



# ON TARGET

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*The price of Freedom is eternal vigilance —*

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**THOUGHT FOR THE WEEK:** "War is a terrible affliction - none of us at this time is likely to overlook that. But the danger which threatens us is that, in sheer horror of even more devastations, and, so far, completely inconclusive wars, we may surrender to a slavery so far-reaching and irrevocable that its contemplation is a glimpse of hell."

- C.H. Douglas in Programme For The Third World War

**LIBERALS AND THE FEDERAL RESERVE BANK:** The continuing attack on the Federal Reserve Bank Board by Federal Opposition leader Dr. John Hewson and his deputy, Mr. Peter Reith, obscures the central question concerning the true purpose of the nation's central bank. While it is legitimate to raise questions about the suitability of present members of the Board, including Trade Union official Mr. Bill Kelty, it is more important to ask what has been the role of the members of the Bank Board in fashioning financial policy. When pressed about the matter, Government spokesmen have always claimed that members of the Board are chosen from a wide cross-section of community leaders. Former Prime Minister Bob Hawke was at one time a member of the Board. No doubt Mr. Hawke was responsible for his good friend Sir Peter Abeles being elected to the Board.

Dr. Hewson and Mr. Reith strongly object to Mr. Bill Kelty being appointed for a further five-year term, stressing that they believe the Federal Reserve Bank should be completely "independent" with the major task of pursuing a financial policy which ensures that inflation remains permanently low. Dr. Hewson has spoken about creating "zero inflation", and has made it clear that a major feature of his proposed anti-inflation programme is "wage reform". As we have pointed out on numerous occasions, any attempt to produce zero inflation under current debt-financial policies, must result in a further worsening of the economy, a further increase in unemployment and an intensification of social disintegration leading to anarchy. The Hewson programme, if attempted, will lead to open violence. Already there are ominous signs that the nation is already threatened by growing violence.

The attack on Bill Kelty does, however, raise the important question of whether in fact the members of the Bank Board do fashion financial

policy. It is now openly admitted by the officials of the Federal Reserve Bank that it was the bank's policies which have been primarily responsible for the depression which Prime Minister Keating has said "we had to have". As in New Zealand, where similar financial policies have been imposed, one result has been a big reduction in the inflation rate. Even Dr. Hewson and Mr. Reith admit that the inflation rate has been substantially reduced, but want a further reduction. The price for a lowering (not abolition) of the inflation rate is a national disaster, with record bankruptcies and massive unemployment. The social cost has been catastrophic. There has been widespread human suffering. Which raises the vital question, "Has Bill Kelty, as a member of the Bank Board during the years when his own trade union members have suffered along with everyone else, been one of those responsible for the worst depression in Australian history?" And what about the business representatives on the Board?

If Kelty and his fellow Board members have not been the architects of the current financial policies of disaster, then what is their role? The reality is that all Federal Reserve Bank Boards have generally endorsed policies proposed by the executive officers of the Board, the Governor, Assistant Governor and other senior officials. But the Board members are just as guilty of what has happened as are the bank's officials. So far from the Federal Reserve Bank being granted complete independence to impose whatever policies it thinks fit, it is the responsibility of the elected representatives of the people, against whose real credit, productive capacity, all financial credit is issued, to direct the bank to implement the type of policies they feel would be in the best interests of the Australian people. The first step necessary is that the de-regulation of banking policy be abolished and banking policy be directed by the constitutionally elected Government of the people. Any political candidate who will not support the re-regulation of the Australian banking system should not be supported at the next Federal Elections.

**THE MADNESS OF BEING "POLITICALLY CORRECT"** (From David Thompson):

In June the defence chiefs of staff reviewed the policy on homosexuals in the armed forces, refusing to overturn a ban on homosexuals. The predictable outraged response came from Mr. Brian Burdekin, of the Human Rights Commission. Senator Ray, Minister for Defence, and Senator Tate, Minister for Justice, joined in, with Tate claiming that any ban on homosexuals was in contravention of the International Covenant on Civil and Political Rights.

This provides something of a dilemma for those who, being "politically correct", are unable to discriminate against any group - particularly homosexuals - no matter how sensible it might be to recognise the facts of life. It is also "politically correct" - thanks to the feminist movement - to insist that women also serve in the armed forces, at combat level if possible. While this is clearly crazy, and must lead to the inevitable abuse and general brutalisation of women, it is essential because it is "politically correct". Why are

some now so surprised that women in the U.S. forces that served in the Gulf are seeking legal redress for being raped and/or sexually assaulted by their own superior officers during "Desert Storm"? Had anyone given even the slightest thought to their possible treatment if they had been captured by enemy troops?

