

## PRIME MINISTER

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SPEECH BY THE PRIME MINISTER
3RD INDIRA GANDHI MEMORIAL LECTURE
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Indira Gandhi was a leader of indomitable tenacity and courage.

I had the privilege of knowing her, working with her - indeed, even enjoying some differences of emphasis with her - here in this city at the 1983 Commonwealth Heads of Government Meeting.

Tonight I salute her as a leader who left an indelible imprint on the political, economic and social life of India, and ensured that India's voice was heard with force and clarity in world affairs.

So to deliver a lecture in memory of Indira Gandhi - and to deliver it in the capital of the India which she loved so dearly - is an honour which I greatly appreciate.

Just as today you Mr Prime Minister derive strength from the achievements of your predecessors, so Indira Gandhi drew on the rich heritage of leadership bequeathed by her father Jawaharlal Nehru and before him, by Mahatma Gandhi.

Part of the greatness of these leaders was that their ideas and their policies and their actions had a resonance and a relevance that went far beyond the borders of their own country.

Mahatma Gandhi gave us the noble doctrine of non-violent struggle in the face of oppression, the belief that human dignity should not be demeaned by violence even in mobilising the masses to overthrow colonial rule.

His visionary campaign against racial discrimination has become an international crusade. Australia, India and other nations have come together in particular to bring pressure to bear on the South African authorities to rid that country of the ugliness and inhumanity that is apartheid.

Nehru, the centenary of whose birth we mark this year, bequeathed a different and equally rich heritage of political leadership. Nehru forged a nation with his unyielding adherence to principles of humanism, secularism, democracy and equity.

The forty years after the Second World War have been among the most turbulent, certainly the most dynamic, in human history. Massive social, economic, political, and scientific upheaval has transformed our world.

In all these turbulent times, there has been one constant which has dominated the world scene - the East/West confrontation.

The influence of East/West tension has been felt everywhere. The extraordinary achievement of decolonisation became entangled in it. Regional conflicts were fought as surrogates of the wider confrontation.

The United Nations, founded with high hopes and with a sober consciousness of the need for nations to work together to avoid the scourge of war, and to seek some common ideals of justice and equity, became to some degree another battleground for what was seen as a bigger dispute. It was unable to play as full a role in international security as was envisaged by its founders.

The best efforts of the international community to cope with poverty, hunger, human rights, economic growth, refugees were, to a greater or lesser extent, diminished by the injection of the East/West rivalry. Even the Non-Aligned Movement, founded precisely as a reaction to this crude divide, has itself not been free of internal disputes over the relative merits of East and West.

What is remarkable is that so much was achieved in that period - in decolonisation, in the UN system, and elsewhere. But that so much less was accomplished than should have been accomplished was due in no small part to the all-pervasive nature of East/West hostility.

And, most ominously of all, inherent in the East-West confrontation was the danger of nuclear war, of global annihilation.

Mrs Gandhi saw these problems, and as a leader of one of the great nations of the world, she worked to help overcome them. But even a leader as far-sighted as Mrs Gandhi would have shared with us a sense of astonishment at how remarkably the world has changed in the four years since her tragic and untimely death.

In arms control and disarmament, the superpowers have forged the INF agreement, the first arms control agreement to cut the number of nuclear weapons, rather than to mandate a stipulated level of increase.

Although much remains to be done, much <u>has</u> already been done towards the conclusion of an agreement to cut by about 50% the number of strategic nuclear warheads.

Almost as spectacular has been progress in resolving regional conflicts. During the seventies and early eighties we heard much of an arc of instability. We see now, if not an arc of peace, then at least an arc of peace-making, stretching from southern Africa, through the Persian Gulf, through Afghanistan and South Asia and on to Indochina.

The United Nations is being revitalised and is playing an indispensable part in resolving regional conflicts.

This transformation in the world scene has taken place in breathtakingly short time. What has brought it about? The answer in large measure is a change in attitude, a reassessment of interests, a response to new realities by East and West.

Speaking as the leader of a Western alliance country unalterably committed to the system of liberal democracy, I consider that it is very important to recognise that the gap between the political values and social and economic systems of the US and the Soviet Union remains profound.

Nonetheless, I believe it is already clear that the superpowers no longer see their competition as having only one possible outcome - to be victor or vanquished, winner or loser.

