to inform Australia's perception of regional developments.

Today, in resuming those discussions, we have further strengthened the foundations of the Korean-Australian relationship. The importance of this pattern of dialogue and consultation between two countries sharing as many common interests as we do, cannot be overestimated. Let me add, Mr President, that I value highly the personal relationship that has been established in our meetings.

When we met in Canberra last year, we concluded a memorandum on science and technology. We agreed to enter negotiations for a bilateral aviation agreement. We undertook to establish a joint cultural commission and to explore the possibilities for an Australia/Korea Forum to examine the future direction of our relationship.

In the period since those talks, progress has been made in all these areas of our relationship. I am especially pleased that, during our talks today, we were able to agree on further arrangements for the Forum which will, I am sure, provide a catalyst for a genuine broadening of the relationship.

These co-operative efforts at the official level are soundly underpinned by the people-to-people links between us. Those many Australians who visited Korea for the Olympics retain warm memories of this country - as do the millions who watched the competition on TV.

The Korean community in Australia, numbering some 12,000 people, has made a valued and important contribution to our country. This growing and diverse community sustains a number of Korean language community schools in Australia and holds regular cultural festivals in our major cities. Korean language courses are also taught at two Australian universities, and there is an increasing number of Korean students in Australia.

I want to make it crystal clear before this audience that the Korean community, and communities of people from other parts of Asia, are very welcome members of Australia's multicultural society. Australia has been immeasurably enriched by the contribution of millions of new citizens from around the world. We are determined that our immigration selection procedures will remain free of any taint of discrimination on grounds of race.

## Mr President,

Events over the last few months in your country have been dramatic and encouraging. Since our last meeting you have appointed a new Prime Minister, Mr Kang, whom I had the pleasure of meeting last night, and a new Cabinet. You have undertaken further measures to enhance democracy and human rights in the Republic of Korea. The road you have chosen may not be an easy one but it is, I believe, an essential one and one which will contribute significantly not only to progress within Korea but to peace and stability in the wider region.

You are considering the report of the Presidential Commission on Economic Restructuring, which, if implemented, will present new challenges and opportunities for our two countries to develop our economic links further and to expand our two-way trade, which is now worth almost A\$3 billion annually.

You have also announced changes to the financial and service sectors, and indicated your intention to open up the import market for agricultural products.

Mr President.

Such matters are of real interest to Australia, because in an increasingly interdependent world, Australia's economic well-being is bound up with the economic well-being of our trading partners.

I am especially pleased to be accompanied on this visit by a number of leaders of Australian industry. Their presence underlines our commitment to building further the already healthy economic co-operation we enjoy with the Republic of Korea. It highlights our willingness and ability to continue to make a contribution to the success of the newly industrialised economies of the region, and to seize opportunities for joint activity and co-operation across a range of areas, including in the manufacturing and services sectors.

Our trading relationship is not without its difficulties. We have had disagreements about Australia's anti-dumping actions and about Korea's ban on the import of beef. It is important that where such issues arise, we resolve them in a manner consistent with the growing maturity of our relationship, and in a framework consistent with our shared commitment to an open international trading environment.

As we discussed in our talks both in Canberra and today, that multilateral environment is coming under pressure as never before in the decades since World War II. Trading relations involving the major economies are increasingly characterised by reciprocity rather than non-discrimination - by exclusive blocs rather than free and fair global competition.

The GATT System is under threat. The Montreal Mid-Term Review was profoundly disappointing in that it failed to make progress in the vital issues it faced - and that does not augur well for resolving other long-standing and important issues like textiles, clothing and footwear, and the whole range of non-tariff measures.

It is my firm belief that multilateralism and an open world market are worth fighting for.

They are principles that have underpinned the prosperity of both our countries and indeed that have fostered the extraordinary economic dynamism of the entire Pacific Rim region in which we are placed.

We must be vigilant in ensuring that our interests are not compromised by the emerging trading blocs.

We must reverse current trends and focus on improving the GATT framework of international trade rules.

Unless we do this, we will lose all semblance of fair play in the international trading system. Make no mistake, it will be the ordinary citizens of trading nations like Australia and the Republic of Korea who will pay the price as consumer costs increase and as job opportunities are lost.

## Mr President.

The friendship between our two countries is one that has stood the test of time. Since the foundation of the Republic of Korea in 1948, Australia's support for the Korean people has been consistent and principled, and has been expressed in times of war and of peace.

We continue to support the sovereign rights of the Republic.

Yet for many years Australia has recognised the reality that there are two states and two governments on the Korean Peninsula.

I have congratulated you in private, during our discussions in Canberra, and again today, on the forward-looking sweep of your new 'northern policy'. I take this opportunity to commend you in public for I believe this approach has the potential to benefit the whole region. It is particularly appropriate at this time of increasingly constructive dialogue between the major powers, the United States, the Soviet Union and China.

As you are aware, my Government has recently made some preliminary moves towards re-establishing dialogue with the Democratic Peoples' Republic of Korea. It is my view, and I know this is one you share, that few interests are served in having North Korea standing outside normal international interaction and dialogue. We must capitalise on the opportunities before us.

## Mr President,

It is our great privilege to lead our countries at a time of profound and far reaching change in international affairs. The pace of change and its generally positive direction have, even over the last twelve months, been sufficient to give us considerable justification for confidence in our planning for the future.

We are both allies of the United States. Both our Governments wish the Bush Administration well as it takes over the reins. We have both enjoyed the central role that the great American democracy has played in enhancing and securing our well-being.

We each watch with real interest the changing attitudes of the Soviet Union in managing its own domestic affairs and in its foreign policy, particularly as it effects our own region.

President Gorbachev's two major policy pronouncements - at Vladivostok in 1986 and Krasnoyarsk last year - have, as yet, had only limited practical impact. This stands in contrast to the progress that has been achieved in solving outstanding problems in other parts of the world - Afghanistan being a bold example - and in the field of nuclear disarmament.

While Australia shares some of the caution of our regional partners about the Soviet Union, we firmly believe that our interests and those of the region as a whole would be advanced were a Soviet Union different from the one we have known in the past to enter constructively into the mainstream of international political, social and economic life. The possibility now exists. The opportunity is too vital to go untested.

Mr President,

The challenges facing us in our region and in the international arena are considerable.

They will require hard work and good will if they are to be resolved.

Australia and Korea are well placed to play a creative and important role in ensuring the continued prosperity of our region, and in fostering its growth towards democracy, individual freedoms and human rights.

We can better achieve these goals if we remain in close and friendly contact.

It is my very firm belief that the warm and constructive visits between us over the last few months have indeed reinforced the already strong foundations for such a relationship.

Mr President and Mrs Roh, thank you most sincerely for your hospitality this evening. Hazel and I have had a most enjoyable time during this visit. My only regret, Mr President, is that your winter has prevented us from engaging in a further round of golf-course diplomacy. But we won't let that stop us; we will merely substitute the golf with a bit of tennis diplomacy! I should say for the benefit of those here tonight that both our golf and tennis are played in the very best of Seoul's Olympic spirit.

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