

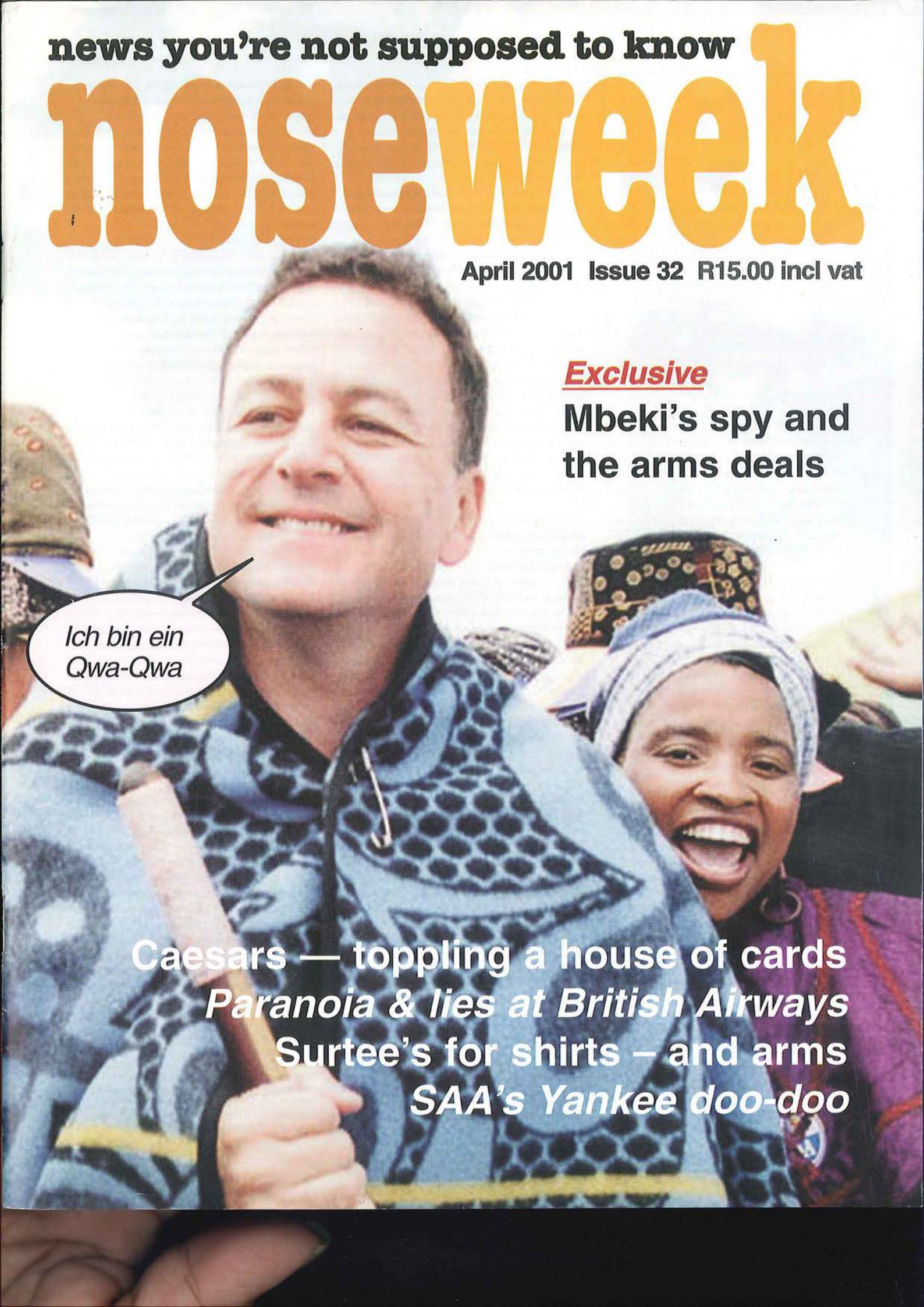
news you're not supposed to know

noseweek

April 2001 Issue 32 R15.00 incl vat

Exclusive

**Mbeki's spy and
the arms deals**



Ich bin ein
Qwa-Qwa

Caesars — toppling a house of cards
Paranoia & lies at British Airways
Surtee's for shirts — and arms
SAA's Yankee doo-doo

WOMEN IN ARMS (AND FEET IN MOUTHS)

Re Arms and the Man (nose31).

A perfectly good story ruined by your inability to differentiate between 'Zenzile' and Zanele? When will you mlungus learn that, not only do we look different from each other, but our names have meanings too?
NATHALIE KAUNDA, nkaunda@icon.co.za

This is another of those occasions when we wish we were black – very black – to hide our blushes. – Ed.

Since you're clearly still as busy as a mole at springtime, nosing around gun emplacements and secret military checkpoints/chequebooks (Ah! said Mole as he smelt the sunshine), I am confident that all will be revealed in time. To me it sounds like Ronnie Kasrils, who I am sure is dyslexic or can't add, just had no clue and the rest just struck a stupid deal, brothers, sisters, cousins, aunts and all. The arrogance is beyond belief.
PATRICK MCLAUGHLIN, Cape Town

Laundering the dirt on Coega's track

I would like to correct some misconceptions contained in your article on Coega (*More dirt down the track*, nose31). *First*, the proposed Coega development addresses the long-term strategic requirements of the SA economy. It is not an investment for the next five years, but for the next 50. While Durban may be closer to Gauteng, the future capacity of that port is severely limited. It will reach full capacity within the next five years. It is the government's job to plan for 20 years down the track, not just for tomorrow. P&O Nedlloyd's involvement in Coega should be seen as a vote of confidence in the long-term growth of the SA economy. *Second*, the commitment of the Anglo-Dutch Consortium of P&O Nedlloyd and TCI Infrastructure (TCII) to develop the Coega Container Terminal and Industrial Development Zone (IDZ) is effectively a direct foreign investment in the SA economy. Local expertise will be used to create local jobs,

using foreign money to develop infrastructure. In addition, the Coega IDZ initiative aims to position the Eastern Cape as an international destination for inward investment in the manufacturing industry, and for exported goods and services. Coega is ideally tailored to facilitate development of export-oriented industries such as the automotive industry. The stimulus it will provide to the economy cannot be underestimated. *Third*, to emphasize the proximity of Durban to Gauteng as a reason to oppose the Coega development is disingenuous. The limiting factor should be the time taken to deliver the goods to an end point. It is obviously the intention of any carrier to provide an efficient rail system to facilitate rapid and secure transport of goods to and from a port, and Coega will be no different. However, it is the cost of ship delays due to lack of port capacity that impacts most severely on importers and exporters, and which Coega intends to avert. We would appreciate if in future you checked the accuracy of your information with the relevant parties, such as ourselves, to ensure, for example, that you get our name right.
NIGEL PUSEY, MD, P&O Nedlloyd SA

'Anglo-Dutch Consortium of P&O Nedlloyd and TCI Infrastructure? I'm afraid, 'Nedlloyd' will have to do. You clearly understood who we were talking about. Your letter is, however, most valuable for what, by implication, it confirms: that, while you expect us to take the 'long-term' view – since Coega is unlikely to be profitable for the next 50 years (if ever) – your consortium is not prepared to do so. You have, as we reported, taken the precaution of requiring Portnet/Transnet/the SA taxpayer to guarantee your turnover and, therefore, your profits from day one. You say Durban harbour's approaching full capacity? No problem. The existing PE harbour is currently operating to only 45% of its capacity! As for the PE rail system – are you suggesting that Spoornet may be prepared to spend billions (which they haven't got) on a new, dual line from Gauteng, in a bid to make your small investment viable? Clearly there's lots more insanity down this track! – Ed.

Re: Mr J Modise.

We refer to your letters column headed 'Shake-up or Shaikdown' (in nose31). You were advised that your prior story was scurrilous and defamatory. Inasmuch as you

persist in referring to our client, your further defamation is aggravated and will in due course be drawn to the attention of the presiding judge seized of the matter. You are aware that the allegations of and concerning our client pertain to a current investigation and potential commission and, accordingly, our failure to respond to your allegations in more detail are to be seen in the light of the *sub judice* principle.
BEDER-FRIEDLAND INC, Jo'burg

We gather that you're 'aggravated', but please take a deep breath and then try writing in plain English. Commission? Sub judice? Is your client afraid that anything he says might incriminate him? For still more aggravating information about the arms procurement fiasco, see pages 7 and 10. – Ed.

M-Tel's insurance isn't sexy

I was not surprised to read about M-Tel's dubious insurance 'service' (nose31) as I have first-hand experience of their dishonesty. In May 1995 I bought a cellphone and a 24-month contract from M-Tel. I never terminated this contract, but let it run on after the expiry (losing out on a free phone upgrade). All the while I was paying M-Tel over R40 monthly to insure my phone. In January 1999 my wife put the phone down on the counter at her gym. A moment later the phone was gone. By this stage, my insurance payments had covered the cost of the phone, and more. When I filed an insurance claim with M-Tel, they refused to give me a replacement phone, saying there had been 'no break-in or forced entry'. I was therefore not covered for one of the most common forms of cellphone theft. I later discovered I could have insured the phone against all risks as part of my household insurance with Santam — and that they would have charged me substantially less. Now I was upset. Complaining to M-Tel got me nowhere, so I wrote to the *Cape Argus*, who covered the story. When they asked M-Tel for comment, they claimed I was lying, and that I had rejected their offer of a replacement phone! Yes, M-Tel, I like paying for insurance and then refusing to accept it when I have stuff stolen, and then lying to newspapers about it. The story didn't end there. I had to cancel my contract — and M-Tel insisted on 30 days notice, charging me several hundred rand

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more for two months of non-existent 'service' (which would have easily covered the cost of a second-hand replacement phone). Needless to say, I will never have anything to do with them again.
GRAHAM WHEELER, Cape Town

**MASTERBOND:
'I'M NOT GUILTY,' SAYS KAHN**

In nose31 you state: 'When Attorney-General Frank Kahn received the first Masterbond report [in 1986] the scheme had taken in R10m. He did nothing. When it collapsed [in 1991] the total had reached R615m.' I was not Attorney-General between 1986 and 1989 and did not deal with this matter. The files clearly indicate that the then Cape Attorney-General, Adv D J Rossouw, received the reports in 1986, dealt with the matter and decided not to prosecute on 4/7/1989. The files were later handed to the Nel Commission of Inquiry. In relation to George Philippaki, I interviewed him together with advocates Prins and Atkinson and Brig Visagie during October 1991. At this stage I was in the process of setting up the IDSEO office and there was a possibility of my heading the office in Pretoria. (Hence Philippaki's recollection, quoted by you.) Instead, however, in December 1991 I became Acting Attorney-General of the Cape and left the investigation to advocates Prins and Atkinson, who thereafter became members of IDSEO. They inform me that in June 1992 the Nel Commission was established and all the files were given to advocates Klem and Botha at the Commission. The latter have informed me that in 1993 they consulted Philipakki in Greece and, furthermore, during the Brits, Winkler and Jonker trial, evidence was taken on commission from him in Australia in October 1994.

The allegation that there appeared to be no follow up on his allegations is, therefore, incorrect.
FRANK KAHN, Director of Public Prosecutions: Cape of Good Hope.

We find the accused not guilty. You are sentenced to another five years of hard labour; with 20 lashings of whipped cream to be administered by the lady corporal of your choice. And don't ever again let us hear you say 'I don't read noseweek'. So old Broederbond 'Niel' Rossouw was the guilty party! We should have guessed - Ed.

EDUCATED OPINION

Congratulations on your February edition! As regards military and education spending, see the cartoon in the March edition of *Educator's Voice*. Kind regards and solidarity.
HASSEN LORGAT, National Media Officer South African Democratic Teachers Union (in my personal capacity)

dear reader

Last December, in the week between Christmas and New Year, some important people were summoned to a meeting at the Cape Town home of ANC Chief Whip, Tony Yengeni. Those who qualified for official travel privileges, were warned not to use them when booking their airtickets, as they might later be more easily traced.

The main item on the agenda was what to do about the investigations - called for and approved by Parliament's Standing Committee on Public Accounts (SCOPA) - into the arms procurement programme. The Hon. Mr Yengeni is not only chief whip, charged with making sure that all ANC MPs tow the party line; he was also chairman of Parliament's Defence Committee at the time that the weapons deals were approved and concluded, remember? A luxury motorvehicle he acquired from one of the companies involved in the arms deals - when he still headed the defence committee - is currently the subject of some controversy. 'I and others have money in our bank accounts that we can't explain,' Yengeni told the people gathered at his home in December. 'We don't intend to explain it to anyone, either. We deserve it,' he declared. Turning a hard-won victory to farce - is that what the struggle's come to? More shocking still was who came to the meeting. Among them: Public Protector Selby Baqwa (see nose31) and National Director of Public Prosecutions Bulelani Nqcuca! Both head units involved in the arms investigation. (Judge Heath, of course, is history - see page 10.) Yengeni has since taken personal control of the Standing Committee on Public Accounts. (Goodbye Mr Feinstein.) So much for the government's commitment to exposing the truth.

But what was Judge Fikile 'Fix' Bam of the Land Claims Court doing at the meeting? Was he being primed to head that much vaunted Judicial Commission of Enquiry, perhaps? And were we witnessing a meeting of a chapter of La Xhosa Nostra? - *The Editor*



Cover story

In June 1963, President John F Kennedy told a cheering crowd at the Berlin Wall: 'Ich bin ein Berliner!' Ever since, the debate has raged: was he saying 'I am a Berliner' or was he saying 'I'm a jam doughnut'?

Cover picture of Tony Leon: The Star

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Has Coleman Andrews been **YANKING SAA's CHAIN?**

President and CEO of South African Airways, Thomas Coleman Andrews III, was given the usual schmoozy spread in *Leadership* magazine in November 1999, with a cover story headlined: 'SAA gets a big Yank.'

Whether the joke was related to his size or to the big flush that was supposedly taking place at SAA, the question today is: did Andrews clean up our national airline — or did he clean it out?

Andrews' sudden resignation from his SAA position a few weeks ago took most outsiders by surprise. He had repeatedly denied he would cut short his contract, due to run for another year; now he will be replaced by his deputy, Andre Viljoen, on April 1.