**THE ROLE OF THE CROWN:** If the Minister for Defence is so disturbed by the ban on homosexuals in the forces, why does he not simply direct that it be overturned? Senator Tate, answering questions in the Senate, said that **no court could overturn the ban**, and that there are only "narrow grounds for judicial review". All that any international authority could do was "deliver a view". And the Human Rights and Equal Opportunities Commission could not enforce any determination on the issue. He pointed out that **defence force members held their appointments under the pleasure of the Crown**, and that these could be terminated by the Governor-General for any reason, or "for no reason at all". The Governor-General is the supreme commander of the armed forces in the Queen's absence, **not Senator Ray**. Senator Ray himself is a **Minister of the Crown**. And, of course, the courts are also instruments of the Crown, and all judges swear allegiance to the Crown. Senator Tate is merely admitting that no court can overturn appointments or policies sanctioned by the Crown's representative!

Clearly, the defence chiefs of staff are not "politically correct". They are practical people, with the responsibility of achieving **results**. It is the Crown, not the politicians, who can defend the chiefs of staff from the madness of being "politically correct". The League also is not "politically correct". (You noticed?) We suspect that this is really one of our major sins.

**BRIEF COMMENTS:** The new Liberal Premier in N.S.W., Premier Fahey, has struck a refreshingly new note for a Liberal leader. In an indirect criticism of Federal Liberal leader Hewson, Fahey says, "It's time to stop talking about fiscal restraint, rationalisation and privatisation and start telling ordinary people in ordinary terms what we're doing to keep taxes down and giving them and their children the opportunity to enjoy a safe and secure future." Fahey, who urged Dr. Hewson to stop talking like an accountant, says that while electors are "desperate to get rid of these failed Labor Governments, they remain unsure of where we wish to take them". Premier Fahey has a long way to go, but if he can persuade his State colleagues that they need more realistic policies, not simply a re-hash of the same policies being pursued by the Keating Government, he could shift the Liberals off the disaster course on which they are travelling.

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In spite of the fact that the Adelaide Magistrates Court dismissed the major charges brought against Ivan Polyukhovich at the committal hearing, the prosecution in South Australia has announced that it was

proceeding with the original charges. Hopefully this decision, which makes a mockery of the commital trial, will result in widespread protests to the Federal Attorney-General.

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The Prime Minister casts about to find any starting point for his anti-Monarchy programme. He thinks he is on solid ground in the attempt to remove the oath of allegiance for new citizens. In this he was encouraged by an editorial in The Australian last week. Keating insists that migrants should not have to swear allegiance to Her Majesty the Queen, but to "Australia". Peter McDermott, Senior Lecturer in Law at Queensland University, points out that the present oath **already includes this**. McDermott (whom we have quoted before) gives the full text of the oath, from the Australian Citizenship Act, 1948: "I swear by Almighty God that I will be faithful and bear true allegiance to Her Majesty Elizabeth the Second, the Queen of Australia, her heirs and successors according to law, and that I will faithfully observe the laws of Australia, **and fulfil my duties as an Australian citizen.**" (Our emphasis). The affirmation reads similarly.

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The farcical nature of Australia's war crimes trials was again demonstrated in Adelaide last week during the first stages of prosecuting the second victim, Mikolay Berezowsky. A 78-year-old witness was asked to identify Berezowsky. Instead of identifying the accused, the witness confidently put his glasses on, and pointed to a 76-year-old Texan lawyer, Mr. Robert Caswell, who was seated in the public gallery about 10 yards from Berezowsky! The astonished Texan said he was on the first day of his visit to Adelaide, and was attending because he was interested in court procedure. Despite the demonstrable injustice of such trials, and the enormous expense, now running into tens of millions of dollars, certain lobby groups insist that we proceed.

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According to an article in the West Australian (1/7), Mr. Keating is now admitting the obvious: that increasingly efficient Australian industry will, generally, not re-absorb recession-shed employees. Also, increased productivity will militate against the expansion of employment ... Our economy must grow faster, says Mr. Keating. **And so say all of us**, say the manufacturers of Japan, South Korea, Singapore, Hong Kong, Thailand, and Indonesia, for starters. Gosh!