The relationship is today a far cry from that of two cold warriors. Rivalry yes, competition yes, differences yes; but not implacable hostility, to be played out to check mate on some global political chess board.

To understand why this transformation has occurred, clearly one half of the equation is what is happening in the policies of the Soviet Union.

Soon after General-Secretary Gorbachev took office, he began a process of root and branch change in the economic, social, political and cultural life of his nation. In international affairs, Australia will judge by deeds, not just words. But I do acknowledge this - there have been deeds, including in arms control, regional conflicts and human rights. I draw encouragement from this.

Of course there have been premature declarations in the past that the Cold War is over - not least at the beginning of the last decade. But there is good analytical reason, not just hope, that what we are seeing now will not prove to be another false dawn.

My view, informed by my own conversations with Mr Gorbachev and his colleagues, is that what we are seeing in Soviet developments is far more fundamental than earlier efforts at Soviet reform.

Mr Gorbachev has said - and there is reason in Soviet behaviour to believe he means it - that the Soviet Union's world view is no longer dictated by conceptions of international class war and the inevitable defeat of capitalism.

Above all, it is absolutely clear that highly centralised command economies can no longer compete in the international economy.

As you fully recognise, Mr Prime Minister, modern economies, to be viable, must place a premium on adaptability, on free flows of information, on entreneurship, on dissent and debate, on unfettered scientific research and technological change.

These in turn require the freeing up of political institutions and economic and social controls.

Without these, the Soviet Union will, as Mr Gorbachev has himself said repeatedly, inevitably decline.

So it is for these more objective reasons that I am perhaps more confident than many that the course on which the Soviet Union has embarked is one which it is likely to stay on for the foreseeable future.

The indispensible other half of the equation in explaining the improvement in superpower relations lies with the United States.

Paradoxically, President Reagan, deeply conservative in so many of his attitudes, showed himself capable of finding common ground with his Soviet counterpart, of establishing a basis of trust with him on important areas of mutual concern, and of taking a truly radical path on arms control.

From what I know of President Bush and his colleagues, I am absolutely confident that a continuation of the new approach from Moscow will find a co-operative spirit of good will in the United States.

In devoting this amount of time to East-West relations as the dominant factor in world affairs now and for many years to come, I do not want to ignore other developments which are also driving forces for change.

China's modernisation program is entering its second decade. From Australia's perspective, it has had an enormously favourable impact on the Asia-Pacific region.

"Perestroika" is much newer. The economic problems facing China and the Soviet Union are far from identical. But the fact that both countries are giving priority to the urgent agenda of economic reform over the pursuit of strategic and idealogical rivalry goes a long way to explain the current improvement in their relations. At the same time, the dynamic economic performance of the newly industrialised economies has shattered many prejudices about the developing world in general and about Asia in particular.

The spectacular economic successes of countries such as the Republic of Korea, and, now, countries like Thailand, are illustrating - as I have seen again only last week - that the Asia-Pacific region has become the most important focal point of international economic dynamism.

Its impressive growth strategies are being studied and emulated, and it is being courted by prospective investors, joint venturers and exporters from all corners of the globe. Increasingly, its growth is becoming more self sustaining and less dependent on access to affluent Western markets.

And with economic success comes greater political self assurance.

Indeed it could be said that where we were, in the Cold War years, used to assessing the clout of a nation by its political or strategic significance, nations can now exercise great influence based solely on their economic strength. We see in Japan an example of a new phenomenon - an economic superpower.

So all these developments would surely have surprised and gratified Indira Gandhi.

But as the leader of a great democracy, she would perhaps have been encouraged by nothing so much as by the wider spread throughout the world of democratic rule.

This has its roots in a number of different factors.

In Latin America, in South-East Asia, and most recently next door to you in Pakistan, authoritarian regimes have discredited themselves and have been replaced by democratic leaders governing with popular consent.

Elsewhere in the world - and particularly in Asian economies such as the Republic of Korea - the rising living standards that are the fruit of dynamic economic growth are being accompanied by a liberalisation of political structures.

And perhaps most encouraging of all, we see even in China, the Soviet Union, and parts of Eastern Europe, the efforts of a new generation of leaders who understand that for their efforts to be successful a simple, old-fashioned reliance an authoritarian command is no longer sufficient. They realise that for positive economic change to succeed, political self respect is an essential precondition.