Did he run after someone whispered something in his ear, or did he take a parachute jump before the airline crash lands? He has, it transpires, done the latter once before.

Andrews came to SAA in June 1998 from World Airways in the USA, where he was chairman. According to the *Washington Business Journal*, World Airways existed for 50 years as an often-clandestine paramilitary air service, heavily dependent on US Airforce contracts.

Andrews joined in 1986 and was credited with pushing the company into (slight) profitability. He took the holding company, WorldCorp, public in 1995 at \$12 a share. In 1996 it suffered losses when it ventured into scheduled passenger service. This was a departure from World Airways' core business of military airlifts and commercial chartered flights. By mid-1998 WorldCorp stock had dropped from \$13 a share to under three dollars.

The *Washington Post* reported that, in contrast to the losses suffered by shareholders, Andrews' association with

the airline had been very lucrative. He was paid between \$200 000 and \$350 000 as chairman and, in the space of a year, was paid out more than \$1m in contractual payouts. The *Post* reported that the company also allowed Andrews to revalue his stock options — at a much lower price to him — following the tumbling share price which had rendered his previous options worthless.

In June '98, Andrews resigned as chairman of World Airways as its parent company, WorldCorp, teetered on the brink of bankruptcy. *Business Journal* and the *Post* reported at the time that Andrews' exit was engineered by WorldCorp's board, but he denied he had been forced out, saying he had left to take up his post at SAA.

Now there are more questions — this time about his sudden departure from

SAA.

What, for instance, was the nature of Andrews' relationship with US-based consulting and venture capital firm Bain & Company?

Andrews brought Bain in to advise SAA, notably on the decision to purchase new aircraft and to 'standardise' its fleet — with more Boeings, it turned out. But more about that anon.

It was known that Andrews was a former partner at Bain, but SAA spokesperson Madelaine Roscher told noseweek he had no beneficial interest in the company, which stands to make between R100 and R200m from the SAA contract. We asked her to ask him when he had given up his interest in Bain, and to whom? A straightforward question, to which Ms Roscher has been unable to produce a reply.

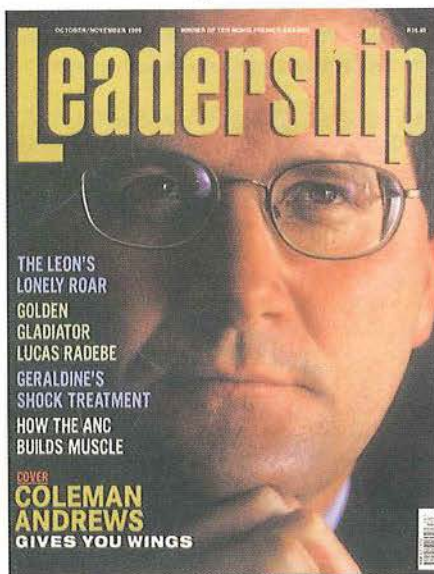
In addition we put it to her that it has been alleged in airline circles that Bain's lead consultant on the controversial Boeing purchase, Katie Wilson, another North American, was Andrews' sister-in-law.

We had already put the question to Ms Wilson herself in a telephone interview. She was happy to talk to us, at first, and confirmed that she is married to Kevin Wilson — another US citizen — who is SAA's technical manager. (Mr Wilson, it turns out, is another graduate of the Bain group. He was a consultant at Bain in Toronto and Dallas from 1990 to 1995.)

But when we questioned her about her alleged relationship to Coleman Andrews, Ms Wilson sounded flustered and suddenly remembered that she was 'in a meeting'. She would call back 'shortly', she said.

An hour later we got a call from a PR company, Cutting Edge, who informed us that they had been instructed to deal with all questions we had for Ms Wilson. They

Coleman Andrews' great moment



then undertook to set up an interview for us on the next day with Ms Wilson which, they said, would also be attended by Bain's chief executive, Dean Donovan.

An hour later we learned – through unofficial sources – that we would not be getting our interview: Ms Wilson was flying out to the US that night.

Indeed, we got no interview with Ms Wilson's boss either. After the drift of our questions was conveyed to Donovan, the Cutting Edge guillotine came down. Mr Donovan would not speak to us, we were told, as it was 'against company policy to discuss clients'.

Instead we had to settle for SAA's Ms Roscher to provide some answers. Ms Roscher told us that there is 'no relationship whatsoever' between Mr Andrews and Ms Wilson.

Notwithstanding this assurance, noseweek knows there is still a hurtful suspicion in this regard in the highest reaches of government (SAA's 80% shareholder via Transnet). So, in a bid to set minds to rest, we asked Ms Roscher to fill out some of the branches of the Andrews family tree. But her communication with Andrews on this subject apparently drew a blank.

Back to the purchase of the Boeings. On the advice of Andrews' old pals at Bain, SAA decided to spend some \$600m to purchase a brace of Boeing 737-800s (21 with an option on about 20 more) to service its domestic and regional routes.

The decision to prefer Boeing over rival bidder Airbus was controversial.

Following the in-principle decision, the Department of Public Enterprises raised the issue of the offsets offered by Airbus – which were described as 'far more substantial' than those offered by Boeing.

The department also asked the Transnet board to look again at technical and finance issues raised by the Boeing bid.

In response the ministry was reportedly told by SwissAir Group CEO, Philippe Bruggisser not to interfere. The Swiss had been selected for and taken up a R1.4bn 20% stake in SAA and the government was sensitive about its privatisation profile. A concerted media campaign appears to have been launched, portraying government as interfering in private sector decisions, and a public call was issued by *Financial Mail* editor Peter Bruce for the state to 'butt out' of the Boeing purchase.

The Boeing decision was duly announced on March 1, 2000. But it has turned out to be as bad a deal as anyone ever predicted.

One of the obvious problems with the Boeings is that they are based on upgrades of a very old design. One of the

consequences of that is that they are unable to take modern cargo palletes (those wedge shaped silver containers).

By contrast with the Airbus A300s SAA has got rid of, everything now has to be loaded onto the new planes by hand. This has already had a disastrous impact on Western Cape fresh produce exporters, due to the delays and damage caused by the need to hand-load cargo in Cape Town and then to transfer it to palletes again in Johannesburg for international flights.

SAA told noseweek that its cargo division was 'currently addressing the capacity shortage' and would 'soon be making an announcement'. SAA says the decision to purchase Boeing was unanimous and the standardisation would make it possible to rationalise crews. SAA



Pilots remain sceptical.

The new planes also arrived without business class seats – a problem which has still not been sorted out. Pilots say all the seats are more dangerous as they don't fold forward – leading to the greater likelihood of neck injury in an accident. They also criticise the cockpit design which is laid out like the old 737, with brand new avionics bolted on to old-style instruments.

According to *Business Day*, critics also accuse the (Swiss) SAir Group of dumping Boeing 737-800s on SAA which it had sitting on the books of the US-Swiss GATX-Flightlease – a company in which the Group has a 50% stake.

The Swiss appear to have done well out of the SAA deal. It is understood that 16 of the Boeings will be sourced from GATX-Flightlease, while the leasing company has, in turn, snapped up the SAA Airbuses.

The Swiss group was also chosen to

supply SAA's new IT systems, via its subsidiary Ataxis.

Now even the decision to accept the Swiss as equity partners is looking shaky. In April last year, not long after South Africa had accepted the Swiss bid, it emerged that SAirGroup CEO Bruggisser had 'massaged' the group's 1999 figures by importing one billion Swiss Francs from the group pension reserve onto the capital account, where it was used to write off SF270m in operating losses. Now it appears the group will report losses for the past year amounting to \$1.5 billion.

Giorgio Behr, head of the Swiss Stock Exchange's expert commission on financial reporting by listed companies, told *Finanz und Wirtschaft* that there were 'open questions' about SAir's financial disclosures.

'Given the facts in the SAirGroup case, I think a violation of accounting and reporting duties can no longer be excluded out of hand,' he said.

Bruggisser was a key ally of Andrews at SAA. Following the forced departure of Bruggisser from SAir in January, the Swiss commitment to take up a further 10% stake in SAA is in doubt.

Government officials are now taking a second, more sceptical, look at what Andrews claims to have achieved at SAA.

'The question is how sustainable is the turnaround,' said one. SAA posted a profit last year, but analysts say this was mainly achieved by selling assets, including selling the well-stocked spare parts division and 13 older 737-200s to Safair for R500m.

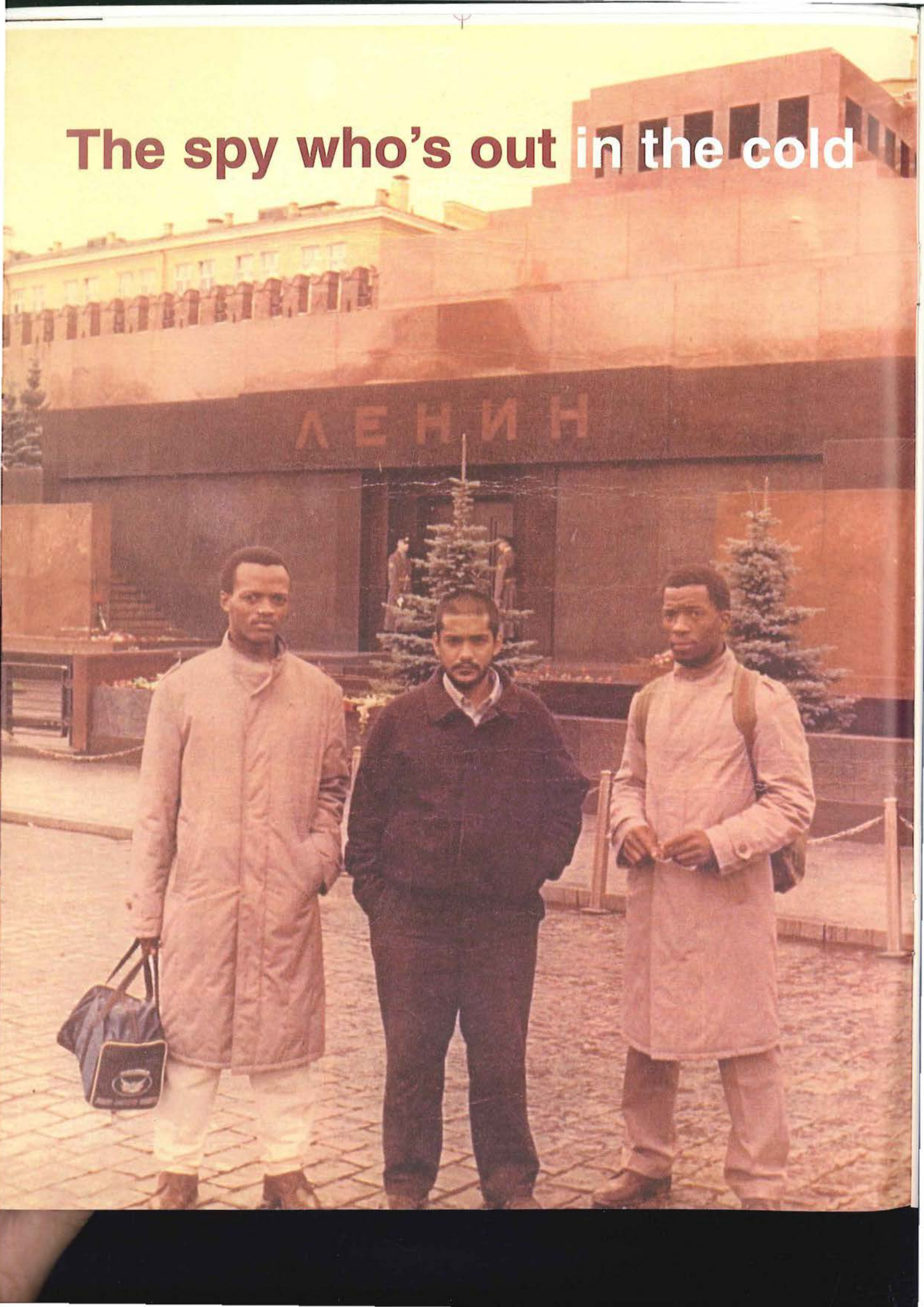
'Of course Coleman was a very astute corporate operator. He made sure he brought issues to the Board and got a mandate. But the SAA Board (since completely reshuffled) was very weak, even negligent. There were serious corporate governance issues raised, but seeing as Coleman has chosen to resign, we just want to make sure that SAA moves forward,' our source said.

Although Andrews points to an improvement in SAA's operational income, some of this was built on the passenger load and price increases that came in the wake of the collapse of SunAir.

Andrews' role in the demise of South Africa's *real* favourite airline remains murky. SunAir accused SAA of a price war designed to put the smaller company out of business. The company also claimed the decision to shut down SunAir was taken after Andrews had conveyed

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The spy who's out in the cold



His name — one of them anyway — is Bheki Jacobs. He is a diminutive, but remarkable, figure. In the past year most of the investigators employed in probing South Africa's tainted arms procurement programme have confidentially consulted him, because of his extensive knowledge of the personalities and processes involved in the deals.

Now he has been 'exposed' — if that's the right word — via the dubious efforts of that friend of the President's Office at the *Sunday Times*, Ranjeni Munusamy. In the process, Ms Munusamy appears to have sinned against all the rules of investigative journalism.

Munusamy was introduced to Jacobs following her newspaper's grovelling apology, published on December 3 last year, to Minister in the President's office Essop Pahad, and ANC Chief Whip Tony Yengeni. Drafted by editor Mike Robertson in terms that managed to be both obsequious and pompous, the apology related to an earlier *Sunday Times* report in which Yengeni and Pahad were — in our view, correctly — accused of trying to squash, or at least inhibit, the arms investigations called for by Parliament.

After her editor had already published his apology, Munusamy approached Terry Crawford-Browne, a retired Nedbank executive and devout Anglican who has campaigned against the R43b arms procurement programme since its inception, for belated help in shoring up the story. Which, come to think of it now, was odd.

Crawford-Browne introduced Ranjeni to Bheki Jacobs on the explicit understanding that Jacobs' identity would be protected. Now he has lodged a complaint with the Press Ombudsman about the *Sunday Times* exposure of their source — one of the cardinal sins of journalism — in a front page story on March 11.

