



PRIME MINISTER

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E & O B - PROOF ONLY

PM: Well I would like to say at the outset how indebted to President Bush. He's made so much of his time available today at Camp David and then on the golf course. Obviously we covered a great range of subjects. I think we spent more time talking on China than any other single issue. I am pleased to say that the position of the President and myself is at one. That is that of course firstly, we totally condemn the barbarism that has been exhibited by the Chinese leadership in the putting down of peaceful protests in their country and the continued persecution of those who've been involved with peaceful demonstrations. At the same time we recognise that it is the interests of China that the processes of economic reform should continue and therefore there is as I said before - and the President agrees with me - that there's a fine line has to be walked between continuing our condemnation of what has happened and trying to ensure that the West maintains a capacity to assist the processes of economic reform. We are agreed that that is precisely what needs to be done. We of course have the advantage of each of us having a particular knowledge and personal involvement with China - the President from his time as Ambassador there and I of course in the lengthy discussions I've had over many years with the Chinese leadership - and from our shared perspectives I think it is important for Australia and the United States and the West generally, that we have this identity of view - a view which I may say is basically also being shared with me by the leadership in France and in Great Britain.

Other topics that we covered in our discussions were my regional initiatives with regard to the Asia Pacific region and I think I can say that there is a general support for our approach and I hope that together we will be able to advance this initiative. Of course we are conscious of the need to ensure that there is full support from the ASEAN group of countries. I think together we will be able, I hope, to get that support so that by the end of the year we will be able to have the ministerial meeting at which I have been aiming.

We had discussions also about the general question of East-West relations and in particular the initiatives that the President has recently taken in the area of disarmament talks in the NATO context. I indicated the support which I have given to that initiative and it is part of the wider constructive approach of the United States Administration in which President Bush has in his own way and put his own stamp upon it now, continued the initiatives and approaches of his predecessor, President Reagan. I indicated to him that in these initiatives he has the full support of the Australian Government and we hope to see a continuation of those initiatives in the particular areas that they had raised in regard to conventional forces in Europe and also, of course, in the START negotiations.

I also discussed with the President the question of a Chemical Weapons Convention because it is well known that the President has a particular interest in this matter. He raised the issue during his campaign. He is aware of and appreciates the degree of support which my Government has provided in this area generally and in particular on the conference that we will be hosting in Australia later this year in which Government and industry will be meeting to discuss the ways in which together we can work towards the achievement of a relevant Convention.

I also of course took the opportunity of talking with the President about our concerns in the area of agriculture and we had a very useful discussion about that, which of course is not yet completed. It will be the subject of talks that I'll have tomorrow and further talks on Tuesday with the President and also think there will be the opportunity of discussing this issue with Members of Congress in the next couple of days.

I also talked with the President in regard to the Antarctic issues and as we have known from the beginning, there has been no doubt that the United States - seeing as it signed the Convention last year - has a particular view about it. The President was interested to hear our position. I indicated that I would be outlining our views through my address to the Press Club tomorrow and he understands this and believes that while there are the differences that we know between us, it is an area that we should continue to have discussions on over the weeks and the months ahead, and we will do that.

There are some other matters obviously that we talked about but in terms of major issues of substance those are the ones that took up most of our time, that is when we weren't together playing a very congenial game of golf.

JOURNALIST: Prime Minister you appear to have been ...

PM: Well I'm glad you noticed that. It is the case that if you look at the whole of this trip we've had remarkable access in France to the Prime Minister there, the President, the foreign minister, and of course we could not have had greater access in the United Kingdom than we had there. Now this is our third stop and again, we are having remarkable access to the leadership of the United States. My modesty doesn't permit me from saying that this has something to do with the personal relationships that I've been able to establish now over six years as Prime Minister and particularly in the case of my very good friend, George Bush. Our relationship goes back over the whole of that period of time. In his capacity as Vice President I got to know him very well, we formed a very firm friendship, there was mutual respect between us established, and in the case of Hazel as well. With Hazel and Barbara I think it is a very warm, personal relationship that we have with the Bush's and I'm very appreciative of the way in which quite obviously the President has made the decision that he would make not only a great deal of his own time available to me in the very congenial atmosphere of Camp David, as well as on the golf course, and again of course on Tuesday when I meet with him then in the formal visit sessions and when he gives the dinner on Tuesday night. It is indeed a remarkable access, I'm terribly grateful to him for it. It not only reflects the personal relationships that I've developed, but also I think it reflects a judgement by the Bush Administration as in the case of the predecessor, Reagan Administration, that the Hawke Government is one under which as they have said on the public record and privately, that the relations between Australia and the United States have never been on a firmer, sounder, more constructive basis than they are now. We have worked at that because we believe that the alliance relationship between our two countries remains of foundational importance. I believe that we have a situation where that friendship based upon shared commitments to the same ideals has the flexibility, springing from the fact that we recognise one another's integrity so that where we do have differences we are able to put them straight forwardly on the basis of a strong friendship. That has meant that this demonstration - as with the Reagan Administration - respects our positions, the strength of our commitment to shared ideals, the way in which we in our region work to discharge the obligations that we have and in all relevant bilateral and multilateral forms, have worked over the past six years to advance shared causes.

