

institutionalised in the AJA Code of Ethics: the rest of it is largely undefined, contradictory and largely dependent on the whim of an editor.

The *Herald* journalists' strike was important, then, because it started to define (or defend) some of this territory. But it also went further, arguing that the owner's right to appoint an editor should be tempered by the sharing of that responsibility with journalists.

This tension between journalists and owners lies at the root of the privatisation bid by Warwick Fairfax. The more modern (and profitable) Fairfax group which emerged in the early 1980s depended crucially on a 1977 boardroom coup in which the old Sir Warwick was deposed as chairman and replaced by his son James, who controlled the company until takeover/privatisation by the young Warwick.

It was under James that many of the independent and less hidebound practices of "Fairfax journalism" developed. But Sir Warwick's wife, Lady Mary Fairfax, never forgave the indignity of her husband's overthrow, and she was among those who propelled the twenty-seven year old Warwick, fresh from Harvard, to make the disastrous bid. Aimed at securing the *Herald* forever from its rivals, the takeover has rather put Fairfax on the auction block, and led to the closure of two of its newspapers.

At best, Fairfax will become a small NSW-based owner of several newspapers. At worst, the banks who so generously lent young Warwick \$2.7 billion will finally foreclose and sell the *Herald* to the highest bidder. If that occurs, commentators will make much of the *Dynasty*-style, intra-family rivalry that brought Fairfax to a tragic end.

But the larger tragedy will be that the ultimate owners of the *Herald*, *Age*, *Sun-Herald* and *Financial Review* will probably be "normal", interfering newspaper owners who will try to roll back the small gains of independent and investigative journalism.

David McKnight

## Taxing Questions in NZ

**F**ebruary 6 was Waitangi Day in New Zealand/Aotearoa. This might appear to be a day for genuine celebration, since it commemorates a treaty signed by British colonisers and representatives of the original inhabitants. **treaty as one which duped them from the outset and which has never been respected anyway.**

The Lange Labor government has moved to strengthen Maori rights under the Waitangi Tribunal enabling land grievances and claims to be heard by a sympathetic, powerful court. Paradoxically, however, it has been Maoris who have suffered more than most from the free market, deregulatory policies of the government, dubbed "Rogernomics" after Finance Minister Roger Douglas.

This contradiction stems from the government's economic analysis to the effect that the only answer to the country's grave indebtedness is tough restrictions on wages and the selling of public assets, combined with tax cuts and incentives for investors, financiers and business. Sound familiar?

Not surprisingly, it has been working people, especially women, Maoris and small farmers, who have carried the weight of "restructuring". Once famed as the "social laboratory of the world", NZ has become a laboratory of a different kind, a paradise for the yuppie, but a hard, uncertain environment for most people.

This basic contradiction of a Labour government outdoing Thatcher in the name of unavoidable economic imperatives underpins the extraordinary goings on across the Tasman over the past six weeks. Until now, the Labor caucus, which is not formally factionalised, has preserved an image of unity.

At the end of January, with Douglas in Europe touting his successes, Lange announced that the Finance Minister's plan of a flat rate

income tax of 23 cents in the dollar would not go ahead, arguing that the plan might undermine measures being formulated by a royal commission into social policy.

On Douglas' hasty return, the two former close allies gave a bizarre display of public wrangling.

The hope that Lange had triumphed over Douglas and his "dry" cronies was short-lived. A fortnight later, the government slashed company tax rates by 20 cents to 28 cents in the dollar, and the top income tax rate from 48 cents to 33 cents (someone on \$30,000 will now pay \$100 less a week in tax). Finally, Lange's announcement that a capital gains tax would be introduced was flatly repudiated by Douglas.

While at first glance the battle seems to be between left and right within the Labour caucus, it is more of a personal power struggle than that. Lange has become increasingly isolated in caucus because of his authoritarian, arrogant personal style. A senior minister has admitted privately that there is a real likelihood of a mover to dump him as prime minister. Lange's apparent appeal to the angry rank and file of the party, who are dispirited by the government's abandonment of social democratic objectives, is as much to do with a personal struggle with Douglas as with a real desire to change direction.

From an Australian perspective, the battle over "Rogernomics" is extremely important. Douglas' success in pushing through his policies, best described as "the free fox in the free henhouse", has been welcomed by those sectors in Australia which are also campaigning for lower company and income tax rates and a switch to indirect taxation along the lines of the 10% goods and services tax now in operation in NZ.