Sunday Times news editor Mondli Makhanya says he decided to run a story exposing Jacobs 'because he didn't play open cards with us' and because of things the newspaper learned about 'the manner he had operated with members of the presidency ... he inveigled himself and spread false documents around'.

The *Sunday Times*'s expose — under the headline 'Man poses as Mbeki's secret agent' — was a shocker. Readers were left with the impression that a nut had had the ear of the government and the president, on serious intelligence matters, for years. Among those named as having been 'taken in' were Pahad himself, for-

was duped by Jacobs — a reflection on them more than on him, I suppose,' Makanya said. In a more robust democracy that would have been enough to topple a government.

The newspaper's main source for all this inside-the-presidency stuff was none other than Minister Pahad, one of the subjects of its original critical story — and no mean spy himself.

News editor Makhanya claims that Pahad, far from encouraging the story, had to be convinced to speak about the issue. But the notion of Pahad — not to mention the president — being duped by a nutcase over a number of years remains hard to swallow. Who's really duping whom?

The *Sunday Times* has undoubtedly been duped. In the spy world, Bheki Jacobs is the real deal — an experienced operative who has, for two decades, worked for the ANC at the highest levels — latterly, even for the presidency. And Pahad has foolishly committed the cardinal sin of the intelligence community — that of exposing the identity of its operatives.

The *Sunday Times* appears keen to ignore the fact that what Pahad has exposed amounts to a private Presidential intelligence network — a matter of considerable political and constitutional moment.

Pahad's attempt to portray Jacobs as some kind of Walter Mitty character does not stand up to even the most cursory scrutiny.

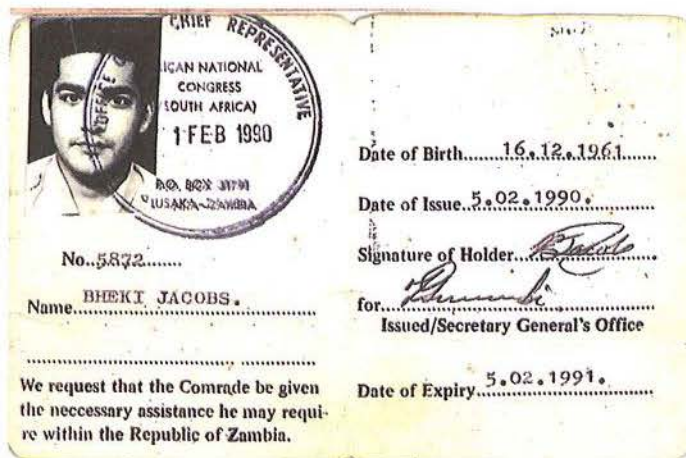
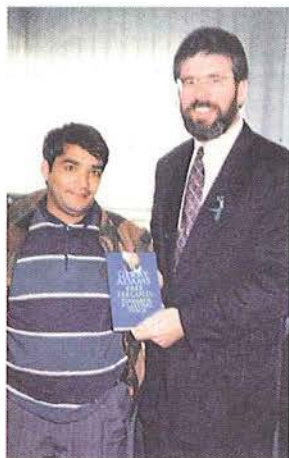
Of course, Pahad is relying on the fact that in most cases the world of intelligence really is so bizarre as to seem implausible. Who would have believed a Dr Wouter Basson ('medicine is my hobby, war is my profession') or a colonel Eugene

Jacobs was a security consultant to the SA 2006 bid during the Fifa inspection visit, and was also a central figure in the ANC team providing Sin Fein leader Gerry Adams with protection during his visit to South Africa.

mer Intelligence Minister Joe Nhlanhla, and President Mbeki's former political advisor, Vusi Mavimbela (who is today head of the National Intelligence Agency). 'Person after person in the presidency

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Opposite: with two MK graduates at Lenin's tomb in Moscow, 1993 Below, left: Sin Fein leader Jerry Adams' escort in SA Centre: ID card issued by ANC representative in Lusaka Right: with comrades in Thabo Mbeki's department at Shell House, 1994



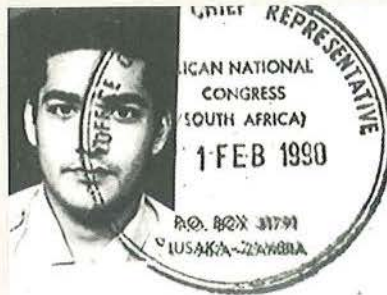
Bheki Jacobs' real name is Hassan Solomon and he comes from a Durban family with deep roots in the struggle. In the 80s he began working underground for the ANC, and later worked for a youth movement supported by the Diakonia ecumenical agency.

Alvin Anthony, who was employed by Diakonia in Durban in the 80s, recalls: 'I worked closely with Jacobs. He was an extremely committed activist and very honest, actually. He was also extremely intelligent and had a very good grasp of strategic detail.'

The youth project was so successful that, by 1985, Jacobs had attracted the attention of the security police. 'He was under a lot of pressure. If he hadn't left the country I believe he would have been killed (by the apartheid security forces),' says Anthony. 'Only when he left did people call to say how he had helped them with their education and so on.'

Jacobs skipped the country in 1985, proceeding to Mauritius and later to the ANC camps in Zambia.

Soon after his arrival at the camps, Jacobs became involved in conflict with elements of the ANC security hierarchy, because of the corruption and exploitation that he allegedly uncovered there.



Name **BHEKI JACOBS.**

In 1986 he was thrown into the notorious Quatro prison, where he spent about five months before being rescued by Ivan Pillay, now a senior official in the South African Secret Service.

Jacobs was then deployed into the ANC's Swaziland underground network. After a crackdown by apartheid security forces, he was jailed again — by the Swazis for illegally entering that country. The Swazis eventually deported him back to Zambia.

The beginning of the 90s saw renewed conflict between Jacobs and the ANC hierarchy. This time allegedly assisted by Hein Grosskopf, he again took issue with the venality and personal corruption of many individuals within the leadership. That experience coalesced into the informal network of exiles which would ultimately form the nucleus of Congress Consultants.

Said one exile: 'The Congress Consultants network grew as a counter to the

corruption and influence of the old leadership. The support of these exiles coalesced around Thabo Mbeki as the man who had brought the war to an end and who was not associated with the excesses of the camps and structures in the Frontline states.'

But that was to come later. Meanwhile Jacobs was demobbed from MK and sent to Moscow — to further his education and, it is believed, to play a new intelligence role.

From 1992 to 1994 he was registered at Moscow State University to do a masters thesis under the tutorship of Professor Appollon Davidson in the Institute of Asian and African Studies. He also appears to have had an undercover diplomatic role in the then rapidly crumbling Soviet Union: helping to secure 'sensitive' ANC and SACP records held there, and to facilitate the return of South African trainees and operatives who found themselves stranded at various academic and military institutions.

Someone who knew him in Moscow said Jacobs was unsettled and reluctant to return to South Africa, where he feared he might be killed by enemies in the ANC.

On his return from Moscow, however, he was accommodated briefly at the ANC guest house in Yeoville, courtesy of the party's Department of Intelligence and Security. A South African identity document was arranged for him in the name of Uranin Solomon. Willingly or unwillingly, he was back in the game. *n*

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de Kock could have been employed by a government to do what they did?

But Jacobs' career as a trusted intelligence operative is simply too well documented. [See box story.]

'Jacobs is a highly-trained ANC intelligence operative, whose information has proved to be uncannily accurate,' says Crawford-Browne. 'His standing is such that he was responsible for security for the Independent Electoral Commission during the recent local government elections.' The IEC has confirmed this.

Presumably those in government responsible for the appointment knew of his qualifications for the job.

Jacobs' association with the President is clear: on his return from exile in Moscow in late 1994, Jacobs worked at Shell House (ANC headquarters in Johannesburg) in the department of International Affairs headed by Mbeki. It appears that Jacobs

was almost immediately deployed in the internal battle between followers of Mbeki, on the one hand, and those of Cyril Ramaphosa on the other. The two groups fissured the ANC in many ways: exiles vs 'inciles', Africanists vs Charterists (and their alleged White, Indian, 'Coloured' and Communist Party cabals).

A group calling itself Congress Consultants was formed as a kind of guerrilla intelligence network to give Mbeki independent intelligence on what was happening in the country and in his rivals' camps. [See box story.] Jacobs was, at one time, a kind of operations director for this network.

It ensured that Mbeki was well informed about the activities of his opponents and their allies — and many were subsequently sidelined: Mac Maharaj, Pravin Gordhan, Jay Naidoo, Tokyo Sexwale, Mathews Phosa.

It was allegedly Congress Consultants that did the investigation into Phosa (then Mpumalanga Premier), when he

was threatening to stand against Mbeki for the ANC presidency — long before the official ANC investigation.

Jacobs 'assisted' the ANC Western Cape safety and security committee from 1995 to 1997, when close associate Nyami Boozi was in charge of the ANC Western Cape Safety and Security Desk. He was based in the office of then ANC chief whip and treasurer, Arnold Stofile, working as Stofile's 'intelligence man' at Parliament.

And remember when Anglo and De Beers were rumoured to be backing Cyril Ramaphosa in the leadership contest with Mbeki, back in 1997?

Of course today this is dismissed as 'rubbish' by Ramaphosa, but noseweek readers will recall that in 1993 and 1995 Mbeki made trips to Russia, where he held secret meetings with that country's largest diamond producer.

The document which Jacobs sent to the presidency in about 1997, stated that: 'Anglo/DeBeers believe that since 1993, Thabo Mbeki and the Russian govern-

ment were jointly planning to destroy the Central Selling Organisation (De Beers' diamond selling cartel). Further, they believe that Mbeki and Museveni advised [DRC president] Kabila not to give Anglo/De Beers mining concessions, and that instead [he] should give them to American companies, so that the USA will endorse him (Kabila). This is one of the reports which the *Sunday Times* described as 'bizarre'.

Bizarre or not, we all know the chaps at De Beers don't take kindly to even a hint of that sort of thing. But then, of course, things can change over time. Now Mbeki and De Beers are mutual admirers.

Perhaps the most prescient Congress Consultants' report handed to the presidency by Jacobs, concerned the role of business in ANC politics. An extract: 'The most significant development during 1997 was the strategic role the business front began to play ... Business groupings began to determine groupings and factions within the ANC ... The effect was mainly felt at local and provincial government levels, where pro-Thabo and anti-Thabo groupings were [increasingly] united by their business interests first and their political loyalties second. The defections and crossing over from one grouping to the next had more to do with self-interest or fall-outs in terms of business deals [than with political differences]. This aspect has now become central in understanding the internal dynamics of the ANC.'

Perhaps it was this insight that

prompted the Congress Consultants network to have a closer look at the arms procurement programme.

If, as Pahad suggests, it was Congress Consultants that produced the report which PAC MP Patricia de Lille used to set the arms investigations in motion, then they have achieved a remarkable intelligence coup.

Since mid-1999, Jacobs has been contracted to the Africa Institute in Pretoria, via Congress Consultants, which is now a registered company. The Africa Institute is a highly regarded and long-established research body, partially funded by the government.

Are the dogs that were once unleashed on Cyril Ramaphosa, now turning on their master?

In a statement issued in response to the *Sunday Times* expose of Jacobs, Africa Institute Secretary Khehla Moloi said that Congress Consultants had played a 'dynamic and intense' role in the Institute's achievements. 'Their strong contacts, both in and out of government, in Africa and internationally, strengthened AISA's international, Parliamentary

and Government liaison activities,' Moloi said. 'We strongly recommend Congress Consultants and look forward to the continuation of our special relationship.'

Sobantu Xayiya, like Jacobs a consultant to the Africa Institute, has confirmed that he attended a number of meetings between Jacobs and Pahad where intelligence reports were passed on. (Xayiya was an ANC parliamentary spokesperson, until he was fired on suspicion of being the source of a *Beeld* article which revealed that Carl Niehaus was being sent to Holland as ambassador because he had fallen out of favour with the party leadership.)

Their last meeting with Pahad was in November 1998. At that time, according to Xayiya, Pahad accused them of 'misinforming' the President and cut off their existing channels to the presidency. The group continued to send reports to the president via other channels for a further year.

'He was happy to receive those reports for nearly five years. Why are they now suddenly a problem for Pahad?' asks Xayiya.

To return to the arms investigations. There remains a suspicion that the fight about the arms deal is still about the battle to oust Mbeki. Most of those likely to benefit from the deal belong to the so-called 'Indian cabal' and those who have been co-opted by them, like Joe Modise. The profit from the arms deal was perhaps to serve as a war chest for their political ambitions. That suspicion is backed up by the independent testimony of one of the key players in the arms deal, who alluded to the need for resources to 'resurrect the true spirit of non-racialism' which, he said, had been crushed in 'Mbeki's ANC'.

While retaining a sense of loyalty towards Mbeki, the Congress network appears to have moved closer to civil society. 'Presently we are witnessing the closing of ranks by party factions which were hitherto antagonistic towards one another, as the noose is drawn tighter around the investigation of the arms deals,' says Xayiya.

'You know they (in government) rejoiced when the constitutional court ruled against Judge Heath. Champagne was opened, literally. You have to question things then.

'But we foresaw that possibility ... that's why we registered Congress Consultants as a company in 1995. That gave us a measure of legal independence.'

Cyril Ramaphosa must be smiling quietly to himself at Pahad's predicament. Are the dogs once unleashed on Ramaphosa now turning on their master? n

Africa Institute consultant Sobantu Xayiya explains how the informal ANC intelligence network, known as Congress Consultants, operated:

'The type of material passed to the director (Bekhi Jacobs) is, in most instances, sensitive information. Often this comes from 'comrades' occupying very senior positions both in business and government.

'Sometimes people wanted discreet action taken, so that the movement was not brought into public disrepute. It was in this light that a copy of Winnie Madikizela Mandela's letter to Jacob Zuma [about the president's alleged sexual indiscretion with Mrs Sam Shilowa] was passed on to the presidency long before it was leaked in the media — so that Mbeki could 'deal with it quietly'. [It appears this report did not reach the President, although old ANC intelligence hack — and current head of the SA Police Service — Jacky Selebi was promptly delegated to attempt to silence the *Sunday Times*. He succeeded

insofar as the newspaper agreed to omit all references to the alleged affair with Mrs Shilowa when it reported on the Winnie letter. See nose31.]