That is a fact that Australians and Indians, proudly and unshakeably democrats, know to be a profound and undeniable truth.

Ladies and gentlemen.

To review as I have done all these welcome trends - the rapid transformation of relations between the superpowers; the economic dynamism of countries that were once only limited players in the world economy; the spread of democracy - provides sufficient evidence for the conclusion that we are on the verge of a new era in world affairs.

My judgement is that this will be an era in which the rhetoric of the Cold War will be out of date and misleading; an era in which building prosperity and peace must be our prime task, not building the arsenals of war; an era in which we may, at long last, begin to balance what is today a puzzling asymmetry between the seemingly boundless technological skills of humanity and our much less developed social skills of feeding the hungry, sheltering the homeless and protecting the natural environment of the planet we share.

In speaking in this optimistic way I do not seek to pretend that all is well in the world today or that we can afford to be complacent as we enter this new era.

For all that we have reason for satisfaction with the progress that has been made across all the areas I have outlined, our confidence for the future must be conditional on the performance of four critical tasks.

## They are these:

We must achieve greater flexibility in the organisation and operation both of our domestic economies and of the global economy.

We must achieve further cuts in the levels of nuclear and conventional arms.

We must strengthen the practice and institutions of multilateralism.

And underpinning all those tasks, we must see the entrenchment and the futher spread of democracy, tolerance, individual liberties, and respect for human rights.

It is no accident that I put at the head of my list economic factors in both their international and domestic dimensions.

Increasingly, the economic process has a global base. Capital has a worldwide mobility, as increasingly do skills, entrepreneurship and the adaptation of technology.

These are major changes, and they are already having a profound impact on the behaviour and inter-relation of states. These changes mean that domestic economic policy making can no longer proceed for any country in isolation from that global base.

Ultimately, the poverty or prosperity of any one nation depends on the poverty or prosperity of us all - just as, ultimately, the physical security of each nation is enhanced by an environment in which all nations feels secure.

Even the superpowers are having to alter their domestic economic policies in order to maintain their standing in the world and to keep up with the pace of change. I have already mentioned Mr Gorbachev's reforms. In the United States, President Bush faces twin budget and balance of trade deficits which, if not addressed effectively, could call into question its past position as the overwhelmingly dominant economic power and its capacity to sustain long-standing global political and strategic policies.

Likewise, a major area of activity for us in Australia, and for you in India, has been the restructuring of our domestic economies to adapt to the changing global environment.

But at a time when international financial markets and exchange rates are being freed up, and at a time when individual nations, be they capitalist or socialist, are making efforts to improve their efficiency and competitiveness, one fundamentally important area is being pushed in the opposite direction.

International trade, which if it too were liberalised on a multilateral basis would provide a massive boost to prosperity everywhere, is increasingly being subjected to ever more restrictive and inefficient measures.

Here on the one hand is a growing recognition by nations of the need for economic adjustment - and on the other hand their refusal to apply that insight to an area of central importance to the wellbeing of us all.

Thus we are witness to the major paradox of our time. Precisely at the point when the world has greater cause for optimism arising from the increasingly intelligent political relations between the superpowers, the realisable vision of a saner world, using its resources more productively for the betterment of mankind, is being put at risk by the intransigence and shortsightedness now characterising the relations of the most powerful market-based economies on this issue of international trade.

Economies which have built their prosperity on co-operative free trade now put that principle in jeopardy, while superpowers which had become accustomed to the habits of their dangerous rivalry now adjust to the challenges of constructive rapprochement.

If history teaches us anything, it teaches us that where economic deprivation and injustice go, instability and even hostility tend to follow, whether within countries or between them.

So a fair and open international trading regime is vital not only to prosperity but to sound and harmonious relations between nations.

Australia, as a nation whose exporting capacity has traditionally relied heavily on agricultural commodities, has sought, and continues to seek, positive and constructive outcomes in the Uruguay Round of multilateral trade negotiations.

The benefits of success in this endeavour will not of course be limited solely to agricultural exporters.

They will be shared by the consumers within those heavily subsidising developed economies, the European Community, the United States and Japan.

Agricultural trade liberalisation would bring particular benefits to developing countries.

Freer world trade would provide a means whereby they can directly benefit from the prosperity of more fortunate countries.

It would also encourage developing countries to integrate themselves more with the world economy. They cannot prosper while their price structures do not reflect those prevailing internationally.