A leading Sydney tax accountant has predicted that Keating's May mini-budget will

unveil such a VAT here, despite its defeat at the 1985 tax summit. Leaders of the Confederation of Australian Industry and the Business Council of Australia have called for company tax to be reduced from 49 cents to 39 cents or lower, and Hawke has declared his support for some reduction.

The threat that Australian industry will relocate in NZ is being used to whip up pressure on Hawke and Keating. *The Australian* applauded the Lange government's tax cuts as "leadership rarely shown in politics", and insisted that "NZ has set the pace and Australia will have to follow".

What these viewpoints don't acknowledge is not only the social costs of "Rogernomics", but also that it is simply not working.

In a country with fewer people than Victoria, there are now 100,000 unemployed, up from 66,000 just two years ago; overseas indebtedness is still three times the per capita level of Australia. The insistence that state instrumentalities should pay their way has resulted in, among other things, 430 post offices being listed for closure in small communities.

The fragility of the hot-house financial atmosphere of Wellington and Auckland was demonstrated when the NZ stock exchange tumbled more sharply than any other last October. Very high interest rates which have lured speculative capital from overseas have propped up the exchange rate, causing crisis for rural exporters (there are few manufacturers left to worry about their exports).

And how are the tax cuts to be paid for? Douglas has made it plain that the logical next step is to deregulate the labour market and further introduce "user pays" practices into state housing, education and health. This, it seems, is the inescapable conclusion to the brave new world of "Rogernomics".

Peter McPhee

## Psychokillers?

**T**here is a growing trend to see violent, destructive acts as the work of a psychiatrically disturbed person. This is often blown up by the media. The Russell Street bombing in Melbourne in 1986 is an example.

A bomb exploded after being placed in a car outside a police station, injuring twenty-two people. On the basis of no evidence at all about who the culprits were, the Chief Commissioner suggested that the bombing could have been the work of a psychopath. There was no forewarning that a bomb might be detonated. Even self-respecting terrorist groups overseas usually provide that concession. This wasn't done, which leads us to assume that this is more likely the work, therefore, of a psychopath. Given that this was a mere conjecture on the part of the Police Commissioner, it is instructive to see how the media handled it.

*The Age* did nothing. In fact, it highlighted an alternative theory: "Local gang is prime suspect." *The Sydney Morning Herald* reported the Commissioner's comments but suggested an open mind: "Car Bomb: Who Did It — And Why?" *The Geelong Advertiser* chose to highlight the Commissioner's view: "Police Hunt 'Mad' Bomber" and presented a slightly strengthened version: "Police believed it was probably the work of a psychopath." (my emphasis). *The Sydney Daily Telegraph* followed this trend with an even more definite banner headline: "Psychopath Car Bomber" and the *Border Morning Mail* summed up the situation in one huge word "Psycho".

In claiming that the criminal is a psychopath, one invalidates the criminal act. It doesn't emanate from a rational mind. There is a sense in which it was not even intended. This perspective on the action is a way of denying rational motivation. Curiously, a year after the Russell

Street bombing it was discovered that the bomb was placed there by five men who had a grudge against the police for putting one of their mothers in a mental asylum — a seemingly rational protest.

While, on the one hand, there are those who want to deny the rationality of any violent, destructive act, there are others, perhaps perpetrators of such acts, who attempt to use irrationality as an excuse. Psychiatric disturbance is sometimes used by accused killers to support a plea of "not guilty by reason of mental illness" (previously called the insanity plea), or to try to get a murder sentence reduced to manslaughter, on the basis of diminished responsibility. If the first plea is successful, then the person is normally detained in strict custody until "the Governor's pleasure is known". In the latter case the jail term may be reduced from life. (The shortest sentence imposed thus far in NSW is twelve years' imprisonment.)

The term "psychopath" although widely used in the media when psychiatric disturbance is implied, has fallen into disuse in psychiatry. The term "anti-social personality disorder" has replaced it. This is defined in the American Psychiatric Association's Diagnostic and Statistical Manual (DSM-111) as follows: "The essential feature is a Personality Disorder in which there is a history of continuous and chronic anti-social behaviour in which the rights of others are violated, persistence into adult life of a pattern of anti-social behaviour that began before the age of 15, and failure to sustain good job performance over a period of several years."

If it were the case that a killer suffered from an anti-social personality disorder, would that be grounds for arguing diminished responsibility? It is hard to see why, as this disorder is defined *behaviourally*. It is because the person behaves in a deviant manner,