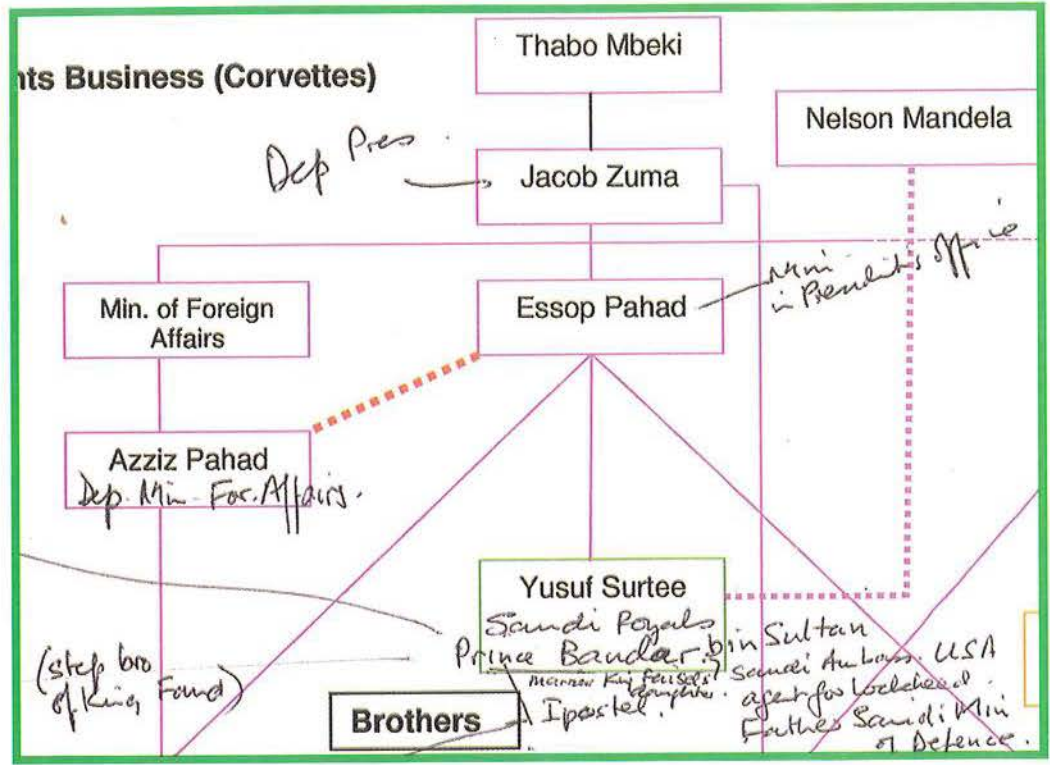
'Sometimes information comes from junior employees [about their corrupt seniors]. Because they fear victimisation, they quietly pass the information on to us.'

Why did the network send reports and documents to the president?

'First and foremost, he is president of the ANC. If there are reports of serious malpractices, it is the duty of every responsible person to bring such matters to the attention of the President. This is done to minimise the damage that might be inflicted on the organisation and the government.

'Now, by throwing these matters to the media, Pahad is setting up a dangerous precedent.' n

Our organogram talks



Ever since President Mbeki waved our organogram around on national TV as his justification for getting Judge Heath off the arms investigation, we've been thinking: that organogram must reveal more than meets the eye, to have elicited such a violent response.

So we've been having a closer look at it. And it's started to tell a whole new story.

At first we thought the TV drama was just another ludicrous bit of incompetence on the part of the president's staff or the National Intelligence Service.

But whoever handed it to the president certainly succeeded in pushing him over the edge. Mbeki was, apparently, persuaded that our organogram was a document that Judge Heath was secretly harbouring; a sort of 'hit list' or hidden agenda which listed the president and his predecessor, Nelson Mandela, as the judge's prime suspects. Within hours, Heath was history.

Whoever it was, had been similarly successfully with Mr Mandela, who was even more enraged. Mandela, who has for years shielded Heath from his critics, regarded the inclusion of his name on the judge's supposed hit list as an act of profound treachery. No more shield.

Now who might be so desperate to get the Heath unit off the armaments investigation – apart from a corrupt government – and why? As many, including the president, have pointed out, Judge Heath is not the only competent investigator in town. Ah, but what did make Heath

unique was the unique power he wielded: he had the power to declare any contract he thought had been improperly concluded by the state declared nul and void. Now that was bad news for a lot of people with massive financial stakes in the arms programme.

Back to the organogram. But what, you ask, was the name of poor Yussuf Surtee, Madiba's silken shirt supplier, doing up there alongside those of Mbeki and Mandela. Surely he's got nothing to do with arms! So we, too, thought at the time. He was simply included as a man with potential influence in top circles because of his close friendship with the president and with the Saudi Royal family. But we've had another look.

In 1997 (then still) President Mandela visited Saudi Arabia to sign a 'preliminary' agreement for the supply of crude oil to SA. The following year, (then still deputy) president Mbeki made a follow-up visit to Arabia, to conclude an R8.5b arms-for-oil deal with the Saudi government. All was quite straightforward: we get the oil, they get some of our famous G6 canons and everyone, barring Israel, is happy.

That is until the *Mail & Guardian* informed us that the Saudi deal was somehow conditional on CellC getting South Africa's third cell phone licence. A quick check revealed that, yes indeed, there is a substantial Saudi stake in CellC. Which, of course, might explain why the cabinet went into such a flat spin when the independent committee

responsible for awarding cell phone licences, got too independent and it looked as if it might not give the licence to CellC. Within no time at all, the committee lost its independence, and all was once more on track for CellC – until the Pretoria High Court intervened and, at least temporarily, screwed up the government's plans yet again.

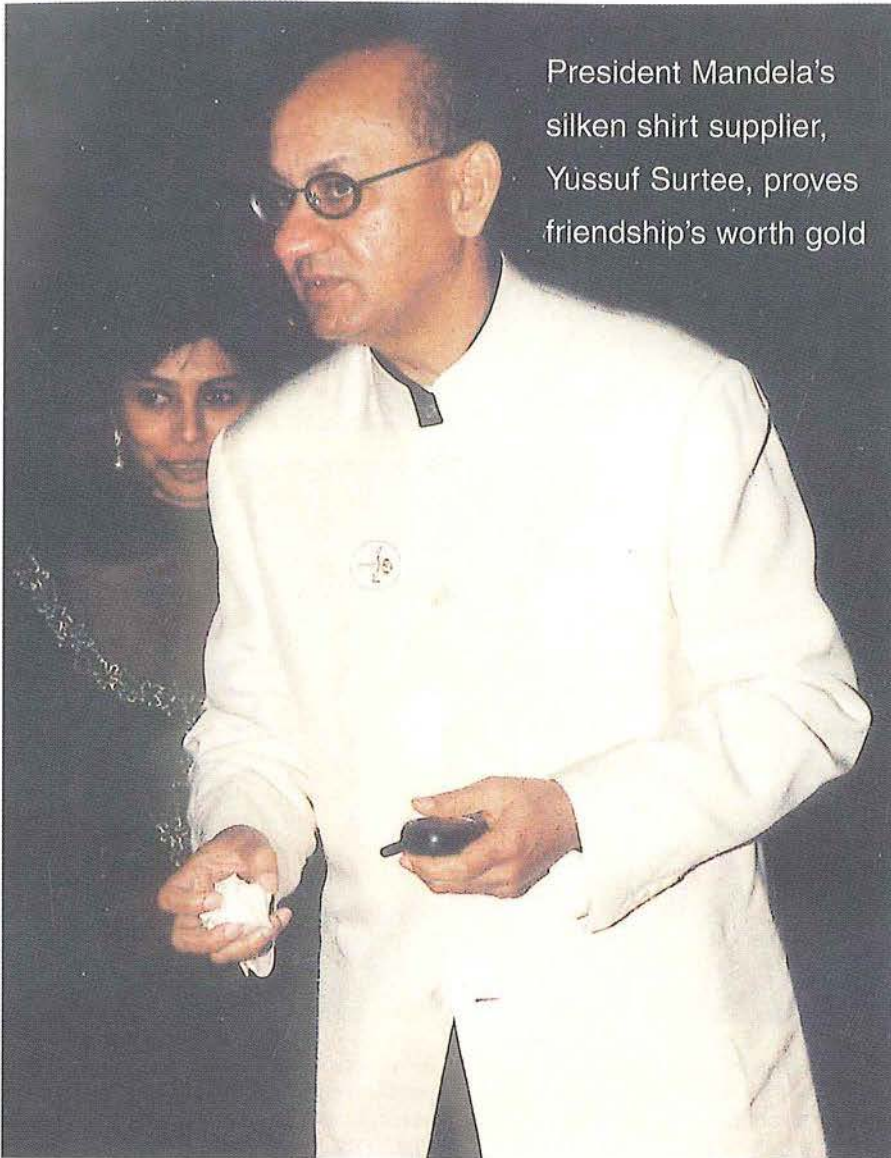
Then SA arms (and G6) supplier Denel confirmed that it had paid R100-million into the Swiss bank account of its agent in Saudi Arabia, called Zan Trading, for payment to various unnamed agents as advance commissions on 'an arms deal that had still not been finalised'. (Obviously those 'agents' had good connections at Denel and the Reserve Bank, to have got these payments authorised before the deal was concluded.)

The auditor general is, apparently, still trying to find out whether any of these millions found their way into South African hands off shore.

So, imagine our delight when a mysterious but well-informed friend recently reported to us how pleased a banker at Merrill Lynch in Geneva was with his client, Mr Surtee's spectacular success in the arms business.

Then we found another clue. In a press report on the collapse of World Online's shares (on the same day they were listed) on the Amsterdam stock exchange.

WOL's chief executive is Dutch celebrity businesswoman, Nina Brink. ('When I was last speaking to my dear,



President Mandela's silken shirt supplier, Yussuf Surtee, proves friendship's worth gold

dear friend, Nelson Mandela ...' is one of her favourite phrases.) The collapse was particularly tragic for those of Ms Brink's society friends who she had favoured with generous pre-launch share allocations.

Included amongst those who had hoped to make a fast buck, but instead lost out, were singer Tina Turner, the ex Duchess of York, Sarah Ferguson and ... wait for it ... our own Yussuf Surtee!

The list released by WOL shows Surtee as having paid 2.2m guilders (over R6-million) for his WOL shares! That's a lot of off-shore spare cash for someone in the South African rag trade - but maybe not so much for someone in the arms trade. Might it have come from that account at Merryll Lynch in Geneva?

We have reason to believe that it didn't come from his South African bank account - and that the Reserve Bank knows nothing about it.

Adding sauce to the hypothesis: among

the other celebrities on the WOL list were Shezi Naqvi and Sheikh Abdillah Saleh Kamel, described in the WOL press release as 'Surtee's Saudi friends who invested with him'.

Naqvi and Sheikh Abdillah are well-known in arms circles.

What might the shared interests of Surtee and the Saudis include? That arms-for-oil deal concluded by Mr Mandela and President Mbeki, perhaps?

There is some parallel evidence to support that idea. For example, in July last year, *Reuters* reported that a 'large Arab consortium' was to invest \$100 million in projects in Syria, such as mobile telephone networks [*hello Cell C!*], internet companies and hotels.

The Arab consortium included Saudi Oger [*also a partner in the local Cell C bid*], Dallah Albarakah, a financial group owned by Saudi billionaire Saleh Kamel (Mr Surtee's co-investor in WOL,

remember), and the First Saudi Investment Co, owned by Wafic Said.

All of them ring bells in South Africa.

Saudi Oger own 60% of CellC and provided the financial backing for the 40% 'black empowerment' stake in the aspirant SA cellphone provider.

The Saudi conglomerate, Dallah Albarakah has, according to its own PR handout, 'by the grace of the Almighty Allah, and due to the generous support by the government of the Custodian of the Two Holy Mosques, King Fahad, achieved a formidable reputation at both national and international levels.'

Albarakah's best-known investment in South Africa is in the local Albarakah Bank. (Local shareholders include AM Moola Ltd, the Durban-based clothing group owned by the father-in-law of Shabir Shaik. Shabir is a director of companies involved in South Africa's R43-billion arms procurement programme, and is the brother of the Department of Defence's controversial chief of Weapons Procurement, Chippy Shaik.)

More recently Dallah Albarakah have been rumoured also to be providing financing for CellC.

A local Albarakah subsidiary, Samaha Trading, also has a stake in a local TV production house, Endemol. And Samaha is headed by Mr Surtee's friend and fellow World Online investor, Shezi Naqvi! (Naqvi is also said to have provided finance for some of President Thabo Mbeki's younger brother, Moeletsi's business ventures.)

For parallels, perhaps the most interesting member of the Syrian consortium was Wafiq Said of the First Saudi Investment Company.

He recently endowed the Wafiq Said School of Business at Oxford with a £20m donation. A very handsome sum - but then he did also manage to pocket a £120m commission on the Al Yamamah arms deal between British Aerospace and Saudi Arabia! (Other beneficiaries of that deal included Mark Thatcher and the UK Conservative Party.)

Earlier this year, when the cabinet finally confirmed the award of the third cell-phone licence to CellC, Pres Mbeki was not in town for the announcement. He was in Saudi Arabia. One rumour has it that the the mood there was not as festive as here, and that the G6 deal may be off. Perhaps someone's thought of the implications of putting an artillery piece capable of delivering a nuclear warhead in the hands of one of Israel's neighbours?

● And, if the deal is off, will, or can, those unnamed agents repay the commissions they were paid in advance? *n*

part two

When Masterbond was placed under provisional curatorship in October 1991, the head of the Financial Services Board, Piet Liebenberg, nominated three prominent members of the Cape 'establishment' for appointment as its provisional curators. Willem Wilken, chairman of auditing firm Coopers and Lybrand, Jeff Malherbe, the chairman of legal firm Jan S De Villiers, and Arnold Galombik, chairman of attorneys Sonnenberg, Hofman, Galombik were provisionally appointed by the Master of the High Court.

masterbond

Don MacKenzie battles on



Confirmation of their appointment was scheduled for February 12 1992. But Don MacKenzie, the fiery chairman of the Masterbond Victims Association, was in a belligerent mood. The whole of the SA financial establishment, which had had its snout deep in the Masterbond trough, was acting like the crew of the Oceanos, while many elderly investors, who had lost their life savings, were abandoned at sea.