In this sense the alleviation of world poverty requires policy flexibility both internationally and in the developing countries themselves.

It is vital that this alleviation occur, not just for the humanitarian benefit to those currently living in poverty - although this is certainly sufficient reason - but also because the world will never be stable and secure while we have intolerably stark contrasts in national living standards.

And may I add how galling it must be for developing countries, as it is for Australia, to hear the leading industrial nations preach to others the virtues, indeed the necessity, of practising policy discipline and budgetary restraint, which they give little indication of following themselves.

The second key area in which there must be progress as we enter this new era is arms control and disarmament. Certainly there has been unexpected progress, and more may be in prospect.

But, even if the START talks bear fruit, I do not think it churlish to say, "Good. We want more. And quickly". Even with both the INF and START agreements in place, the Soviet Union and the United States will still possess at least 12,000 strategic warheads, to say nothing of the thousands of tactical weapons not covered by agreements, and the nuclear weapons of the United Kingdom, France and China.

To me, then, while these present and prospective agreements are enormously welcome, they should not lull us into complacency about the nuclear danger.

Nuclear deterrence, vital though it is while nuclear weapons exist, is unacceptable as a permanent feature of our world.

The consequence of this is that the goal of arms control must be nuclear disarmament.

It is true that this path will be a long and difficult one but it is the path we must deliberately and consciously tread.

I would not accept any view that declares the elimination of nuclear weapons to be ultimately pointless because of the impossibility of locking up again the secret of nuclear weapons manufacture.

Many countries have the technological and industrial base for developing nuclear weapons, if they so chose.

Many have security interests which they consider to be just as important as the security interests of the existing nuclear weapons states. They have rejected the nuclear option.

No matter how pressing immediate political or military considerations may seem, no matter how understandable may be frustration at the pace of progress towards nuclear disarmament, no matter how galling may be the existence of nuclear weapons exclusivity, it is supremely in the interest of the survival of our world that no other countries acquire nuclear weapons. Once the nuclear taboo is broken - once the dike of nuclear proliferation is breached - the odds that someday, somewhere nuclear weapons will be used rise dramatically.

It is for this reason that we consider the Nuclear Non-Proliferation Treaty to be the most important single arms control agreement in existence. I know, of course, that India has criticisms of the Treaty. I understand India's view but I must say that Australia does not agree. Whatever criticisms may be levelled against the Treaty cannot begin to warrant putting it in jeopardy.

We cannot let the best, which is the goal of nuclear disarmament, become the enemy of the good, which is the NPT.

India is the one non-nuclear weapon state which has demonstrated a nuclear explosive capability. I frankly wish that capability had not been developed, but given the reality I urge that you continue firmly to reject the production of nuclear weapons.

Without any reservation we encourage India to support the maintenance of the NPT regime.

Against this background, we welcome as a positive step the recent agreement between India and Pakistan prohibiting attacks against each other's nuclear installations. We very much hope that further practical confidence-building measures exemplified by this agreement will lead to the ultimate accession to the NPT and acceptance of the full scope of International Atomic Energy Agency safeguards by India and Pakistan.

The nuclear weapons states, who have a vital interest in the NPT, must play their part in its maintenance by fulfilling the obligations they have undertaken under Article VI of the Treaty to move towards nuclear disarmament. Specifically—and you know Australia and India are fully in agreement on this—they must move towards the conclusion of a Comprehensive Test Ban Treaty as a matter of urgency.

It will be apparent from all that I have said so far that many crucial international economic and security issues by their nature are susceptible to resolution only through the multilateral process.

As we move into the next decade, we will have to cope with new problems - such as the scourge of narcotics, other international forms of crime including terrorism, as well as other non-military threats to security. These problems require global solutions, and frankly we have been slow to mobilise to meet them.

The third point then to which we will need to devote time and effort over the coming years is the revitalisation of existing multilateral institutions and, where necessary, the creation of new ones.

Our commitment to multilateralism is based on our belief in the importance of establishing and enforcing acceptable norms of international behaviour. As international law extends beyond traditional land boundaries to cover first the sea and now outer space as well, we are concerned to seek that the totality of interests of humanity are well protected. For Australia and India, this will be a welcome task, because we have been among the most prominent multilateralists in the international community.

