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PNG settlement takes weight off Howard to concentrate on his Beijing mission

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UNDER the cloud of dramatic events at Australia's doorstep, there could not have been a greater weight off John Howard as he left for China last Wednesday.

Sir Julius Chan stepping aside as Prime Minister of Papua New Guinea was a relief as Howard embarked on what is seen as the most important overseas visit of his Prime Ministership.

Military conflict in PNG would have been a distraction that would test the mettle on a visit to China of a Prime Minister seen to be more at home on domestic issues than on foreign relations.

In the event, the outcome on PNG would not have been more encouraging. Canberra got what it wished for without having to take measures that would have left it open to accusations of interfering in the internal affairs of PNG.

The mercenaries, brought in by the PNG Government to deal with independence fighters of the Bougainville Revolutionary Army, have been expelled, a military solution to the crisis has been averted and the supremacy of the constitutional process affirmed.

For Australia, PNG has been an inherited responsibility since the administration of the territory passed to it as part of the British empire's carve-up of German possessions after World War I.

The territory, 48km from the Australian coast at the closest point, has looked up to Canberra since, even after independence in 1975.

PNG is the largest recipient of Australian foreign aid, and Australian development assistance, amounting to A\$320 million (RM608 million) a year, which is the largest injection of aid funds into PNG.

independence fighters of the Bougainville Revolutionary Army Chan's stepping down in favour of a caretaker Government restored an atmosphere of calm to rebuild a relationship that has deteriorated out of a suspicion of a paternalistic attitude in Canberra towards Port Moresby.

Chan had been a leading critic on this score. Howard will take comfort from an apparent change of heart.

Addressing the PNG Parliament on his stepping down, Chan praised Australia's role in PNG's development and pledged to review PNG's relationship with Australia should he get re-elected in June.

With Australia maintaining its standing among all the contending forces in PNG, this augurs well for Canberra mediating a negotiated settlement over Bougainville, where a reported 5,000 lives have been lost over nine years of fighting.

The immediate dividend is ease of mind for Howard to focus on his Beijing mission. Howard leaves Beijing today at the end of a six-day visit.

The visit, extensive by most measures of official visits of State, reflects the significance attached to the relationship and the complexities involved.

Bearing on the delicateness of the Howard mission is the interweaving of strategic and economic imperatives governing the relationship, and domestic expectations of Howard's defence of human rights.

An assessment of the gains will take time.

The trip was initially intended to include Malaysia.

That prior engagements of Prime Minister Datuk Seri Dr Mahathir Mohamad

ruled that out would not have been unwelcome for Howard.

A visit to Malaysia would have added to the complexities of an already extensive mission, at a time when the High Commission in Kuala Lumpur is in caretaker hands in between a change of High Commissioners.

Now, preparations for the visit, expected in the middle of the year, will be one of the immediate responsibilities of the new High Commissioner, the career diplomat Bob Cotton, named to the post last week.

The China mission marked the start of a year in which Howard will seek to erase perceptions of him as "a domestic issues politician in charge of a Government that has shown no great facility at foreign relations", as The Australian newspaper put it in an editorial.

Pencilled into Howard's itinerary is a visit to the United States and Europe.

China as the next stop, via Singapore, after Indonesia and Japan last September, puts the order of Canberra's priority in perspective.

A visit before Hong Kong reverts to Chinese rule on July 1 will avoid the exacerbation of tension over issues of democracy and human rights that may arise.

Howard is committed to a "sensible approach" on human rights.

As he said in Singapore before leaving for Shanghai, his style is to use "the methods of quiet discussion and dialogue".

With regard to Taiwan, Howard would have affirmed Australia's one-China policy as he sought to maintain the legitimacy of the commercial relationship.

Beijing would have been assured that Australia's close ties with the United States was not part of a conspiracy to contain China.

On the contrary, it is in Australia's interest, as it is that of the rest of the world, to engage China and vice-versa.

Howard intended that his visit should focus on the commonalities between Australia and China, working to their mutual benefit.

He carried that through his visit, exulting on areas of mutual interest in public and keeping differences that he and his hosts agreed to disagree in the private domain.

Recognition of the complementarity of economic interests is reflected in Howard's journey through China's economic hub, centred on Shanghai, on his way to Beijing.

In the official delegation are 18 of Australia's top corporate figures, representing what Howard described as the most senior and broadly representative business group to accompany an Australian Prime Minister on an overseas visit.

Australian business needs no reminder of China's potential.

With the return of Hong Kong, it would be Australia's second biggest trading partner after Japan.

Beyond the weight of bilateral trade, the directional shift in global trade would not have been lost on either China or Australia.

Increasing intra-regional trade among member nations of the European Union and the North American Free Trade Agreement is showing up in a decline of Asia's share of global trade, and a slowdown in Asian trade growth in 1996.

Economic commentators in Australia offer this development as one justification for the revitalisation of multilateral processes such as the Asia-Pacific Economic Co-operation forum, which the Howard administration had soft-pedalled in favour of building bilateral relations.

Howard himself was taken up with the virtues of regional approaches with his attendance at the Apec leaders meeting in Manila in November.

Beijing itself is keen for a role on the world stage. A big part of its ambition hinges on its membership in the World Trade Organisation, as it

seeks to build on its economic revolution.

Howard would have stressed the mutuality of interests for Australia and China in the global context.

The success of his Beijing mission will be measured on the extent to which he succeeded in balancing Australia's strategic and economic interests with domestic expectations in defence of human rights, beyond the bilateral relationship.

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