MacKenzie was doing his utmost to cope with a deluge of calls from desperate Masterbond victims. (The curators, supposedly the professional sorter-outers, had made themselves 'unavailable'.)

MacKenzie was a total neophyte in matters legal and financial. Allan Levin, who had offered to represent the MVA free of charge, was an experienced liquidation attorney and all-round operator.

Levin told the MVA that the curators were there to cover up what had really happened at Masterbond, and that, left unchallenged, they would be sure to plunder the assets of the company.

MacKenzie and Levin decided to oppose the appointment of curators, and

to apply instead for the appointment of liquidators. In addition they wanted the court to recommend the appointment of a judicial commission of enquiry.

On the appointed day there was a huge crowd at court. Proceedings got underway with the provisional curators presenting their first report on the affairs of the company. Levin had ensured that MacKenzie was represented by the best from the Cape bar: Advocate Ian Farlam, SC (today a judge of the Appeal Court). To no avail: Farlam had no sooner started to present his case, when it became apparent that Judge Pat Tebbutt was impatient of any challenge to the curators. As an attorney who was watching recalls: 'Galombik and company were frightfully respectable guys - MacKenzie was farting against thunder.'

Indeed. Looking down from the bench, Tebbutt would have seen some old, familiar faces on the side of the curators. Jan S De Villiers and Sonnenbergs - represented by curators Malherbe and Galombik respectively - are two of the oldest and biggest of Cape law firms.

In opposition to them the judge would

have seen a pair of strangers: Levin, a combative Jo'burg attorney notorious for his lack of reverence for judges, and Don MacKenzie, a tattooed, suspicious, bulldog of a man, full of earnest sincerity but not at all the kind of chap you'd be likely to bump into at Kelvin Grove, the bastion of the Cape establishment where Judge Tebbutt was a stalwart member and where - in the old days anyway - he would have had absolutely zero chance of bumping into Allan Levin.

The curators' report was the fruit of nearly five months' labour. But, as MacKenzie recalls it, Judge Tebbutt allowed his team only an hour-and-a-half over lunch to read and digest the report, and to draw up their answering affidavits.

In his affidavit - drawn up with Levin's advice - MacKenzie pointed out that the curators' argument that they were needed to manage the business in order to avoid fire-sales of Masterbond assets, was essentially disingenuous. The business of Masterbond - pooling investor funds for property syndications - had come to an abrupt halt in October 1992. Liquidators could wind up the businesses as effect-

ively, and with greater transparency, MacKenzie argued. And liquidators would be just as capable of making deals advantageous to the investors.

Faced with these formidable arguments, Judge Tebbutt took the coward's way out: he postponed giving judgement in the matter for six months. In the meantime the provisional curators would stay in charge. 'You are very lucky to have men of this calibre and experience looking after your interests,' Judge Tebbutt assured MacKenzie.

It was a curious decision because, after another six months, opposition to the curators would be moot. All the important decisions with regard to Masterbond's assets would by then have been taken.

(One decision the curators immediately took, MacKenzie noted, was to allow the Masterbond directors, later convicted of fraud, access to Masterbond House and all its records and computers.)

Six months later, as promised, Judge Tebbutt delivered his judgement: he confirmed the appointment of the curators, and ordered MacKenzie to personally pay all the legal costs occasioned by his opposition to the application.

At this point a less determined man than MacKenzie may well have decided that it was time to return to a quiet and peaceful life on the farm.

But one thing he didn't lack was tenacity. Throughout 1992 Mackenzie continued to travel around the country, rallying Masterbond investors in opposition to the curators.

Mackenzie had built up a large network of well-placed, secret informers and he passed his information on to Nick Whitely, the SABC radio reporter. Whitely's sceptical and investigative reporting on Masterbond led national coverage of the issue. Altogether he would compile some 400 radio reports on Masterbond – frequently featuring MacKenzie.

This infuriated the curators. They were so furious, in fact, says Whitely, that at a meeting he had with them in their boardroom the discussion became so heated that curator Malherbe jumped up and started to storm out of the room. 'As he passed behind me,' Whitely says, 'I felt a tremendous blow on the back of my head. I shouted "what did you do that for?" Malherbe replied that it was "just a pat on the back". I told him that was rubbish and that if he tried anything like that again, I'd sort him out.'

Incredibly, it was journalist Whitely, and not the curators with all their access and resources, who, with Mackenzie's help, came up with the first concrete evidence of criminal wrongdoing at Masterbond. That broadcast ended any

hopes anyone might have had of a cover-up. Shortly afterwards, in mid-1992, Judge Nel was appointed to head a Commission of Enquiry into Masterbond.

Revelations at the Nel Commission, in turn, led to the prosecution and jailing of the three main Masterbond directors.

Shortly after the commission commenced its hearings in October 1992, MacKenzie and Levin decided to sue the SA Reserve Bank, the FSB and the Department of Finance for restitution of investor funds. The basis of the proposed case was that these bodies had been negligent, to say the least, in regulating Masterbond. In fact, most of the investments in Masterbond had come in long after the financial authorities had become aware of serious fraud at the company. MacKenzie has always believed that the SARB had sinister reasons of its own for not stepping in (see nose31).

MacKenzie spent months sending cession forms to each and every Masterbond investor. In return he obtained cession of some R72m in Masterbond investments – a phenomenal response.

But then Levin appeared to lose enthusiasm for the cause, having, in the meantime, been awarded the demanding (and lucrative) job as liquidator of Supreme Holdings. He and MacKenzie had a bitter fall-out, and the class action suit they had planned never materialised. In the process MacKenzie received some nasty press coverage. He was becoming a highly contentious figure.

Judge Tebbutt jumped up, clenched his fists and said 'I refuse to hear any more of this!'

The curators dismiss Don MacKenzie as 'a nuisance' who wasted a lot of their time. They claim to have done a good job under difficult circumstances.

In January 1997 the *Financial Mail* praised the curators for their achievement in 'closing the can of worms' by their astute management of Masterbond.

Not so, says Don MacKenzie. For many

victims the curatorship has been a disaster. Take Fancourt, for example.

Fancourt – nowadays Hansie Cronje's favourite hotel and golf resort in George – had used up some R73m of Masterbond funds. It was a jewel of a development and was well on its way to completion, when Masterbond collapsed.

Finance was the issue. Masterbond had effectively been Fancourt's bankers. How fortunate: keeping the development on track would require just the skills the curators had claimed to offer when justifying their appointment.

One proposal, made by Standard Merchant Bank in January 1992, offered the Masterbond investors an immediate payout of 30 cents in the rand, as well as shares in the Fancourt company that was to be listed in terms of the proposal.

Group 5 Construction, Fancourt's major creditor, was so positive about the proposal that the company advanced another million on an unsecured basis, simply to get the show on the road.

But, in the event, the curators made a surprise decision to put Fancourt into liquidation. The property was eventually sold in August 1994 to the current owner, for R47.5m. It turned out to be an absolutely sensational deal for the buyer – a fire-sale purchase. Exactly the kind of thing the curators had said they were there to prevent.

Masterbond victims whose funds had been allocated to Fancourt eventually carried off a whole 15 cents in the rand. Not surprisingly, extensive legal challenges to the curators' actions ensued. Ironically, this meant that the curators briefed their own law firms and paid themselves huge additional fees out of Masterbond investor funds.

MacKenzie points out that, at Mykonos, too, the curators have made millions, while the investors have recovered virtually nothing.

There were many conflicts of interest at Mykonos. Syd Miles, the chief inspector of the FSB, told the Nel commission that separate curators should have been appointed for some of the Mykonos companies.

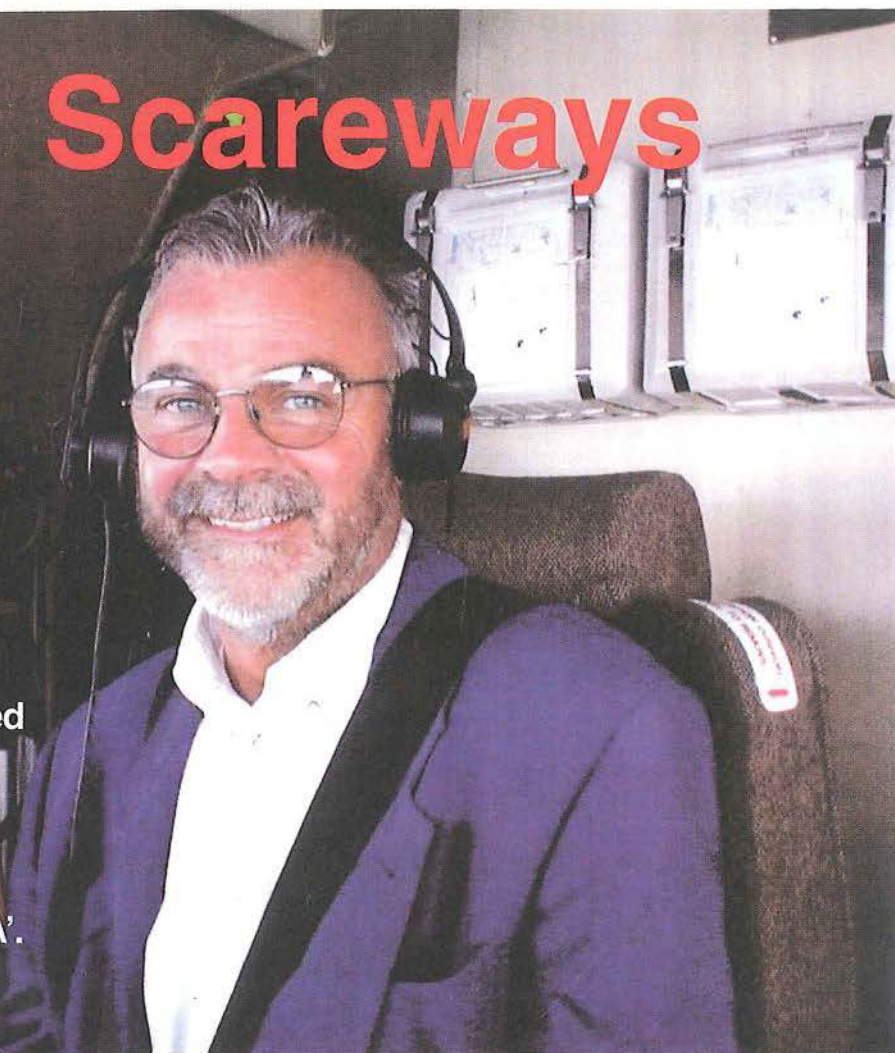
MacKenzie's own Masterbond investment was in one of the Mykonos companies, Mykonos Weskus. He applied to have Weskus liquidated, which he estimates would have ensured a quick payout of approximately 30 cents in the rand to him and the other R30-million worth of investors in Weskus.

MacKenzie's liquidation application was opposed by the curators. In doing so, the MD of Masterbond (Under Cura-

continued on page 17

British Scareways

One day John Gorman came home to find two men rifling through his documents. They sprayed his eyes with tear gas and banged his head against a wall shouting, 'This is what you get when you mess with BA'.



In January last year John Gorman, a former Scotland Yard anti-terrorist officer now resident in Newlands, Cape Town, was sitting at Heathrow airport waiting for take-off on BA flight 456 from London to Madrid.

Gorman was in the second row in business class at the front of the plane — a Boeing 757 — only metres away from the door to the cockpit, or 'flight deck' as the airlines call it.

After all the other passengers had boarded he saw a middle-aged Chinese man and woman being manhandled on board by immigration officers. He would later learn that the couple had flown in to London on BA with false passports, and that the airline was now having to take them back to where they had come from — Madrid.

The deportees were clearly very upset and aggressive. Despite being escorted by a couple of large immigration officials, as well as two security women, they had dug in their heels at the aircraft door and

were refusing to come aboard. The woman especially, Gorman recalls, appeared on the verge of hysteria and was shouting in Chinese.

Gorman watched the pushing and shoving for a while, becoming increasingly concerned. Eventually he rose to tell the captain that, in his judgement as a police officer of extensive experience, it would not be safe to board the couple. The BA captain thanked Gorman for his advice and politely asked him to return to his seat and to buckle up. He did so.

The fracas went on and on. Eventually the Chinese allowed themselves to be led down the aisle, the woman by now sobbing loudly. They were placed in seats just behind the curtain that divided economy from business class.

Then Gorman, ever the professional, was horrified to see the immigration men turn and stroll off the plane, leaving the deportees unescorted.

Gorman had been a police officer for 21 years, ending up as a detective in the

Scotland Yard anti-terrorist unit. He had been one of the officers on duty at the Grand Hotel in Brighton when it was bombed by the IRA during the British Conservative Party conference of October 1984. During his career he had received numerous commendations for courage in the performance of his duties.

Assessing the scene on BA flight 456, he quickly concluded: here was potential for things to go wrong — catastrophically wrong.

As the plane was pushed back he could still hear the woman crying behind him. Then the plane's engines started and the crying was drowned out. Flight 456 began taxiing towards the runway for take-off. The stewardesses went through the safety procedures and the captain came on the intercom to apologise for the delay. 'I think the situation is calm now,' he announced. The engines revved louder. The stewardesses took their seats and strapped themselves in.

Head stewardess, Gill Cotton, was

seated next to the cockpit door facing the back of the plane. Suddenly, says Gorman, he saw a look of horror cross her face. He turned to see the woman deportee storming up the aisle, with her companion not far behind.

Cotton stepped into the woman's path — and was flattened. 'Its amazing what goes through your mind,' says Gorman. 'For a ridiculous moment I thought to myself "hang on — BA is really taking this in-flight entertainment thing a bit far". Then I came to my senses.'

Gorman leapt up and, as the woman reached for the handle of the cockpit door, managed to get an arm around her neck. A fierce struggle ensued. Further back in the aisle the cabin crew were scrumming with the male deportee.

Gorman held on grimly as the enraged woman bit and kicked him, and scrabbled at the door to the cockpit. Eventually he managed to push the woman into a seat, and crew members put handcuffs on her and her companion.

