



(5)

PRIME MINISTER

CHECK AGAINST DELIVERY

EMBARGOED UNTIL DELIVERY

**SPEECH BY THE PRIME MINISTER
FOREIGN CORRESPONDENTS' CLUB
SYDNEY - 10 DECEMBER 1990**

I very much welcome the opportunity to speak to you today. From our different perspectives - I, as the Prime Minister of a country profoundly concerned with international developments and you, as correspondents reporting on those developments - we share a deep interest in the fascinating and crucial transition underway in international relations. How that transition is managed and where it comes out will provide the international backdrop for all the objectives Australia must pursue in the 1990s - economic, social, even environmental - and will have a major impact on our lives.

Now these issues have a very broad sweep. But there is no more relevant starting point than the immediate crisis at the top of the international agenda right now. For in the crisis in the Gulf are encapsulated many of the more general lessons and challenges crucial to international affairs in the last decade of this century.

My friends

In my statement to the Parliament last week I listed a number of reasons why Australia's interests warranted our active involvement in efforts to resolve the Gulf crisis to the point - a most grave and serious point - of military involvement in a possible conflict. I said then that the interest which stood higher than all others was the establishment and maintenance of an international order based on the principles enshrined in the Charter of the United Nations: that international disputes must not be settled by force; that national borders must be respected; and that aggressors must not be permitted to prevail.

This was no effort to cloak in the language of principles some other Australian motive in the Gulf. It was not a rhetorical exercise in giving our involvement respectability. Above all, it was not some abstract, intangible and obscure objective of which I was speaking. I was talking here about concrete, vital Australian interests.

Of these Australian interests the more narrow and direct is this - that if this geographically vast country of only 17 million people were ever to be threatened we would certainly want the international community, through the United Nations, standing resolutely with us. And the same is true of our friends in the region should any threat to them emerge.

If Iraq is expelled from Kuwait - whether peacefully, as we most earnestly hope, or otherwise - through the resolve of the United Nations to stand up for its principles, an immensely important precedent will have been set. This country - all countries - can feel more secure. Were the outcome to go the other way, with the world acquiescing in invasion, occupation and annexation of one country by a powerful and brutal neighbour, then this country - all countries - must feel less secure.

The broader but no less concrete reason for standing up in this crisis for the principles of the United Nations is that those are the principles which must govern the new international order which is emerging. With international relations in a state of tremendous flux - with an imperative need to mould and shape the outcome - the United Nations principles provide our guideropes for moving forward, the sure footing for the steps we take.

Let me go further. Our guideropes are not just the political principles enshrined in the United Nations Charter. They are also the principles of fair and open international trade which form the foundational objectives of the GATT. They are the principles of economic development and sound, market oriented economic management which govern the World Bank and the IMF. They are the principles of a better quality of life in so many fields which provide the fundamental rationale for the United Nations Specialised Agencies.

Ladies and gentlemen,

We will face in the 1990s both an immense opportunity and an immense challenge to have those principles implemented in practice. The opportunity arises because the many beneficial changes in the world in the past couple of years justifiably give us heart. The challenge arises because very significant problems in the world remain to remind us how difficult the task will be.

Despite the difficulties and dangers in the new world which is emerging, and to which I shall refer in a moment, none of us in our right minds would want to go back to the old one. The journey the world is now making is not only one we cannot avoid; it is one we should never want to avoid.

The transformation of East-West relations would be reason enough not to go back.

It is now more than twelve months since we shared that euphoric sense of satisfaction when the Berlin Wall came tumbling down. In seeing those photographs and hearing those news reports of the triumphant crowds of Germans surging around and over the wall, many of them single-handedly starting to dismantle it with their own hammers and picks - in seeing those images of the tearful reunions of East and West - we became direct witnesses of history in the most dramatic and moving way.

That single event encapsulates the whole drama of Eastern Europe - the popular demands for freedom and justice that swept away the old regimes that had for decades oppressed not just the people of East Germany but also the people of Bulgaria, Czechoslovakia, Hungary, Poland and Romania.

But this has not just been of immense humanitarian importance for the people of those nations. It has been of fundamental geopolitical importance. The strategic fault line in the Central European theatre has been bridged with the reunification of the two Germanies. And in Paris last month leaders representing most of Europe met under the auspices of the CSCE to sign what amounted to a formal end to the Cold War.

