



# ON TARGET

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*The price of Freedom is eternal vigilance—*  
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**Thought for the Week:** "In the democratic countries, as Parliaments become assemblies of full-time professionals and the Party machines acquire complete control, the departments will only have to deal with their particular ministers who are becoming helpless agents of the 'competent channels' and overwhelmed by the complexity and volume of affairs and the routine of the conveyor belt of files."

- Sir David Kelly in "The Hungry Sheep". (1955)

**THE REAL THREAT TO AUSTRALIAN SECURITY:** It is ironic that Mr. David Combe should find himself in his present situation when it appears that his main interest in the Soviet is related to trade. Regular readers of this journal will recall how Mr. Doug Anthony, as Deputy Prime Minister in the Fraser Government, visited the Soviet for the purpose of promoting Australian products, particularly agricultural products, to the Soviet Union. The most elementary study of Communist strategy reveals the importance placed upon exploiting the "decadent capitalists" to assist the Soviet Union. Even the Reagan Administration, after making a futile attempt to persuade the Western Europeans not to make themselves dependent upon Soviet energy in the form of gas from Siberia, has continued to supply the Soviet with a most vital form of energy in the form of grain. If the Soviet were forced to grow more of its own food, it would have less manpower to allocate to the Red Army and its massive military build up.

We have over the years documented the role of Soviet espionage and the recruiting of traitors in non-Communist countries. It is vital that Australia has an effective security organisation. But how can a security organisation make a significant contribution to the defence of a nation when by its very nature it is neither equipped nor permitted to deal with all aspects of that defence. We have no hesitation in saying that the United Nations Organisation and its associate organisations like the United Nations Cultural and Security Organisation are a bigger threat to Australian security than anything KGB agents may be doing. Following in the footsteps of the Fraser Government, the Hawke Government is losing no time in proposing to ratify yet

another treaty with the United Nations. All forms of "discrimination against women" are to be abolished. The Communists at the UN are strong supporters of such "anti-discrimination" programmes. Reports indicated that following ratification, the Treaty will require the creation of two Australian commissioners under the Human Rights Commission established by the Fraser Government in 1981. We wonder how many Australians are aware that people giving evidence concerning alleged discrimination may do so anonymously as provided by Sections 12 and 15 of the Human Rights Commission Act. Fines of up to \$1000 or three months imprisonment may be imposed. There is no provision for appeal.

As demonstrated by its attitude to the Franklin River issue, the Hawke Government hopes to use its External Affairs powers to destroy the spirit of the Federal Constitution. Every advance in the influence of the UN in the internal affairs of nations like Australia is a further erosion of national security. The Marxists are delighted to have educational systems in the non-Communist world increasingly influenced by the Marxists of the United Nations Educational and Cultural Organisation. It was Lenin who said that Communists must capture the minds of the student intellectuals. The long list of Communist agents recruited from amongst University students is a striking testimony to the correctness of the Lenin view that the products of "higher education" are more likely to accept Marxism than others. How can ASIO or any other security organisation protect a nation against a perverted educational system?

The truth is that the main traitors in the West are those international financial groups who financed Bolshevism into power (see Antony Sutton's "Wall Street and The Bolshevik Revolution", \$7.00 posted) and have continued to sustain the Communist Empire ever since. Traitors like Kim Philby moved to Moscow permanently to avoid being imprisoned. But a recent American report says that the Rothschilds Brothers, Mr. Harry Oppenheimer of South Africa who juggles the world's diamond and gold markets in association with the Soviet, and Armand Hamer, a man who has provided enormous economic assistance to the Soviet, can all fly into the Soviet without visas, are provided with permanent luxury accommodation, and have instant access to all top Soviet officials. These and similar people are also traitors in a realistic sense. But they are accepted as reputable business men. Such is the plight of the West as it struggles for survival.

We agree that Mr. Hawke's handling of the Combe affair has been most inept and confirms our view that Mr. Hawke's messianic concepts will eventually be his undoing. In the meantime all the froth about the Combe affair tends to distract attention from the economic crisis and its deep-seated social consequences. And while the expulsion of

KGB agent Ivanov was justified, it obscured the fact that there are other KGB agents still in Australia. There is, for example, Mr. Les Koshliakov, another First Secretary at the Soviet Embassy, who also travels widely and attempts to cultivate as many Australians as possible. Soviet espionage activities in the West will continue so long as the West believes that it must have close economic links with the Soviet. Any suggestion of a complete economic boycott of the Communists would have the Rothschilds, Hamers and others using their enormous power to prevent such a policy. Has ASIO, or any other Western security organisation, ever filed a report on the activities of the International Bankers?

