

Reagan assures PM on deficit cut

By economics writer ROBERT HADLER

THE United States President, Mr Reagan, has assured the Prime Minister, Mr Hawke, of his intention to "press ahead" with measures to cut the US Budget deficit and oppose growing protectionism in world trade.

But Mr Reagan said the US could not solve the world's economic problems alone and that trade surplus countries, such as Japan and West Germany, needed to help.

These countries had to boost spending to expand world economic growth and work together to reduce trade barriers and global trade imbalances, Mr Reagan told Mr Hawke.

The personal pledge by Mr Reagan to develop a "stringent" Budget deficit reduction package was contained in a letter dated November 19 - only one day before the Gramm-Rudman deadline for agreement between Congress and the administration on spending cuts.

Mr Hawke wrote to Mr Reagan earlier this month with a blunt and overtly political message that big Budget cuts were needed to restore confidence in financial markets.

Mr Hawke gave direct advice to Mr Reagan as "one politician to another" on the basis of Australia's four years of fiscal restraint.

He advocated a large rather than token cut in the deficit and said the Australian experience showed that the community responded positively to firm action by government on the Budget front.

Mr Reagan subsequently announced a package of tax increases, asset sales and spending cuts that will reduce the US Budget deficit by \$US70 billion (\$101 billion) over the next two years.

The package provides for cuts of \$US30 billion this year, well beyond the Gramm-Rudman objective of \$US23 billion and at the bottom end of market expectations of \$US30 billion to \$US40 billion.

Mr Reagan said he fully agreed with the view that steps needed to be taken to reassure financial markets after the turmoil of the stockmarket crash.

He also reiterated his personal and "long-standing" opposition to protectionist measures being developed by Congress.

Meanwhile, the Federal Treasurer, Mr Keating, yesterday rejected claims that the Federal Government had not been rigorous in reducing the Budget deficit in Australia.

Mr Keating told Parliament the Budget deficit would fall from about 2 per cent to only 1 per cent of total economic growth this year - about 1.5 per cent lower than in the US.

He said that if the US administration had been as rigorous as Australia in reducing its Budget deficit the stockmarket crash would not have occurred.

"In Australia we have cut \$7000 million from the prospective Budget outlays between August 1986 and September 1987," Mr Keating said. "That is equivalent to a cut of \$US125 billion in the US deficit."

Mr Keating was responding to media reports that the 2.8 per cent general government financial deficit in Australia was greater than that of the US at 2.6 per cent.

He said the reported figures were wrong and that OECD estimates showed the Budget deficit in Australia at 2.4 per cent and the US at 2.7 per cent of gross domestic product in 1987.

Backbencher names 'Nazi criminals'

By staff reporters and AAP

ALLEGED Nazi war criminals living in Australia were yesterday named in Federal Parliament by a Labor backbencher, Mr Lewis Kent, during debate on legislation that will allow prosecution of war criminals.

The Victorian backbencher's list of criminals now living in Australia included extreme right-wing NSW Liberal Party member and leader of the "Ugliers" faction, Mr Ljenko Urbanic, and Mr Srecko Rover.

Mr Kent was criticised by Liberal backbencher Dr Robert Woods, who said he had committed a gross offence against the principles of justice and decency by producing the names.

In response to the allegation, Mr Rover yesterday said he had been a Ustasha officer in World War II but denied he was a member of any "death squads".

The Ustasha, which means "insurgents for justice", was formed before the war as a revolutionary movement but became, primarily, the secret police arm of the puppet Nazi Croatian government during the war.

Mr Rover, 67, released for the first time photographs of him in his Ustasha uniform taken in 1944. He also made available a photograph of himself as a prisoner, taken in 1939, when he was a student and a member of the Ustasha, at that time an outlawed group.

Mr Kent also told the House of his experiences of seeing war crimes committed in occupied Yugoslavia during World War II.

Mr Kent, then 14-year-old Lajko Kopolini, said he had seen Hungarian troops "blow the brains out" of a retired teacher with a grenade as the teacher answered his front door.



Three faces of Mr Srecko Rover... in 1944 in the uniform of the Ustasha, a secret police group operating during World War II; in 1939 as a prisoner in Sarajevo; and yesterday at his Melbourne home

Mr Kent said the War Crimes Amendment Bill would give "murderous gangsters" the right to defend themselves - "something they did not give to their victims".

He asked how alleged war criminals had been able to get through Immigration Department screening and enter Australia.

"How was it possible that criminals like Srecko Rover, Ljenko Urbanic, Megay, Josip Kasic, Stjepan Brbic and many others entered Australia and set up their extremist organisations here," he asked.

Mr Kent said Mr Rover, now living in the northern Melbourne suburb of Fawkner, had been the president of one of 34 "extraordinary circuit summary courts" established on May 7 1941 by the



leader of the Ustasha movement, Ante Pavelic.