The two superpowers - for so long deeply antagonistic, armed to the teeth, capable of global nuclear annihilation, and engaged in competition and rivalry for the highest stakes on a global chessboard - have utterly transformed their relationship. That the spectre of nuclear holocaust has thus faded and that superpower tensions are no longer engaged in virtually every regional trouble spot provide ample reason for the rest of the world to applaud.

For us in Australia these events are important not just for their effects far away in Europe - they will increasingly alter the strategic picture in the Asia-Pacific region. And they occur against the background of profound and beneficial change already underway.

We no longer live in a region characterised by under-development, instability and conflict, but overwhelmingly by economic dynamism and political stability. The attitude of Australians towards our region, twenty years ago characterised by uncertainty, apprehension and even fear, has changed fundamentally. Many Australians would once have wished to keep the region at arms length. But today our declared policy of enmeshment with the region is accepted within the community.

But, my friends, despite all the initial euphoria about the end of the Cold War, despite all the confident talk of the Pacific Century, despite all the revitalisation of the UN, we still face questions that are deeply troubling. They are questions, in their way, as profound and as challenging as the ones that preceded them. Indeed some of the new problems - though not all - have their seeds in the very accomplishments to which I have already referred.

The disintegration of the Soviet economy, conceivably even of the Soviet Union itself, places a very large question mark over the direction of future events. And the ousted Eastern European regimes have bequeathed to their democratic successors huge problems of economic management and social and political adjustment.

Developments in our own region have not been universally benign. To take only one example, China's progress towards modernisation and liberalisation came to a jarring halt in Tienanmen Square. And five of the seven avowedly communist countries left in the world are in our region.

Again, who can take as read an optimistic prognosis for the world economy in circumstances of economic downturn in a number of key countries? Who can be optimistic about the economic structure itself given the crisis in the Uruguay Round of trade negotiations? At worst - but far from fancifully - we must fear the possibility of a global slide into trading blocs with all the political as well as economic tension which that implies; a new autarky of which I have consistently warned.

And let me say here that the fact that blame for this crisis lies directly with the European Community could put the single European market planned for 1992 into a totally new light.

The process of European economic integration has been one of the great and beneficial acts of statesmanship of our century. I do not say this lightly. I mean that it has been instrumental in breaking a pattern of conflict between the nations of Western Europe which has lasted literally for centuries. It has been integral to West European prosperity. So I have no negative views about the European Community as such; on the contrary.

But if European leaders were unable to show the political courage to withstand their farm lobbies; if they were unable to do this even though the interests of their consumers and of their industries would so obviously be enhanced by trade liberalisation; if they were unable to do this where the insanity of protectionism was so forcefully and logically argued by the international community, what conclusion is the rest of the world meant to draw? If Europe will sacrifice GATT to protect agriculture, how can we fail to fear that Europe '92 will be Fortress '92 - a self-seeking and powerful trade bloc where it could and should be an outward-looking and constructive world leader.

As well as these new problems, profound global problems of long-standing remain. The problem of economic under-development in much of the Third World is still with us. We still have the tragedy of hunger in Africa, a continent which has the capacity, with appropriate economic policies, to be an exporter of food. Population pressures increase. Global environmental degradation threatens humankind in ways which are ultimately as significant as, albeit more gradual and insidious than, the nuclear threat.

And last, of course, the crisis in the Gulf brings home to us that the new world order will not necessarily be a peaceful and safe world order.

Ladies and gentlemen,

We must not, therefore, be naively optimistic about future international relations. My belief is rather that while the challenges in a new, fluid, multipolar world are different, they are no lesser challenges for our foreign policy than those of managing the static certainties of the old bipolar world order.

Now I do not wish to press this argument to the point of saying that the decades of stability - albeit stability founded to some extent on mutual fear - since the Second World War will give way to fragmentation of the world order, to political and economic chaos. A new order of some sort will emerge. But we should worry about what the nature of that new order will be. That it will be good for our interests and good for the world is not pre-ordained - we must act to make it so.

I put it to you that the challenge of 1990 is analogous to the challenge of 1945. Just as the generation of 1945 restructured the world after the devastation of war, so we are faced today with the challenge of building a new architecture in the aftermath of the Cold War.

The challenge this time is to ensure that peace will be guaranteed not through a balance of power between East and West but through international co-operation - the application of enlightened self interest in an interconnected world.