(PM cont) So what we are witnessing on this visit is the outcome of all those things I believe.

JOURNALIST: Inaudible

PM: I very clearly can't go into all the details of that but I think I do know in justice to my friend George Bush and the confidentiality of our discussions, if I say that we both recognise that if there were to be further moves particularly against student leaders, there is at this point have not been significantly involved in the executions that have been pursued that he has basically ... what people that were involved in the train incident in Shanghai and ... leaders. But if there were to be significant moves against the student leaders then obviously there would have to be an appraisal by us of just where we went. What we both feel very strongly is that we need in our respective ways to make it clear to the Chinese leadership that not only is that sort of action morally unacceptable, but that it is profoundly against the interests of a China that would wish to continue with the processes of economic reform and opening up to the rest of the world. It's very interesting to note that in the meeting which concluded yesterday of the - which was a continuation of the ... Central Committee and of the Politburo, that in the statements that came out of that, they indicated that ... proposals that they had and the second one was the intention to keep going the momentum of economic reform and opening up to the outside world. Now both the President and I agree that if they are going to be able to do those things - and it is in the interests of China and the rest of the world as they should - then they will make that the more difficult if they were in fact to proceed down the path of further executions.

JOURNALIST: Mr Prime Minister ... could you sum up what you said before we arrived please?

PRIME MINISTER: Yes, very well, I can say that we covered a range of subjects, the issue on which we spent most time was China, and I've indicated I, in regard to that area of discussion, that the President and I shared basically the same perspective, and that is firstly that the condemnation by our countries in the West of what they have done barbarically to suppress dissent is unacceptable, that we should, within that framework however, try to ensure that the processes of economic reform and opening up to the rest of the world are able to continue. We recognise that will involve the walking of, as I put it, a fine line, but we do believe from a few perspectives that we have, and let me say, as I indicated, that both the President and I have as fairly detailed and intimate knowledge of China, he from his period there as Ambassador, and I from long periods of detailed discussion in China and Australia with leaders of China, and from that different but shared perspective we enjoy, we are at one essentially on this issue. I referred to the fact also that we talked about my regional initiative and I talked about that both with the President and to a limited extent Secretary of State Baker, and there is a fundamental support for the concept that I have advanced and I believe that together we will attempt to bring about a situation where we will be able to have the ministerial meeting before the end of this year which had been hope that I have expressed now for some time.

I also covered the subject of the Antarctic and there the President acknowledged our position as being different from theirs. It was a very friendly discussion and he acknowledged that I would be putting our position while here, and while we did have a different perspective - one of which we've of course known from the outset, certainly given the fact that they'd signed the Convention of last year - we will consider to discuss this issue to try to get outcomes which as far as possible meet the shared basic objectives that we have. Also I discussed with him the question of the Chemical weapons convention where it is acknowledged that the President has a personal interest in this issue and we of course have taken considerable initiative in this area, including the holding of a conference later this year in Australia and at Government and industry level. And it's our hope I can say that there will be moves towards the establishment of a comprehensive chemical weapons convention.

We talked about also the question of agricultural policies here and the President acknowledged our position and expressed the hope that I would be putting our position quite clearly in both talks with the administration and anyone from the Congress that we would be meeting. I indicated we would do that. It is our hope - our shared hope - that in this matter that where we do have some differences, that there is no way that we will allow that to disrupt our relationship because our shared commitments on such a wide range of other issues are such that we would not allow that to happen. We do have equally shared commitments to try to ensure that the processes of the multilateral trade negotiations shall go forward with a shared objective of trying to reach a position by the end of that round at the end of 1990 and where there will (PM cont) be a commitment to the elimination of the processes of subsidisation which have distorted international trade and agriculture. Those are major issues.

JOURNALIST: Did the President put any particular view about how the regional initiative might evolve?