The take-off of Flight 456 was aborted and the aeroplane returned to an emergency stand. Police cars surrounded the aircraft as it came to a halt. The deportees were taken off the plane and handed back into the custody of the immigration authorities.

The captain of the flight insisted to police that he and his crew would make their statements at a later date and that his priority was to get the plane on the way to Madrid as the flight had now been very much delayed.

John Gorman was shaken and furious.

After a week in Tenerife he flew back to London from Madrid. On the flight back he was feted by the BA crew. The story of what he had done was all around the airline, he was told. Captain Anne Peacock invited him onto the flight deck to personally express her thanks and took a snap to record the occasion.

However, when on his return to Cape Town Gorman telephoned BA to find out how the investigation was proceeding, and what BA was planning to do, his reception was much less hail the conquering hero.

We can't talk to you, was all BA staff would say to Gorman. We have our instructions. Our solicitors will be in touch.

And when Sean Gates, senior partner of BA's solicitors, Beaumont and Son, did eventually telephone, he, too, seemed strangely lacking in appreciation for Gorman's efforts on BA's behalf.

Gates expressed scepticism of Gorman's version of what had happened, and played down the seriousness of the incident.

Gates was at pains to emphasise that

Gorman had acted 'strictly as a volunteer', but, as a special concession, BA was prepared to refund his 'reasonable' medical expenses.

'The injuries sustained by Mr Gorman,' Gates wrote in a follow-up letter, 'self-evidently arose as a result of the acts of the deportee and without any involvement on the part of British airways or its employees.'

The woman had been trying to leave the aircraft, Gates wrote, and not to gain access to the flight deck. But Gorman, like a good ex-detective, managed to get his hands on BA's own original incident report — which states quite clearly: 'Deportee tried to get to flt deck. Pax (passenger) helped out and was bitten by deportee.'

Gorman was enraged to learn that BA did not intend to conduct a formal review of their policies with regard to boarding disturbed passengers unescorted, and had declined to charge the deportees.

His Cape Town attorney, David Smit, wrote to BA on May 5 last year: 'Our client's main concern is the apparent failure (of BA) to acknowledge the

Gorman was arguably the world's favourite airline's least favourite passenger.

seriousness of the incident ... resulting in a perception that your client places less store than it should on airline security.'

Smit wrote repeatedly to BA's solicitor last year, but was met only with more of the same old stonewall. That is until December, when an incident occurred which seemed to place Gorman's actions and concerns in their true perspective: a BA flight from London to Nairobi came within seconds of falling out of the sky when a mentally disturbed Kenyan gained access to the flight-deck, assaulted the co-pilot and pushed the plane into a precipitous dive. As the plane plummeted from 30 000 feet to 19 000 feet some of the

passengers prayed, some screamed in terror and others bade farewell to their loved ones. A few rushed to the cockpit — presumably, like Gorman, also acting as 'volunteers' — and managed to wrestle the man from the controls. The plane had been only seconds away from turning turtle and ending up as a pile of rather fine African dust.

Incredibly, British police had warned BA at boarding that the man was a certified and dangerous mental patient.

The shock of this near disaster seemed to have jolted BA to a more appreciative attitude of John Gorman. In January this year, a year after the London airport incident, Sean Gates wrote once again to Gorman, now in considerably less haughty tones. BA was now prepared to pay Gorman R55 000 'in recognition of the assistance you rendered', he wrote.

Gorman is taking his time to think it over. As Gates acknowledges, money was never the issue for him. BA has still not undertaken to conduct a formal enquiry into the incident, and has still not written to thank Gorman.

But why, you wonder, BA's mean and grudging attitude to the heroic Gorman in the first place? And why was Gorman so determined to hold BA's feet to the fire?

Gorman was well-known to BA long before the Chinese caper. In fact the man who so bravely fended off the Chinese light brigade on BA's behalf, was, at the time, arguably the world's favourite airline's least favourite passenger.

It all stemmed, bizarrely, from BA's battle with Virgin Atlantic, when BA went through a period of temporary insanity.

In the early 1990s BA was alarmed at the growing commercial threat of Richard Branson's new airline, Virgin Atlantic. BA's top management was heavily in thrall to various PR advisers notably David Burnside, director of public affairs at BA, and Brian Basham, a well-known London PR operative.

The PR men decreed that the main asset of Virgin airlines was Richard Branson himself, with his image of daring and success. They recommended that BA should attack that image by spreading lies and rumours about Branson's judgement, stability and behaviour.

Incredibly — and this is fair dinkum — the top men at BA, chairman Lord King and chief executive Sir Colin Marshall, not only went along with this crazy idea, they egged the PR men on to greater excesses.

BA also attacked Virgin itself with false rumours that it was about to go bankrupt and was having to pay cash for fuel. BA staff used the booking system they shared

with Virgin to illegally gain access to information on Virgin passengers. Pretending to be Virgin staff, BA personnel then telephoned those passengers telling them there were problems with their bookings — and offering to switch them to BA flights.

Branson was slow to react to BA's dirty tricks because he thought he could sort things out with a letter to Lord King. Eventually, however, he realised that BA's chairman was already fully aware of what was going on and, as a last resort, sued BA for libel.

What emerged during the discovery phase of the libel case horrified BA's lawyers. At one stage the company's own security men had managed to convince BA's management that Branson was running a massive undercover operation against BA similar to the one they were running against him — which was pure fantasy. (Our man, John Gorman, would unwittingly soon find himself playing a major role in this fantasy.)

BA settled out of court with Branson for the largest libel payment in British history. The airline was forced to apologise for attacking the good faith and integrity of Richard Branson and for the injury caused to the reputation of Virgin Atlantic. The outcome of the case was front-page news in every British newspaper. ('Virgin screws BA' reported the Sun.)

In January 1993, immediately after Branson's libel victory, Gorman was on a BA flight from London to New York. During the flight he swallowed a piece of broken glass that came in his complimentary drink, cutting his mouth and throat.

Gorman received hospital treatment and complained to BA. Up to this point, all fairly innocuous. There was never any question of a large financial claim, and BA could simply have paid Gorman's medical bills, apologised, and that would have been the end of it.

But Virgin paranoia reigned at BA. They promptly accused Gorman of being a Virgin airlines stooge who had made the whole thing up to further discredit BA.

Gorman had never met or spoken to Richard Branson. He had never flown Virgin Atlantic — he takes pride in being a founding shareholder of BA and a loyal customer of 'the national airline'. To suggest that he was plotting against BA was ludicrous.

Gorman was surprised and annoyed by BA's accusations, and issued a personal injury claim against the airline for £5 000. He has since said he would never have done so, had he realised what lay ahead.

Shortly after making his claim,



BA's PR men recommended that BA should attack the image of Virgin Airlines boss Richard Branson by spreading lies and rumours about his judgement, stability and behaviour.

Gorman's house was raided by police from Heathrow airport, who seized documents and personal possessions. The police at Heathrow just happen to be paid by a private company — whose main customer is BA. They have a very close working relationship with the airline. The policemen who carried out the raid were accompanied by a BA employee, Robin Armstrong, who appeared to be directing the operation.

Some of the documents were later returned to Gorman with a note on a BA letterhead reading 'Happy Holidays arsehole'. Obviously, as the *Have I got News for You!* television programme reported, the slogan that came a close second to 'The world's favourite airline'.

Next Gorman started getting abusive and threatening telephone calls. He taped the calls, a consistent theme of which was the suggestion that he drop his case against BA. When Gorman asked British Telecoms' nuisance calls bureau to trace the calls, they were found to originate both from BA's Heathrow offices and the Heathrow police station.

After Gorman's car was vandalised — repeatedly — he decided to add a harassment case to his personal injury claim.

Then things got *really* unpleasant. In June 1994 Gorman — representing

himself — had just won an important legal victory, when the judge refused BA's application to have his case thrown out of court. One afternoon he came home to find two men rifling through his documents. The men attacked Gorman, spraying his eyes with tear gas.

One banged his head against a wall shouting, 'This is what you get when you mess with BA'.

The men took documents relating to Gorman's case against BA. *Private Eye's* Paul Foot was tipped off that the documents were in the possession of BA's legal adviser, Mervyn Walker. When Foot tried to get hold of Walker, he was unavailable. But the following day Walker sent the documents back to Gorman with the explanation that they had arrived mysteriously in the post.

No-one has ever been charged or convicted for this assault and theft. If it was indeed at BA's instigation, as Gorman suspects, it would make BA probably the only airline ever to have endangered a passenger in his own home.

A PR dirty lies campaign, similar to that carried out against Branson, was now put in motion against Gorman. BA alleged Gorman had made up the assault in his home, but a panel of three judges on the criminal injuries compensation board listened to the evidence and made an unusually large award in Gorman's favour.

Eventually Gorman's claim against BA got to court. Gorman represented himself, while BA was defended by the best lawyers money could buy. He was unable to prove his personal injury charges, and he lost the case. As part of a later settlement agreement he concluded with BA, he agreed to drop his harassment case. In terms of the same agreement he is precluded from discussing the glass-in-the-drink incident and the subsequent campaign of harassment and vilification — but blow-by-blow accounts appeared in the British press.

Guardian reporter David Pallister recalls that it was a dreadful ordeal for Gorman, and that it had even affecting his health. He believes that Gorman was only sustained by his training as a policeman and his belief in the law.

Gorman seems more bemused than anything else by BA's actions. 'It's difficult to get a major corporation to see sense,' he says. 'But that's all I was ever after.'

BA is now under new management and the last of the old dirty-tricks brigade has left. The new regime seems to include a more friendly and constructive attitude to John Gorman. Let's hope it also includes a new attitude to boarding disturbed passengers. *n*

Don MacKenzie battles on

torship), Horten Griffiths, made an affidavit in which he declared Weskus was worth R1m. This, says Don MacKenzie, when Griffiths had a confidential report in his possession – commissioned by the curators – which ‘conservatively’ valued it at R4,5m.

Instead of liquidation, the curators proposed a ‘rescue’ scheme whereby all the Mykonos companies – including Weskus – would be combined into one.

The predicted future payouts, used to ‘sell’ the rescue scheme to Masterbond investors – they were supposed to start in 1996 – have never materialised. On the other hand, MacKenzie points out, the ‘rescue’ scheme has meant that the curator’s firms earned tens of millions in conveyancing and other fees at Mykonos.

In mid-1993 Mrs Heap – the lady who was reduced to sharing her dog’s lunch-time can of Husky – wrote to tell MacKenzie that she had received a notice to say that the curators were applying for the court’s approval to rank a second bond, which had been registered in favour of Fedlife over a Masterbond property in Bethelsdorp, equally with the investors’ first bond. (Normally, a first bond has priority for payment.)

If the curators’ application was successful, poor individuals like Mrs Heap stood to lose a significant amount to

Fedlife, a major financial institution.

Once again the application was to be heard by MacKenzie’s legal nemesis, Judge Tebbutt. Undaunted, MacKenzie went to court to oppose the application himself. When Bethelsdorp came up, he immediately asked the hapless Tebbutt to recuse himself. ‘He was furious,’ says Don, ‘and asked on what grounds. I said on the grounds that he’d given three bad judgements in favour of the curators already.’

‘That really set him off, and he shouted at me to explain myself. I said the first was the judgement where he’d allowed the curators to act without having their costs taxed – which was a disaster for the investors; the second was when he’d refused my application for a commission of enquiry – which had subsequently been appointed to great effect; and I was just saying “and the third thing ...” when he jumped up, clenched his fists and said “I refuse to hear any more of this! I’m handing over to my brother judge, Mrs Traverso”, which I thought was quite funny.’

MacKenzie pointed out to Judge Traverso that she had, as an advocate, represented Masterbond director Koos Jonker, and she immediately recused herself (probably with a sense of relief).

‘I must say she was very nice,’ says MacKenzie.

When the matter was eventually heard, the court found that MacKenzie’s objections had not been unreasonable, but

nevertheless upheld the curators’ application. Mrs Heap’s payout dropped from 100% of the money she had invested to about 30%. But why, in the first place, MacKenzie asks, were the curators fighting for Fedlife’s interests over those of Mrs Heap?

Mackenzie has never wavered in his conviction that the curators have done far more for themselves and various business interests than for Masterbond victims.

He has written hundreds of letters – none of them, it must be said, understated or tactful – to editors, judges and politicians criticising the curators.

The long campaign has taken its toll. He has had four strokes in the last ten years. After the most recent, his doctor warned him that if he didn’t stop worrying about Masterbond it would kill him. Don’s long-suffering wife, Sheila, endorses that opinion. ‘I’d like him to stop,’ she says, ‘but I don’t think that’s in Don’s nature.’

MacKenzie knows he is coming to the end of his long and arduous road. Whatever people think of him, he has waged a selfless and heroic campaign. His only taste of success was in getting out the information that led to the appointment of the Nel Commission. He has many regrets about his inability to do more for those victims who were left destitute. The bottom line, he says: people just didn’t care enough.

That’s not something that could ever be said of Don Mackenzie. *n*

YANKING SAA’s CHAIN?

the impression that government had approved an SAA buyout. It hadn’t.

Another Andrews project that SAA is examining is an internet dotcom venture based in New York which was supposed to promote tourism and SAA traffic to South Africa. ‘There were problems, possibly even a contravention of SARB regulations,’ said one official.

The venture, called ‘Veer’ (nothing to do with former SAA manager Gert van der Veer, surely?) previewed its travel website at the World Travel Market in London in November. The acting ‘launch CEO’ was apparently Judy Wade, a consultant working in South Africa for McKinsey Inc.

The site was due to go live in early 2001, but on February 16 the SAA Executive Committee made a decision to

‘cease investing in Veer as an independent venture’. This was to become effective on 31 March 2001, the day Andrews left.

SAA offered this rather inscrutable explanation: ‘After further evaluation, the Executive Committee believes that this venture could be best integrated in our total e-commerce drive at this stage, rather than to operate it outside of SAA.’

Andrews’ generous ‘package’ has also been a matter of concern. His contract, described as ‘one-sided’, was negotiated directly with former Transnet MD Saki Macozoma, and apparently contained confidentiality clauses which prevented any further disclosure.

Rumours have put his severance package at R46m, but perhaps they refer to the stock options he got which were reportedly redeemed for more or less the same amount.