The challenge this time is to make sure that the eloquent principles of the United Nations concerning respect for sovereignty and peaceful dispute settlement are enshrined not just in the Charter but in the real world by giving them concrete backing.

The challenge this time is not to build new global institutions for peace but to make a concentrated effort to resolve the key regional conflicts.

The challenge this time is to ensure that vertical and horizontal escalation in weapons of mass destruction gives way to the most rapid possible de-escalation consistent with stability.

The challenge this time is to ensure that peace is founded on democratisation, political and social liberalisation and a shift to the efficiencies of the market system in the Soviet Union, Eastern Europe and even, in time, China once again - and throughout the world.

The challenge this time is to understand that it is not only pointless, but massively hypocritical, to insist upon market economics in the former command economies and the Third World if we do not heed exactly the same injunction in the international trading system.

And the challenge this time is to achieve a higher collective global intelligence among nations in dealing with new agenda problems such as the environment.

Ladies and gentlemen,

The key to translating this list of challenges into policies for tackling them is to recognise the assets which we can bring to bear.

The first, I suggest, is the international institutions bequeathed to us at the end of the Second World War. The United Nations, the Specialised Agencies and the international institutions of Bretton Woods represent, at their heart, the finest and most wise aspirations of those who sought, when peace came in 1945, to rebuild a world without war. Far from being redundant, they are now more essential than ever as we try to structure a new and better international environment.

But we cannot take these assets for granted - we need to make them work.

This is why more is involved in Security Council Resolution 678 than an effort to resolve today's crisis in the Persian Gulf. It is exactly because we are on the edge of a new era that the precedent of resolute, collective response to naked aggression must be established.

It is why more is involved in the present crisis in the trade negotiations than whether or not the Uruguay Round fails or succeeds. It is exactly because we are on the edge of a new era, in which prosperity will depend critically on support for the GATT and its principles, that failure now would constitute such a tremendous setback. It is not that we are at some blockage along a road; we are at a crossroad, and which way we turn will carry profound implications for better or worse for the whole international economic system of the future.

The second asset which I suggest we have is the habit of co-operation and the common values and objectives of the West.

A grouping of nations formerly preoccupied with military security now has the need to re-think its collective priorities: to show that its members shared not just a common fear of the Soviet bloc, but a positive set of ideals. And to show that the West is not prepared just to fight to preserve those values; it is prepared to work to propagate them.

That would serve Australia's interests. It is in our interest that the democratic system should expand throughout the world - the track record shows that democracies do not wage war on one another. It is in our interest - as well as in line with our most deep-seated convictions - that concepts of individual liberty and human rights should take hold in places where they have long been denied. And it is in our interests as well as those of people who yearn for a better life in many parts of the world, that market economic systems should be adopted.

These are pre-eminently the values of the West and should, I propose, unite the Western community in the new era, as the fear of military threat fades. I would like, in short, to see the collective sense of purpose which was earlier directed to military security now be directed as well to the challenges which I listed earlier.

It is pre-eminently the West which can assist change in the Soviet Union and Eastern Europe. It is pre-eminently the West which should show leadership on international trade because the free market is a Western invention. It is the West which can lead in giving effect to United Nations' principles - either through the United Nations itself or outside it - because these are essentially Western principles.

For example, the West ought to be able to make a greater impact collectively than it has in the past in the search for peace between Israel and its neighbours and in facilitating the transition to a post-apartheid regime in South Africa.

If this asset is to be effective, the role played in the coming years by the three key components of the Western community - the United States, the European Community and Japan - will be of critical importance.

I do not say that United States foreign policy has always been perfect but, on the whole, from the far-sighted and enlightened example of United States policies in the immediate post-war period up until the Persian Gulf today, the international community owes much to America's contribution.

We do not want that contribution to wane; but equally the task of shaping a new world order cannot be left solely to the United States. And because of the relative shift of economic power, the scope for others to bear more of the burden and the responsibility is clearly with Western Europe and Japan.

This was the wider framework in which, on my recent visit to Japan, I called for that country - a country now committed to democracy, the rule of law, market economics - not to hold back but to take on a more constructive international role more commensurate with its economic power. And this is the wider framework in which I call upon the countries of the European Community to avoid every temptation of inward-looking complacency and narrow short term self-interest and to stand for something in the world as the United States, notwithstanding its imperfections, has so clearly done.