The multilateral dialogue between India and Australia in diverse fields - arms control, decolonisation, economic and trade issues, apartheid and human rights - represents a substantial component in the sum of contacts between our two countries. Our differences on some key issues make this dialogue all the more important, not less.

Among the problems requiring urgent multilateral action perhaps the most serious is the growing threat to our natural environment. Greatly increased emission of greenhouse gases is threatening to bring about potentially cataclysmic global climatic change. Tropical forests are being destroyed at a disastrous rate. The ozone layer is thinning from the release of large quantities of chlorofluorocarbons into the atmosphere.

With the threat of nuclear holocaust diminishing as arms control negotiations continue, the equally potent but more insidious threat of environmental disaster is quite rightly generating growing community concern around the world.

Likewise, the negotiated reductions of the nuclear arsenals prove that, with good will and mutual trust, mankind can consciously enhance the prospects for environmental protection.

At a time when economic growth is so vital to raising living standards, especially in less developed nations, there is a genuine and growing belief - sometimes bordering on fear and despair - that economic growth is jeopardising our capacity to bequeath to our children their rightful heritage: the irreplaceable beauty and value of the forests and jungles, the rivers and oceans, even the air we breathe.

I reject the doctrine of despair that the twin goals of economic growth and environmental security are incompatible.

But I recognise resolution of the dilemma will require co-ordinated action of the most careful, and yet the most decisive, nature by governments and individuals.

For Australia's part, we have these issues firmly on my Government's policy agenda. Last year I initiated work by my Ministers to develop Australia's strategy to contribute to international environmental action.

I believe we are seeing a greater responsiveness, a greater preparedness to act, throughout the world, and that political commitment to environmental protection will intensify during the year.

I am also pleased that the environment will be a major theme at our next Commonwealth Heads of Government meeting.

Ladies and gentlemen,

As we prepare to enter the 1990s and to face the three tasks I have outlined so far, the network of friendly international relations, such as exists between Australia and India, will continue to be a great asset.

India and Australia have always been friends.

Now it is time to consolidate our relationship.

It is my belief that, in this changing world of growing economic interdependence, we are going to need each other more.

Australia and India must do more to exploit the great potential of our economic relationship. I am delighted that in our talks over the past two days, Prime Minister Gandhi and I have agreed on steps to accomplish this.

Closer links between Australia and India will serve not only the interests of our two countries, important though that is. They will also make a contribution to the stability and wellbeing of the region and to our ability to work together in helping shape the international environment.

Ladies and gentlemen,

There is one other important bond between India and Australia and it should not be overlooked in this attempt of mine to review the opportunities and challenges faced by the international community in the decade leading to the 21st century.

I said before that there were four essential tasks for the future. So far I have only given you three.

The fourth is the keystone to them all: the need to preserve and expand the practices of democracy.

In the capital city of the world's largest democracy, I can say with conviction and pride that Australians, like Indians, place absolute confidence in the abiding qualities of a democratic society: individual liberty, the just rule of law, tolerance of diversity and free and fair participation in the machinery of representative government.

You know as well as I do, Prime Minister, the occasional frustrations of democratic leadership. But robust debate and time consuming negotiations are essential elements of democratic government and provide the best way towards the formulation and implementation of effective policy.

It was your grandfather who put it this way: "Democracy is good. I say this because other systems are worse."

Our peoples are fortunate indeed to be entering the 1990s equipped in the best possible way for the tasks ahead - equipped with the knowledge, based on our deepest experience, that those societies built on the principles and practices of democracy will be the most successful and will foster the greatest good for its people.

I feel profoundly privileged to have been given the opportunity of leadership of a democratic nation at this time of immense global change, of breathtaking opportunity, of profound challenge.

We are here to celebrate Mrs Gandhi - her memory and her achievements. Hers were harsh and dangerous times - times when the nuclear danger seemed to grow almost with a life of its own, despite the best efforts and intentions of men and women of good will - times when great concepts of liberty, justice, and equality, manifested in the struggle for decolonisation and against racism, became snared in the entangling web of the East/West conflict - times when the scientific and technological fruits of man's labours did far less than they could to overcome the poverty and suffering of millions.

We who have come after her are privileged to live in a different time, a new era. We can do no better for her memory than to seize these new hopes and new possibilities with the same largeness of heart, generosity of spirit, and single-minded determination which she showed throughout her life and work.

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