A WEEKLY COMMENTARY

ON TARGET

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The price of Freedom is eternal vigilance —

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THOUGHT FOR THE WEEK: "Almost the highest attribute of man is 'judgment', the exercise of choice. Far more than learning, it moulds the character and shapes the abilities, and there is no more conclusive proof of the essentially Satanic origin and nature of Socialism than its insidious and all pervasive attack on the powers of judgment and choice. We believe that it is far more this frustration of judgment than the positive hardship of the present tyranny, which is sapping the man-hood of the nation....."

- C.H. Douglas

GOING, GOING, GONE: "Yesterday's desperation sale of the State Bank Victoria confirms a State financial system on the brink of meltdown and a State Government in such a parlous condition that it has had to bring in the receivers to dispose of one of its most prized assets."

- Alan Wood, in The Australian, August 27th

Mr. Wood comments that there is no mention of the Reserve Bank in the joint statement by Paul Keating (Commonwealth Treasurer) and Joan Kirner (Victorian Premier) on the sale of State Bank Victoria to the Commonwealth Bank, and that the Reserve Bank must be having nightmares. We are not sure about the "nightmares": however, we have seen an official statement by the Secretary of the Reserve Bank of Australia which runs: "At its discretion, the Reserve Bank of Australia is able to make support available to banks authorised under the Banking Act (1959, which set up the Reserve Bank. Previous to that date, the Commonwealth Bank was Australia's central bank), or to State Banks. The Reserve Bank's consideration of proposals from any bank for support would be against the need to maintain stability and confidence in the financial system generally."

There is absolutely no doubt at all that the Reserve Bank of Australia will come to the aid of faltering State Banks, if necessary.

Mr. John Halfpenny, the Marxist Secretary of the Victorian Trades Hall Council, is, of course, up in arms, and attempting to fan the flames of Left-wing, union heat into incandescence: he is saying that the sale may yet be prevented (we can't see that happening now.....O.T.). But it is the President of the Victorian Trades Hall Council, Mr. Len Cooper who has hit the nail on the head: viz. "They (the Victorian

Government) will go down in history as the Government that sold out the people's bank in Victoria at a bargain-basement price."

Mr. Len Cooper blamed the Federal Treasurer, Paul Keating.

Mr. Cooper said that (and he's dead right!): "It is his (Keating's) economic policy which has led to this economic state of affairs." He also said that it would mean the end of the Kirner Government. Yes, true enough: it appears obvious to almost everybody that all Alan Brown (State Opposition Leader) has to do is to keep his nose clean until the next Victorian State election and the "glittering prize" will just fall into his lap. Hardly a desirable state of affairs; politicians should not be able to attain electoral victory without performing - hard - to attain it.

Well, the Commonwealth Bank will absorb the Victorian State Bank, but it cannot do so without privatisation of 30% of its assets, and who will purchase these? Superannuation funds, life insurance offices, etc. We read that no other bank will be able to buy into the new Commonwealth-S.B.V. colossus; no single shareholdings will be allowed to acquire more than 10% of the action, without the Treasurer's approval, and that doesn't reassure us.

As far as we can judge there will be no foreign capital in the new structure. It is expected that the Commonwealth will also allocate $170 Million to help bail out the Victorian Government. The other States won't be overjoyed about this. Why?

Well, who created the mess? First of all Paul Keating, who is ultimately responsible for the state of the Australian economy. We have been assured, Budget after Budget over eight years, that the economy is "on track"/"as tight as a drum"/"all options taken into consideration", and so it goes on.

What happened at the Victorian level? Incompetent handling, by politicians who couldn't run a piestall! The Victorian State Treasurer, Rob Jolly, was obviously right out of his depth, and also obviously, John Cain didn't have his finger on the Victorian pulse.

It isn't good enough for Mr. Jolly to argue that he wasn't in charge of the V.E.D.C. and Tricontinental, the merchant banking arm of the State Bank of Victoria. The Westminster system practice of making Ministers of the Crown responsible for their departments, and institutions which come within their sphere of influence, is to keep Ministers, and bureaucrats, on their toes. It is the Minister's function and duty to know, exactly, what the bureaucrats who come within the authority of his Ministry are doing; or NOT doing. If the Minister doesn't know these matters, then he is incompetent, and should be sacked, and never returned to another Ministry. The taxpayers are paying his salary.