SELLING OUT AUSTRALIA: Mr. Hawke's rhetoric about the dangers of the projected deficit contrast with moves for increased overseas borrowing. Under the heading "Banks Jostle For Australian Loans", the latest issue of "Australian Business" (May 19, 1983) says: "One of the biggest economic decisions the Hawke Government will make this year is how much to borrow overseas. And that decision is also causing great excitement in New York. If the Austn. Government, as is likely, borrows as much as \$6-8 billion, then, with a management fee of between 0.875 & 1.5 percent the underwriters of the Austn. Government bonds stand to make between \$52 million and \$120 million. That's big money. It stimulates considerable excitement. As one Australian observer remarked: "I think the lads are rubbing their hands with glee." The "lads" include the biggest names in New York finance - Morgan Stanley, Salomon Brothers, Morgan Guarantee, Merrill Lynch, First Boston and Kidder Peabody. Australia's fiscal agent in New York has traditionally been the investment firm of Morgan Stanley. It often gives the lead underwriting assignment to its commercial banking twin Morgan Guarantee, which then syndicates the issue among a large number of brokers and bankers. But with a new Government in power in Australia and the possibility that the States will be appointing their own agents and underwriters, the traditional relationship may change. Salomon Brothers, a subsidiary of Philbro, recently dispatched a team of top executives to Australia. One of them, Richard Schmeelk, spent an hour with Prime Minister Bob Hawke. Salomon Brothers has previously done work for the N.S.W. Govt., which gives it a good connection with the Labor Party. Salomon Brothers strategy is either to offer an alternative to Morgan Stanley for the Australian Federal Government work ... or to pick up work for one or more State Governments if they begin borrowing abroad on their own account ... The great attraction of the Australian Government borrowings is not only their likely size, huge even by New York standards, but also that fees are pure jam. "It's money for old rope," a New York broker comments, while an Australian Government official points out that: "Australian Government issues practically sell themselves" ... The Austn. Government borrowed large amounts in the early days of the Fraser Government and there is no discernible perturbation

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in New York about the prospect of large borrowings by the Hawke Government..."

OUR COMMENT: Addressing the National Farmers' Federation in April 1982, Chairman of C.R.A. Sir Roderick Carnegie, warned of the size of our overseas borrowing: "Over the past six years, Australia went into debt to the tune of \$16,500 million," Sir Roderick said. (Adelaide Advertiser, April 29th, 1982) ... "The fact of the matter is that these mounting loans have to be paid back, and interest has to be paid on them in the meantime, and equity serviced by way of dividends ..."

The new interest by Salomon Bros is interesting. Salomon Bros put together a huge foreign loan for the Wran Government's Lidell power station project. But who own Salomon Bros? A Washington Post article, syndicated in the Vancouver Sun, April 13, 1982, said: "The South African diamond and minerals empire controlled by Harry Oppenheimer is rapidly becoming a major investor in mining, energy and commodities companies in the United States and Canada. Through a subsidiary called Minorco, a Bermuda holding company, the South African firms headed by Oppenheimer have invested hundreds of millions of dollars in coal, uranium, gold, copper and other important minerals and have developed the capital resources to finance further acquisitions ... Oppenheimer is chairman of the Anglo-American Corp, and of its affiliate, De Beers Consolidated Mines Ltd. each of which owns a substantial interest in the other ... Anglo American is the biggest single economic factor in South Africa ... the Western World's largest producer of gold, diamonds and platinum. De Beer's operates a monopoly in the diamond trade, marketing 80 percent of the world's diamonds, including the Soviet Union's. Oppenheimer is the chairman of Minorco, an acronym for Minerals and Resources Corp. Also on the Board of Directors ... are Robert Clare, a partner in the New York law firm of Shearman and Sterling, which represents Citibank; Felix Rohatyn, head of the investment banking firm of Lazard Freres, and Cedric Ritchie, chairman of the Bank of Nova Scotia ... Minorco is the largest single stockholder in Philbro Corp, the giant New York commodities trading company. Minorco ... owns 27.2% of all outstanding shares, a stake worth almost \$450 million ... Philbro, the world's largest publicly-owned commodities trading company, had worldwide sales of more than \$25 billion last year, a fourfold increase over its sales five years earlier. It is also the sole owner of the New York investment house of Salomon Bros. which Philbro acquired last year for \$8000 million ... (emphasis added).

All of which raises a number of questions: \* Why does the Hawke Government oppose a \$9 billion Deficit, which is simply created by Australia's Reserve Bank, while it woos a possible \$8 billion, created by the New York Bankers? \* Why is the Hawke Govt., so strongly opposed to South Africa, negotiating with an investment bank owned by South Africa's Harry Oppenheimer?

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