If the West Europeans would put into the quest for a better global world order only one tenth of the extraordinary vision and boldness they put into the development of their own Community the cause would be greatly advanced. If the Japanese would put into the global effort only one tenth of the amazing determination and innovation they put into their own economic reconstruction our confidence in the outcome would grow.

Ladies and gentlemen,

A third asset which we have in facing the new challenges and realising the new opportunities is regional confidence in Asia and the Pacific.

Our region can, through its own internal behaviour, help set an example in the world. If Germany and Japan were the economic miracles of the 1950s and 1960s, countries elsewhere in Asia were the economic miracles of the 1970s and 1980s. And, from the outset, one of the objectives of APEC has been the encouragement by the region of fair and open international trade as a key to global prosperity.

But beyond that, our region is capable of demonstrating the capacity of countries not so long ago torn by conflict, countries with traditional rivalries, countries at different stages of development, and countries of great cultural diversity to cooperate together.

Now in all of these contexts - the UN and other international institutions, the Western community of nations, the Asia-Pacific region - Australia is well placed to play a role. There are a myriad of specific interests which Australia must pursue and protect in bilateral dealings with other countries. And this will always be vital in our foreign, defence, trade and international economic policies. But in terms of contributing to the larger reshaping of international relations it will be by working with others that we will work most effectively.

This commitment to multilateralism must be a guiding approach in our foreign policy in the decade ahead. At any time that would make sense for a middle power. But at a time of international flux and change unequalled since the late 40s it is crucial.

And, ladies and gentlemen, this is exactly the course on which we have embarked.

Our rapid and firm support for the United Nations' stand against Iraq testifies to our commitment to multilateralism. Our initiative in establishing the Cairns Group of like-minded agricultural exporting nations, which has been critical in having agriculture recognised as the lynch pin of the Uruguay Round, testifies to that. So does APEC. So does the effort with others to find a formula for peace in Cambodia. So does our effort with France to persuade other Antarctic Treaty countries to seek a permanent ban on mining in Antarctica. So does our leading role in the campaign to abolish chemical weapons, to achieve a comprehensive Test Ban Treaty and, in our own region, to establish the South Pacific Nuclear Free Zone. So does our work with our neighbours in the South Pacific Forum on issues ranging from economic development to environmental protection.

And in the Commonwealth we have led from the front in the campaign for change in South Africa through strategies now unambiguously vindicated by events.

Let me make this important observation. In facing a situation of rapid and unpredictable change in the world, one major advantage Australia has today - not the case a couple of decades ago - is that foreign policy is no longer perplexed by a national identity crisis.

Some issues then thought interesting, even important, are seen as utterly anachronistic today: Is Australia part of the developed country OECD "north" or do we in fact have more in common with the developing country, commodity exporting "south"? Are we part of Asia or an outrider of Europe? Should we get closer to the Non-Aligned or place ourselves squarely in the Western Alliance? Should we opt for Forward Defence or Fortress Australia?

We have, as a country, fortunately put these issues behind us. We know now that such choices were too simple. We are a developed country but in no way precluded from working with Third World commodity producers in pursuit of shared interests. We are part of Asia and the Pacific and this is certainly the region of our foreign policy priority - but Europe has given us much and we can gain much from it. We can be unambiguously a part of the West, but still collaborate with and respect countries whose posture is non-aligned. We can have a defence policy geared to protection of the Australian continent but still be involved with the security of regional neighbours.

As Australians we are now comfortable with a greater complexity in our view of the world and of ourselves. Simplistic thinking which led us to terribly costly mistakes in the past - as in Vietnam - will no longer plague us now as we face the challenges of a world in flux. Our analysis is far more sophisticated, our policy responses far more mature.

My friends,

I am deeply proud of this Government's foreign policy record. It has been clear-sighted, ahead of the game in a rapidly changing world, well-informed and creative. But perhaps most importantly we are, under this Government, no longer content passively to watch the world go by.

I do not proclaim on behalf of my Government that Australia can deliver a new world order - foreign policy without realism is futile. But I do proclaim on behalf of my Government that we shall contribute at this exciting, challenging and vital time in world affairs - for foreign policy without activism is empty.

And we shall play our part not just because we seek a better world order for its own sake. We are not embarked on some merely idealistic crusade. We will as well play our part for a much more direct reason - that only if we succeed in shaping a better world can we hope to achieve at home the aspirations we have for the Australian people - security, a better quality of life, above all greater economic opportunity - as we approach the next century.

* * * * *