Andrews clearly believes he is worth that kind of money. He is suing *Business Report* for \$50m for suggesting impropriety in the Boeing deal.

Finally, given the controversy around his departure from SAir, eyebrows were raised by a private banquet thrown by Macozoma for Bruggisser just days after Andrews announced his resignation. Andrews was a special guest. Perhaps they all had something to celebrate.

● An interesting aside on the Andrews family’s Republican connections in the US: he worked as an advisor to Gerald Ford and himself stood for a Republican party nomination for Deputy Governor of Virginia. In April 1997 he was well ahead in the polls before pulling out of the race six weeks before primary day. At a press conference he cited a ‘medical concern’ which had overtaken one of his three children.

Andrews has also been named as a director of the right-wing Free Congress Foundation (curiouser and curiouser). His brother Scott is in business with Marvin Bush, younger brother of the new US President, and is married to Jennifer Kemp, daughter of prominent Republican congressman Jack Kemp. *n*

Professor De Crespigny blusters his way through the *fight or flight* spy test



**'Good spies
always
follow the
money'
part three**

With all its modern respectability, spying remains a dicey game with a host of unwritten rules. One such rule is that 'friendly' intelligence services do not place officers in one another's territory without the approval of the host country's intelligence service. Cheats face exposure, diplomatic retribution and worse.

If the national Intelligence Service suspected that one of their 'friends' was cheating, the first step was to place the suspect under 'pressure'. Should he then decide to emigrate rather suddenly, this was accepted as a fair indication that their suspicion had been correct.

In 1983, two NIS agents invited Professor Anthony de Crespigny, professor of political science at the University of Cape Town and a member of P W Botha's President's Council, to a meeting in their Cape Town offices. They had unearthed some disturbing evidence that suggested that he might be such a foreign intelligence agent. The meeting was to be the

occasion for putting the professor to the 'fight or flight' test.

Maybe he was not a spy. Maybe he had merely been involved in anti-apartheid activities in the same way many well-meaning people had been prior to 1963. Maybe he had since ceased to be an activist and was now a responsible man in a responsible position. If so, the professor would no doubt be happy to explain how he had become a director of the two British front companies that had played such a dramatic role in converting the anti-apartheid struggle from a passive to a violent one. He would also, no doubt, happily tell NIS everything he knew about the sanctions committee of the Anti-Apartheid Movement, of which he had been a member while living in London. Most important of all, he would probably know where the money had come from to buy the ship, *Torquil*, and the aeroplane that the Armed Resistance Movement planned to use to smuggle

tons of arms and explosives into South Africa. After all, he had been a director of the companies that owned them. He might even be able to tell them who had financed the first conference to promote sanctions against SA in 1964.

On the other hand, if the professor was a spy, who was he spying for? NIS knew he'd had regular contact with various diplomats in Cape Town and that, a short while after their first interview with him, he had sold his house and moved in with a British diplomat.

What else might he be? The letter he wrote to the *Cape Argus* – was it the work of an agent provocateur bent on sowing dissent in Afrikaner ranks? Or was it a sinister attempt to gain the confidence of government ministers?

When De Crespigny readily agreed to meet with the men from NIS, it looked likely that he was going to 'come clean'. He arrived exactly at the appointed time, looking completely relaxed. He even agreed to them recording the interview.

They started by telling him that he was free to call it off at any stage. They then handed him the report ARM leader John Lang had written for the secret sponsor(s) of the ARM [See Part One in nose30] and asked him to read it.

When he reached the passage referring to the front companies, there was not the flicker of an eyelid. But by the time he had finished reading the document, it was clear he was battling to maintain his composure. 'So, gentlemen, how can I be of assistance?' he enquired. 'I really cannot see how all this concerns me.'

Had he ever heard of Brijit Ltd and Delia Ltd? 'Never,' he said. Anyway, not as far as he could remember. So the NIS men

handed him a typewritten sheet with all the company details, including the lists of directors with his name in them. 'I don't know anything about this,' he stammered slightly. This was hardly possible, they pointed out. One does not become a director of two companies and then resign without knowing about it. On each occasion forms have to be signed. It was probably that man Lang who got him to sign papers or something, De Crespigny said.

Could he recall signing papers? No, but perhaps, yes ... one signed so many things. This was long ago. His memory about such things was awful.

'You see we know the CIA indirectly financed other ventures embarked upon by the same people - Vigne, Lang and so on - so it is possible that they paid for this as well,' one of the NIS men prompted. 'Having been trusted to act as a director of their companies, you should know more about these things than we do.'

Well, he was sorry. If his name was on those documents, then perhaps they had used his name, but he knew nothing about anything illegal. He was not a revolutionary.

Did he know John Lang? No, yes well in a way. He was an unsavoury character and he didn't want anything to do with him.

Did he ever speak to Lang, here or in London? He couldn't remember exactly. Perhaps he did.

Did he know Miss McNaghton, the other front company director? Yes.

Had ARM co-ordinator John Lang ever spoken to them together? No. Well, maybe ... he could not remember.

Had he ever spoken to Lang's friend, Robin Scott-Smith? Perhaps; one spoke to so many people.

Had he not in fact travelled to Swaziland to visit Scott-Smith shortly after his arrival in South Africa in 1974? Well, not exactly visit ... he'd been to see Scott-Smith.

Were they friends? No, well, they'd known each other.

Was it true that Scott-Smith was quite candid about his friendship with the ANC? Well, yes, exactly, said De Crespigny, he'd been to see Scott-Smith in order to tell him that they were now on opposite sides.

On which side had De Crespigny been when he went to see Scott-Smith in 1974? Not on any particular side, replied the professor. At any rate, not on the ANC side.

Back to the Torquil. No, he really did not remember anything about it.

The professor was clearly not at ease any more.

Did he know anything about the

International Confederation of Free trade Unions [which at the time was secretly funded by the CIA - see previous instalment in nose 31]? He'd heard about it. He really could not remember whether he had tried to persuade trade unionists in Durban to affiliate their unions to it.

When he had applied for South African citizenship, why had he asked to be excused from having to advertise his intention to become a citizen? He wasn't sure.

His request had been phrased in a way which suggested that he was going to do some secret work for the government, more specifically for the Prime minister, P

W Botha. What was this work? He really could not remember.

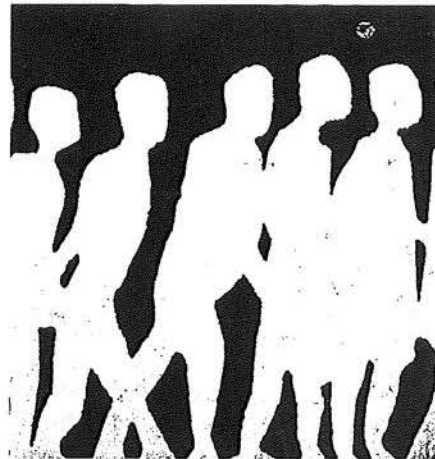
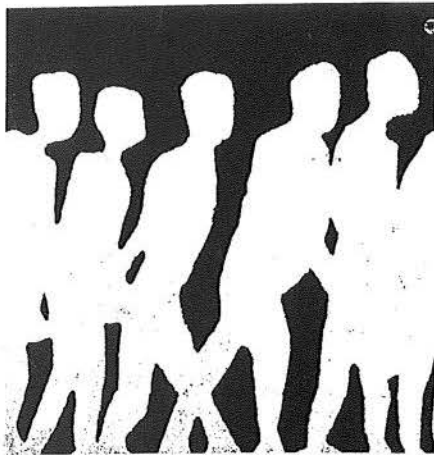
Finally the fun bit: Professor de Crespigny was handed a copy of the letter he had written in December 1972, asking for a job at UCT. It transpired he had told quite a number of fibs in that letter - often he couldn't remember why he had told such fibs in a formal application for an academic post, others he knew were calculated to impress the sort of people who make the decisions at a liberal university such as UCT ... *n*

To be continued.

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Most people recognise that advertising is propaganda. Public relations, on the other hand, is much more insidious. Because it's disguised as information, we often don't realise we are being influenced by public relations. PR firms that most people have never heard of — such as Burson-Marsteller, Hill & Knowlton, and Ketchum — are working on behalf of myriad powerful interests, from dictatorships to the cosmetic industry, manipulating public opinion, policy making, and the flow of information.

As editor of the US investigative journal *PR Watch*, John Stauber exposes how public relations works. For more than 20 years he worked for various causes: the environment, peace, social justice, neighborhood concerns. Eventually, it dawned on him that public opinion on every issue he cared about was being managed by influential, politically connected PR operatives with nearly limitless budgets. 'Public relations is a perversion of the democratic process,' he says. 'I knew I had to fight it.' This is the second part of Derrick Jensen's interview with Stauber. The first appeared in *nose31*.

Jensen: How did you get started doing this sort of work?

Stauber: Ironically, I owe my inspiration to Burson-Marsteller, because it was after I caught them infiltrating and spying on a meeting of public-interest activists that I decided to start *PR Watch*. In 1990, I organised a meeting of citizen groups opposed to the Monsanto company's genetically engineered bovine growth hormone, called rBGH. Surveys of consumers and farmers showed overwhelming opposition to injecting a hormonal drug into cows to force more milk out of them. Unfortunately, thanks to the hundreds of millions of dollars spent by Monsanto on public relations and on influencing the Clinton administration,

The secret battle for the public mind

Part 2

An Interview with
John Stauber,
Editor of *PR Watch*
By Derrick Jensen

rBGH was approved by the Food and Drug Administration in 1993 and is now in wide use. What's worse, milk and dairy products produced with the use of the drug are not labeled, which means consumers have almost no way of avoiding it.

Back in 1990, when rBGH was still just a billion-dollar gleam in Monsanto's

corporate eye, I organized a meeting of the Consumers Union, the National Family Farm Coalition, the Humane Farming Association, and other groups. Shortly before the meeting, I received a call from a woman who identified herself as 'Lisa Ellis, a member of the Maryland Citizens Consumer Council'. She said she'd heard of the meeting and asked if her organization could send a representative; it wanted to make sure schoolchildren could avoid rBGH-produced milk. I said they were certainly welcome, and a woman named Diane Moser attended our meeting. A few months later, a reporter told me that Monsanto was bragging about having placed a spy in our meeting. A little sleuthing revealed that the Maryland Citizens Consumer Council was a ruse, and that both Diane Moser and Lisa Ellis were working for Burson-Marsteller on the Monsanto account. A former employee of that firm later told me that it routinely sends new employees into deceptive and unethical situations to see if they're willing to be dishonest on behalf of its clients. I felt invaded and swore I would find out what kind of scum went around spying this way. Who was Burson-Marsteller? Through the Freedom of Information Act, I was able to obtain thousands of pages of internal documents from their PR campaign. I found I was up against one of the largest, most effective, best-funded, best-connected public-relations campaigns in history.

Few people even knew the battle was going on. Many of those who did hear about the drug heard about it under a different name. A 1986 survey done for the dairy industry — which has worked hand in hand with Monsanto to promote rBGH — showed that the term 'bovine growth hormone' caused consumers to worry, so the industry began calling the drug bovine somatotropin, which is Latin for 'growth hormone'.

Jensen: I've seen the same thing happen in logging. Timber-industry and Forest Service representatives try not to use the term 'old growth', preferring instead to call ancient trees 'overmature' or 'decadent'. There are also a number of euphemisms for clear-cuts; my favorite is 'temporary meadows'.

Stauber: If you can control the terms of the debate, you'll win every time. If you read something about bovine somatotropin, a 'natural protein' used to enhance yields in dairy farming, your response will likely be more positive than if you read about injecting dairy cows with a genetically engineered growth hormone.

Jensen: How do they get to planting these terms in news stories?

Stauber: Journalism is in drastic decline. It's become a lousy profession. The commercial media are greed-driven enterprises dominated by a dozen transnational companies. Newsroom staffs have been downsized. Much of what you see on national and local TV news is actually news releases prepared by PR firms and given free to TV stations. Academics who study public relations report that half or more of what appears in newspapers and magazines is lifted verbatim from press releases generated by PR firms.

The wheels of media are greased with billions a year in corporate advertising. The advertisers' power to dictate the content of what we see as news and entertainment grows every year. After all, the real purpose of the media as a business is to deliver an audience to advertisers. [E.g. see *Cape Times management* quoted on the subject in *nose13* (page 8). — Ed.]

Journalists find themselves squeezed between advertising money coming in the back door and press releases coming in the front.

Some PR companies — such as Carma International and Video Monitoring Service — specialize in monitoring journalists and evaluating stories which were favorable to corporate interests, who the reporters were, who their bosses are, and so on.

The PRs then cultivate relationships with cooperative reporters while punishing those whose reporting is critical. Certain PR firms will provide dossiers on reporters so that, between the time a reporter makes an initial phone call and the time a company's vice-president of communications calls back, the company will have found out the name of the reporter's supervisor, all about the reporter's family and background, and other pertinent information.

Jensen: We often hear charitable giving referred to as 'good public relations'. How does this work?

Stauber: Corporations want us to believe that they are concerned, moral 'corporate citizens' — whatever that means. So businesses pump millions into charities and nonprofit organizations to deceive us into thinking that they care and are making things better.

On top of that, corporate charity can buy the tacit cooperation of organizations that might otherwise be expected to criticize corporate policies. Some PR firms specialize in helping corporations to defeat activists, and co-optation is one of their tools.

Some years ago, in a speech to clients in the cattle industry, Ron Duchin, senior vice-president of the PR firm Mongoven, Biscoe, and Duchin (which represents probably a quarter of the largest corporations in the world), outlined his firm's basic divide-and-conquer strategy for defeating any social-change movement. Activists, he explained, fall into three



This is the second part of the interview by Derrick Jensen the author of 'A language older than words'

basic categories: radicals, idealists, and realists. The first step in his strategy is to isolate and marginalize the radicals. They're the ones who see the inherent structural problems that need remedying if indeed a particular change is to occur. To isolate them, PR firms will try to create a perception in the public mind that people advocating fundamental solutions are terrorists, extremists, fearmongers, outsiders, communists, or whatever. After marginalizing the radicals, the PR firm then identifies and 'educates' the idealists — concerned and sympathetic members of the public — by convincing them that the changes advocated by the radicals would hurt people. The goal is to sour the idealists on the idea of working with the radicals, and instead get them working with the realists.