"Rover is responsible for the death of scores of people as the president of such a court and later as a Ustasha officer," he said.

Mr Rover yesterday denied this allegation.

Mr Kent alleged that Mr Urbanic, of Sydney, was an "instigator to murder" and a "Nazi propagandist" during the war.

Dr Woods said Mr Kent had misused parliamentary privilege.

The focus of Australia's allegations against war criminals from all countries had in the past been too selective and sometimes outright political, he said.

Mr Rover admitted he had been a Ustasha officer in World War II.

In an interview with *The Austral-*



ian at his home, Mr Rover said: "I don't consider myself a war criminal. Mr Kent, like Mr (Lionel) Murphy, is using parliamentary privilege to say these things."

The late Lionel Murphy, when attorney-general, made similar allegations about Mr Rover in 1973.

Better known by the Anglicised spelling of his name, Mr Ljenko Urbanichich is Australia's most prominent alleged Nazi war criminal.

An extreme right-wing member of the NSW Liberal Party and leader of the faction known as the "Ugliers", he was named by the Menzies inquiry into war crimes as having given incomplete information about his wartime activities when he applied to migrate to Australia.

PM's travel costs \$1.5m in 18 months

By PAUL AUSTIN

OFFICIAL overseas visits by the Prime Minister, Mr Hawke, in the 18 months to July cost Australian taxpayers more than \$1.5 million, according to figures released yesterday.

The costings of overseas visits by federal ministers, issued by the Minister for Home Affairs, Senator Ray, show the most expensive trip in the 18-month period was Mr Hawke's to the Middle East and Switzerland in January and February this year.

This trip cost \$486,000, slightly more expensive than his April 1986 visit to the United States, the United Kingdom, Belgium, Italy, Greece and Singapore, which cost \$434,000.

His attendance at a Commonwealth meeting in London in August last year cost \$359,000.

Mr Hawke's two other official visits, to Japan, China and the Philippines, and to Western Samoa, cost \$127,000 and \$112,000 respectively.

Other ministers to make expensive visits over the 18 months include the Minister for Foreign Affairs, Mr Hayden (\$66,000), the Minister for Industry, Commerce and Technology, Senator Button (\$63,000), and the Treasurer, Mr Keating (\$58,000).

Hawke will assess realities of glasnost

By national political commentator PAUL KELLY

THE Prime Minister, Mr Hawke, embarks today on his first official visit to the Soviet Union with the highlight being his talks with the general secretary, Mr Gorbachev, the architect of glasnost.

The Hawke visit comes on the eve of the historic summit between Mr Gorbachev and President Reagan - the best omen for East-West relations for many years.

The cardinal purpose of Mr Hawke's visit is to make a personal assessment of Mr Gorbachev's domestic and foreign policy reforms. In particular, Mr Hawke will be interested in whether Mr Gorbachev has changed long-term Soviet aims or is merely using new tactics to achieve the same goals.

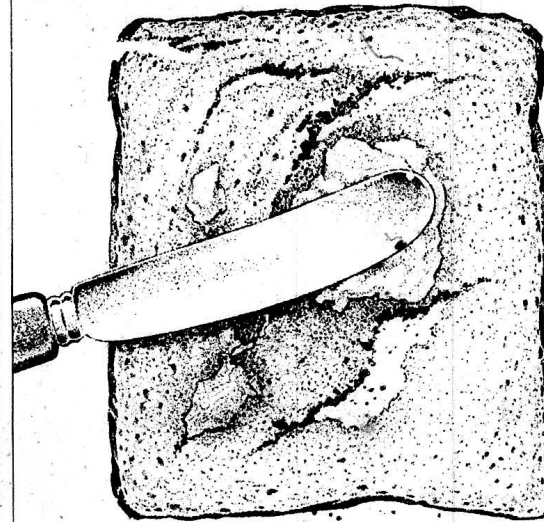
The Opposition Leader, Mr Howard, warned Mr Hawke yesterday that his visit should not put public relations

will press the Soviet leader on his intentions and role in the Pacific and the USSR's attitude towards the nuclear-free zone treaty sponsored by Australia.

Australia's position is that the Soviets have a legitimate role in the Asia-Pacific region but this should not move beyond normal State-to-State relations.

Mr Hawke, who is familiar with the economic reforms in China from his close links with its leaders, will be keen to learn the full ambit of Mr Gorbachev's reforms and the extent to which he is ditching central planning in favour of the market.

The Prime Minister will travel Singapore-Leningrad-Moscow-Tokyo. En route he will see the Singapore leader, Mr Lee Kuan Yew, and the new Japanese Prime Minister, Mr Ta-



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