We can't say what the eventual outcome of the demise of Victoria's once-proud State Bank will be. Of course, many traditional Labor stalwarts will be bitterly disappointed: the partial privatisation of the "people's bank" runs contrary to beloved Socialist ideology. Will their anger be vented on Labor's leaders at the next Labor Conference (September)? It looks like it to us, and Messrs. Hawke and Keating will have to do some smart talking to get themselves off this hook.

THE GULF COMPLEXITIES MOUNT: "The President of the United States, Mr. Bush, has called in a controversial media guru to help him in the propaganda battle against the President of Iraq, Mr. Saddam Hussein."

The Australian, August 27th

The report, from John Cassidy, has it that President Bush's advisers are (rightly, in our view...O.T.) concerned that Saddam Hussein is winning the propaganda war in the Gulf.

It is possible that the United States may be underestimating the capacities of Saddam Hussein: his appearance with a number of Britons and their children was smart T.V. coverage.

Now we have a soundly-based report that Israel, herself, has announced that she is prepared to attack Iraq, if the United States does not do so. This is fiery talk: we have stated that there are some very hawkish politicians and military leaders in Israel.

This would probably mean an immediate escalation of general hostilities right throughout the Gulf region. There is conservative opinion which has it that the U.S. now has the chance to defuse the Gulf issue by putting pressure on Israel to withdraw to earlier borders. Arab negotiations with the U.S. have, up to now, been unsatisfactory. One can only forsee escalating confrontations and hostilities if Israel is let loose, again, on the rampage. What would be the effect of this on Egypt, for example, or Jordan?

Saddam Hussein pulled off a smart propaganda coup, during a visit to him by the President of Austria, Kurt Waldheim. Hussein released some 80 Austrian hostages.

Supporters may recall that the Zionists have attacked Kurt Waldheim, a former high official of the United Nations, charging that he was an S.S. Nazi officer in World War 2. The Zionist attack intended to deprive Waldheim of the Austrian Presidency. It failed.

We see Saddam Hussein's release of the 80 Austrian hostages as a propaganda victory for Kurt Waldheim, more or less handed to him on a plate, AND a rebuff to International Zionism, which has been attacking Waldheim. No, Saddam Hussein is a smart operator.

We have heard other opinion, from Arab sources, that Israel hopes to acquire more territory as a result of open warfare in the Gulf area: this opinion has it that Hussein's Iraq must be utterly crushed, militarily, so that one negotiation for peace would be the loss of more Arab territory in the region to allow for the expansion of Israel's numbers due to exodus of millions of Soviet Jews to Israel. It's a scenario, and could not be ruled out. Yes, the Middle East would probably blow up if this happened. But who is to say it won't blow up, anyway?

BRIEF COMMENTS: We have been reading that the Tokyo stockmarket is shaky (among other stockmarkets). We have known for some time that the Japanese property market is one which could collapse and thus cause world-wide financial repercussions.

The Japanese banks are being nibbled around the edges as a result of falling share values. The Japanese Life Offices, key suppliers of overseas capital, are still holding, but under some pressure.

Japanese real estate prices are now so high that average income earners have almost no hope of buying a home (like Australia!). The Japanese banks are vulnerable to a real estate collapse. We wonder what would happen to the Multi-Function Polis in the above event. We have long asserted that the Japanese economy is fragile.

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Sir Anthony Mason, the Chief Justice of the Australian High Court, told a Gold Coast International Law Association Conference recently that the High Court's consideration of the War Crimes Amendment Act validity didn't prevent him predicting an increasing amount of international law into Australian law.

This will most likely occur as a result of the use of the External Affairs power of the Australian Constitution. This is not a surprise to us as Sir Anthony Mason has demonstrated that he is, by nature, a political centralist. He voted against the States in the Koowarta judgement, allowing the Racial Discrimination Act to become law, and all that has flowed from that judgement.

He voted against Tasmania in the Franklin Dam judgement, allowing the World Heritage legislation which has tied up whole areas of Australia for the benefit of the greenies, and others.

Sir Anthony said that: "We are now, in a conscious way, as we never were before, citizens of the world, and certainly, for many of us, citizens of a wider regional community extending beyond the particular nation-state to which we owe immediate allegiance." So there! World Government.

We reject World Government. Read "World Government is Anti-Christian" and "Christianity and World Government". Price: $2.50 for both books, posted, from League Offices.

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Make your National Weekend plans now. New Times Dinner, Friday, October 5th. National Seminar, Saturday, October 6th. The theme is Immigration ... special National Weekend brochure available soon .. excellent speakers participating.

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