PM: Well we've had some discussion and I don't want to go into detail as some of it is appropriate for further discussion between us. But I think they really are at one with us and there will be the opportunity to advance this at the ASEAN Ministerial Council Meeting, where they of course will be represented, and of course we will. We will develop the idea further but we share the view that it does seem appropriate to aim for a ministerial meeting at the end of this year, and we will need to formulate in the period up 'til then the issues that we want to be dealt with by the ministerial meeting. They will be issues of the composition of the group, the sorts of areas we want to be dealt with in a continuing sort of forum, and of course we agree that they are basically economic and trading issues because we are not looking at the establishment of some political grouping because essentially that function within the region is covered by ASEAN and the ASEAN post-ministerial council meeting. So we are waiting a decision...

JOURNALIST: Would we be hosting this ministerial meeting in Australia?

PM: Well that's to be decided. But I can say in the very extensive discussions that have been led on our part by Dick Woolcott - the Secretary of Foreign Affairs and Trade - who has gone round to all these countries now, there does seem to be a view on the part of all the people that we've spoken to that Australia will probably host it. What we've said is well look, we're not saying it's got to be Australia, our concern is that the concept be developed. Of course if they would like us to host it and it seems to me to be a case that they would, then of course we are more than happy to do it.

JOURNALIST: Do you have any fears that the Americans might gazump your idea and make it one of their own?

PM: Not at all.

JOURNALIST: Prime Minister, do you know what level the American participation will be?

PM: Have what meeting?

JOURNALIST: The ministerial meeting.

PM: Well it would be the equivalent of Ministers. I mean they would have to have a number of members of the administration whose interest would be involved in such a meeting and that would be for them to decide. Obviously, if the meeting goes ahead and I hope it will, represented by the appropriate members of the administration.

JOURNALIST: What do Americans particularly find attractive about the initiative?

PM: Well simply that what I have done is to really process an idea that had been in a sense expoused by some people that without ever doing anything about it - that is that there is recognition that here we have the most dynamic growth region of the world - the Asia-Pacific region, and that quite clearly there can be advantages for members of that region if there is a greater degree of understanding of the development within the individual economies of that region, the examination of the opportunities advancing the complimentarities of those economies, how we can together examine issues of trade and to be a further force for a liberalised international trading system, and that rather than just having some ad hoc meeting to consider these issues, that there is some virtue in looking, not at the creation of some massive institution, but there seems to be a view that it would make sense to have at least some small institution coming out of those meetings that we are talking about, which would facilitate the ongoing consideration of those issues to which I have referred.

JOURNALIST: Back on China, can you confirm that you and Mr Bush did discuss escalating action against the Chinese ?

PM: Look, we didn't say if they continue how will we escalate action, it's putting the wrong emphasis. What we have said is, I repeat, so that you get the context of it right. At one in total condemnation of what's happened. At one in saying that it would be against the interests of the people of China, the region and of the world, however the aftermath of what happened that the world close down on China because if its driven in on itself, that will mean these things:

(1) That the processes of repression are more likely to continue;

(2) That the ability for economic reform would be very much more restricted because of the involvement of the rest of the world in those processes of reforms which is essential really if it's going to go ahead and we share the view that it is the more likely that political reform will come out of a situation where economic reform's going ahead. So what we were really saying was now no, if that doesn't happen, and there is an escalation of violence and executions what do we then do because it is our hope as a result of adopting the sort of attitudes that we've talked about that those things won't happen because there will be a realisation on the part of the Chinese authorities that if they go that far then we would have no alternative other than to take a more economically aggressive attitude.

But we are hopeful that if that sort of situation arose, as we indicated to one another in our discussions, if the optimism that we share turns out not to be well founded, then in those circumstances we will have to talk together and with others about what the course of action will be.

JOURNALIST: What grounds for optimism does the new leadership give you?

PM: Well I was just saying earlier, I don't know whether you were here, that in the statement that came out of the meeting that went on from the 19th to the 21st - the Central Committee Meeting - and then they went to the Politburo meeting, and out of those meetings there came a statement which included, as one of the propositions, the view that economic reform should continue, and the opening of the outside world as part of the economic reform should continue. So it is in that sense hopeful that they will understand the chances and the opportunities of that occurring are diminished if they are going to pursue an unacceptable line of action in regard to professional executions.

JOURNALIST: On the Antarctic, is it the American position that they don't want to permanently close off their options for mining? And if that is so ...Inaudible

PM: Don't put this as though there's some surprise that what we're finding out about the American position. When we took our position in Cabinet we were totally aware, totally aware, because they'd signed it, the Convention, at the end of last year. Now there is no doubt that we knew exactly what the American position was. There is some impression that it was just found out with a degree of surprise that American position. But we took our position with full knowledge of what the American position was. What I'm saying to you is that in signing that Convention the view of the Americans was that it provided a framework obviously within which they thought mining could go ahead in acceptable fashion. Now our position made quite clear as I will be saying tomorrow, that we think mining should not go ahead. We don't think it is appropriate to have as an instrument for stopping mining a mining convention. So there's nothing new that suddenly emerged in this issue. All that we are doing now is that we have the opportunity of explaining our position to our friends here in the United States and as the President said to me today; I hope that you will, and let's discuss it. But there is no indication from him that they are going to change it - their position. But it's a relationship of intelligent friendship that if we have a difference, let's talk it over.

JOURNALIST: I thought you said earlier that you shared the same objectives.

PM: What we do is share as we do with France, and as we do I think with the United Kingdom, that this pristine environment, this vast wilderness of the world, should be protected - that action should be taken to protect it. Now the position, the assumption of our friends here and in a number of other countries is that it can be done, that in the framework of the convention. Our view is that you can't say we share the objective of trying to protect that area as the Americans and our other friends think it can be done by a convention. We don't share that view.

JOURNALIST: Do you believe that the big oil spills here in the last few days might add to public opinion?

PM: It may do. We certainly know that the Exxon Valdez tragedy has moved to accelerate public opinion not only in this country but in other parts of the world. The dangers that can occur in these sorts of environments flowing from the spills, and I would think also from the exploratory activities - I think that sort of incident must add to the opinion. To what extent it will in this country and elsewhere, I just can't say, but it must have some impact I would think.

JOURNALIST: Are you going soft on criticism of American agricultural policies?

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PM: No, I'm not going soft on it. What I am saying, as I said before I left Australia, before I got on the aircraft, I said I am not going to allow the issue - and I never intended that I would allow our differences on this issue - to mar the relationship between our two countries. It is far too important to be marred by this issue, and some go back over a long period of time. There have been those who have advanced the view that we should put the joint facilities on the table. I have said at all points that is not an acceptable approach. As far as I am concerned, as my government is concerned, the things that we are united upon, the things in respect to which we act together on such a broad range of issues, whether you look at the actual alliance relationship or if you look at the way we pursue the issues between East and West, and you look at the Chemical Weapons Convention - whatever in a range of issues you want to look at, in all of them we have so many shared positions, which are important for our people, to their people and for the rest of the world. It would be an act of irresponsibility to allow this issue to disrupt that relationship. That doesn't mean that I won't be putting our positions strongly. You will see in the speech that I make tomorrow at the Press Club that I will be putting our position quite strongly and we will continue, and the President understands this. We will continue to do that.

JOURNALIST: One question about the new American Ambassador to Australia, Mel Sembler. Are you happy with his qualifications?

PM: Yes I am. I had the opportunity of meeting Mr Sembler at dinner last night with the Vice-President. It was the first opportunity I have had to meet him and his wife. I was very favourably impressed by him. He seems to me a very intelligent person. He is without doubt a person who has taken great pains in recent weeks to acquaint himself with Australia, Australian issues and issues between our two countries. He also, from our point of view, has the very great advantage of access to and close friendship with the President. I think it's impossible to overstate the importance of that fact in the Ambassadorship.

JOURNALIST: Mr Duffy made a new strong attack on the EEP yesterday. Do you share his attitude ...inaudible... and did he check with you before making the statement?

PM: No, he didn't check with me. We have had discussions before I left Australia generally. But I don't sit down and tell each of my Ministers how they will express themselves. I have not done that for six years and I do not intend to do it now. But I will be putting the position here to the President and to the relevant Administration officials. I think the total of representation that I make, that Mr Duffy makes in his environment, and that Senator Evans will make in his, that John Kerin will make in his - that there will be no doubt at all in the minds of our American friends that we feel strongly about this issue, and the important thing that I will be stressing is that what we have got to do in this period between now and the end of 1990, where because of the level of wheat stocks and wheat prices, that in that period we are not going to suffer as we have in earlier periods, that we should use our very best endeavors together in the Multilateral Trade Negotiation round to achieve the position where in that framework, subsidisation of agriculture and distorting export subsidies are going to be eliminated. That's an objective which the United States and we share and we do have the real opportunity between now and the end of 1990 to work the achieve that.

JOURNALIST: The President told us today that he wants to come to Australia soon. Are you going to reinvite him?

PM: I have already invited him.

JOURNALIST: When, today?

PM: I have invited him before today. When I was here last year I told him that we wanted to see him in Australia and I renewed the invitation today.

JOURNALIST: How did the golf finish?

PM: Well the President had a very good partner in Bob Michel. He was the best player and they just got up. It was a very, very enjoyable game.

JOURNALIST: What was the scores?

PM: They just got up.

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