Realists, according to Duchin, are people who want reform but don't really want to upset the status quo; big public-interest organizations that rely on

foundation grants and corporate contributions are a prime example. With the correct handling, Duchin says, realists can be counted on to cut a deal with industry.

Jensen: Why does this strategy keep working?

Stauber: In part, because we don't have a watchdog press that aggressively investigates and exposes PR lies and deceptions. Its success is also a reflection of the sorry state of democracy in our society. On a deeper level, we all want to believe these lies. Wouldn't it be great to wake up and find ourselves living in a functioning democracy? To be truly represented by our so-called Representatives? Not to have to worry about the destruction of the biosphere or the safety of the water we drink and the food we eat? I think we all buy in because we want to believe things aren't as bad as they really are.

The reality is, though, that our political and social environment is corrupt and deeply dysfunctional. Structural reforms must be made in our political and economic system in order to assert the rights of citizens over corporations. But since big corporations dominate the media, we're not going to hear about this on network news or in the *New York Times*. The beginning of the solution is for people to recognize that it's not enough to send cheques in response to direct-mail solicitations from public-interest groups. We need to become real citizens and get personally involved in reclaiming our country.

Big environmental organizations, socially responsible investment funds, and other groups perpetuate the myth that if we just write cheques to them, they'll heal the environment, reform the corrupt campaign-finance system, protect our freedom of speech, and reign in corporate power. This is a dangerous falsehood, because it implies that we don't have to sweat and struggle to make democracy work. It's so much easier to write a cheque for \$25 than it is to integrate our concerns about critical issues into our daily lives and organize with our neighbours for democracy.

Many so-called public-interest organizations have become big businesses, multinational nonprofit corporations. The PR industry knows this and exploits it well with the type of co-optation strategies that Duchin recommends.

Jensen: This seems especially true of big environmental groups.

Stauber: E. Bruce Harrison, one of the

continued on page 25



How to topple ... A HOUSE OF CARDS

Others had also foreseen the bonanza. On several occasions, Harry was approached by overseas companies wanting to distribute his cards in Southern Africa, but he saw no advantage in this: 'Why give someone else a percentage for something I can easily do myself?'

Then, literally overnight, on 12 April 1999, Protea lost its domination of the SA market. Suddenly, there was enough drama for a Hollywood movie; squealing tyres and a midnight raid by a dozen policemen on the Protea works; banner headlines about a marked card swindle and 'informed' media speculation that this worldwide scam was worth half a billion. The flamboyant Ernie Joubert of Caesars said as much in several press and radio interviews, and was later accused by some casino operators of airing the industry's dirty linen unnecessarily. But Caesars got a lot of publicity mileage nonetheless.

The backs of the high-value cards, worth 10 points or more, bore microscopic alterations at two corners. Theoretically this would allow extremely sharp-eyed punters to identify them and adjust their betting strategy accordingly. Other casinos rushed to check their cards — and found nothing wrong. Ernie Joubert said that marked cards from Protea were being used by a syndicate of blackjack swindlers — whose pictures were in police hands, in the form of stills taken off security tapes which revealed their erratic betting patterns. But two years have passed, and still no pictures or tapes have emerged in court — or anywhere else for that matter. No 'syndicate members' have ever been identified or interrogated, let alone arrested.

Caesars claimed that the scam came to light when monitoring systems showed that the house advantage on blackjack had declined to 11% from a national average of 15% (or an international 17%). But Stuart Shaw, operations director of Sun International, commented: 'We do not share the view that the win percentage on the blackjack tables was low compared

with international norms.'

Caesars estimated that almost R2m had been lost, a figure that has never been audited — or proven in court. If 'almost' means R1,9m, then that's a loss of R100 000 per day over the 19 days the cards were in use on 20 tables — or R5 000 per table. That represents a great deal of hard work, to say nothing of eyestrain, for the alleged swindlers, who would have had to have been working in shifts. If R5 000 represents a drop in the house advantage from 15 to 11%, we may speculate that each table was expected to win R18 750 per day, on average, from a



'drop' (or stake) of R125 000. Was this expectation too high? Is it possible that 11%, or an average house advantage of R13 750 per table per day, is within the odds for blackjack? Defence counsel for the man who later confessed to marking the cards, certainly thought so. In court he argued that the loss in estimated profit could have been due to gambling activities unrelated to the marked cards.

The fact that it took 19 days for Caesars to spot the cards doesn't say much for the casino's surveillance and blackjack tracking systems, which should have identified an abnormal pattern after two or three days. Unless, of course, betting patterns were actually within normal limits. How's this for an alternative scenario? After 19 days, when Caesars had failed to spot the markings, could it be that a little bird called the casino and whispered in Ernie's ear that he was being ripped off?

Whether that scenario's an inspired guess, or way off beam, there's a good

In mid-1999, newspaper headlines screamed that a 'billion rand' marked card scam had been uncovered at Caesars Gauteng. Now, two years later, it seems the plot was something else altogether: a deliberate act of industrial espionage, part of a much more elaborate plot. The aim of this conspiracy was not to bilk the casino out of a few million — but to destroy a family business called Protea Playing Card, throwing a R30 million-a-year market wide open for newcomers.

Protea Playing Card was founded in 1969; under owner Harry Roscoe, the enterprise built a solid reputation as the only provider of cards to Sun International's casinos. For security reasons, a card is dealt once, then destroyed, and casinos consume them in astronomical numbers. By 1999 Protea was sitting pretty as the sole manufacturer in South Africa; the close corporation could supply quality cards at a quarter of the price charged by overseas manufacturers. The dawn of legalised gambling was a rosy one for Harry Roscoe, who was predicting a ten-fold increase in annual turnover to more than R30 million. Over the next few years, the number of legal casinos will approach the permitted maximum of 40.

reason why the markings were not spotted for 19 days: because they were so minuscule, a gap in the pattern less than half a millimetre wide, caused by removing two arrowhead shapes from a circular arrangement of eight. (Try spotting them in the corners of the card reproduced above.) Through a good magnifying glass, they stand out (see illustration, magnified 6x); with the naked eye, one has to peer at them very closely; in play on a blackjack table, as the cards come swishing out of the shoe, superhuman vision is required. Even a swindler who knew what to look for would need eyes good enough to pick out a half-millimetre mark at a range of 75 centimetres in a split second. No test games were dealt to see whether or not the markings actually gave any advantage to a player.

The alleged scam turned out to be somewhat less grandiose than Mr Joubert's imaginings. Out of all the blackjack joints in all the towns in all the world, it was confined to his casino. Less than half of one batch of 4 731 packs turned out to be marked.

At Protea's premises, police found the printing plates used in the manufacture of the 'marked' cards found at Caesars. Mysteriously, this incriminating evidence was still extant: in the course of normal security procedures the plates should have been destroyed three weeks earlier. Had someone deliberately laid a trail?

After only 10 days of investigation, the Public Prosecutor declared that there would be no prosecution, on the grounds that there were too many employees in the printing works who could have altered the plates.

The police abandoned the investigation, but Harry Roscoe refused to lie down

and get shafted — after 30 years' hard work, he was facing the ruin of his business and reputation. So he engaged the services of a firm of private investigators, OF&A Forensic Investigations.

Roscoe took the first lie detector test organised by this firm, followed by all his employees — all but one, that is.

Allen Bywater, a 49-year-old machine minder, refused the polygraph test. Four years earlier he had come to Protea, desperate for a job; after a wobbly start he had developed into an excellent printer. When he had problems, Harry Roscoe was the man he shared them with. As Harry recalled it, money was not one of them, although, Bywater would later claim in mitigation of sentence that he had financial problems. Bywater was never your average suburban slippers-and-pipe type; after work he hung around with military men; he was an aficionado of war gaming, paint-ball combat and expensive 'boys toys', like radio-controlled model cars.

When, eventually, Bywater was persuaded to take the polygraph test, he failed it. He immediately confessed, telling Superintendent Huyman of the Fraud Squad that he had altered the 700mm x 640mm aluminium plate for the Caesars order using a magnifying glass, a sharpened matchstick and deletion fluid. In a sworn statement he said that he had marked the plate after receiving telephonic death threats from persons unknown. There had been no money involved, he said.

Later, he changed his story, claiming that he had been paid 'only R1 500 of his share' in the scam, which, he said, had been masterminded by an ex-croupier called Dean Blignaut. Yet he showed no resentment about taking the rap for his

accomplices, and made no attempt to finger them before going down. This was in August 1999, when he appeared before magistrate P Venter charged with having contravened Gauteng's Gambling and Betting Act and having attempted to defraud 'Caesars and/or Protea Playing Card'.

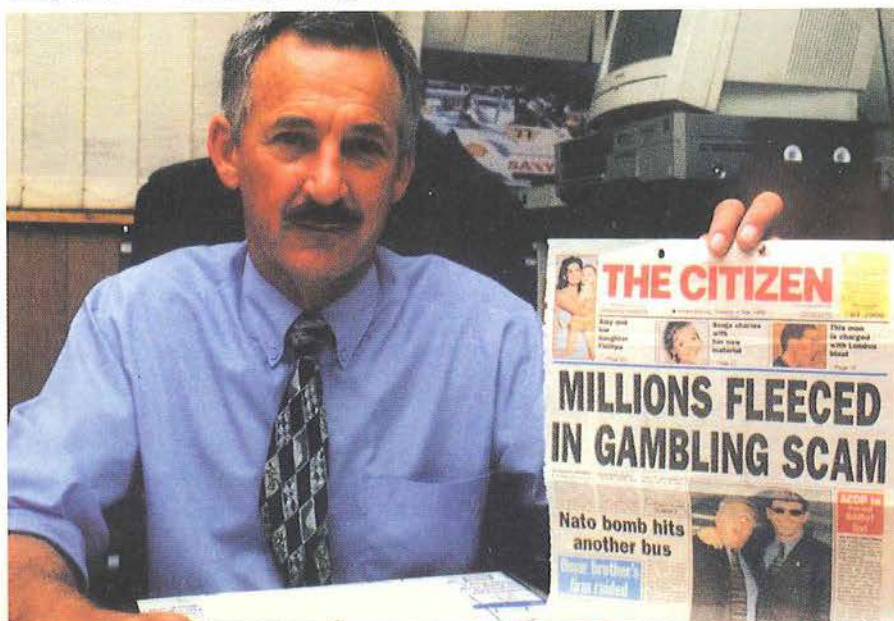
Since Bywater admitted guilt, court proceedings were restricted to arguments in mitigation or aggravation of sentence. Great weight was given to his betrayal of trust and he was sentenced to an effective four years in prison. Caesars was not asked to produce audited loss figures or the previously much vaunted security tapes of the alleged scam operators playing blackjack. Bywater wasn't cross-examined on his accomplices, and the famous Dean Blignaut was never traced, let alone taken in for questioning. Supt Huyman of the Fraud Squad made no further arrests.

Harry Roscoe spoke up in court: 'This crime is far greater than it might appear. Apart from job losses and losses in foreign exchange, the cost to Protea in five years could exceed R30 million.'

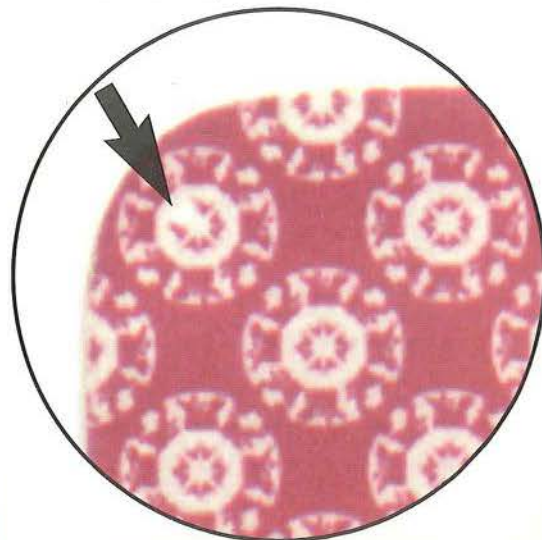
A civil suit against Bywater might have brought out the full story. But Harry Roscoe is too busy trying to rebuild his shattered business and reputation. He also hasn't the money to finance investigations into all the loose ends of the case, starting with the elusive Dean Blignaut — assuming he exists.

What really happened? Stake a bet. The card-marker will be released in August 2003. Who will, by then, be the major players in the South African casino playing card market, we wonder. And if Allen Bywater's driving a new Bee-Emm soon after he gets out, we'll just have to assume he won it playing cards. *n*

Harry Roscoe — another plot altogether.



A 'marked' card magnified six times.



What goes 'oink oink' in the fast lane?

BMW drivers least polite – that's official

'Be prepared, be patient, be polite' says a well-worn road safety slogan. Recent holiday road death statistics suggest that many South Africans are at least prepared to be 'a patient'. As for 'polite', an independent test conducted by noseweek settles the issue once and for all: the results of our own unique survey offer statistical credence to the widely held belief that BMW drivers are pigs and also offer some interesting insights on gender and colour.

Conducted during peak holiday season on the open road, our research team used the time honoured tradition of thanking drivers who move over into the emergency lane, as the experimental control behaviour. Nods, waves and emergency flicks were all counted as a positive score.

On the whole, South Africans scored well on the politeness scale. The overwhelmed majority did, indeed, thank fellow drivers who made their journey a bit more comfortable. Surprisingly, males scored higher than females, with a 78% politeness level, as opposed to 75% for females.

The noseweek survey also showed that there were many more whites on the road outnumbered blacks, 5 to 1. Whites were also more polite, scoring 81%, while blacks barely managed 50%. Coloureds, ie reds, blues and grays all hovered around the 60% mark, while the greens fared worst with 37%. (No distinction was made between light greens and dark greens.)

The gender statistics have already set tongues wagging, with one researcher cautioning that there might be another explanation for the finding that males scored better than females. 'I observed that some male drivers only reacted after being prompted by the female in the passenger seat,' the researcher explains. 'Technically, that is not an indication of politeness, but rather of obedience. At other times it was difficult to distinguish whether males were actually waving, or simply flicking a schnarlle or perhaps redistributing a fart. This type of research is a lot more complicated than people

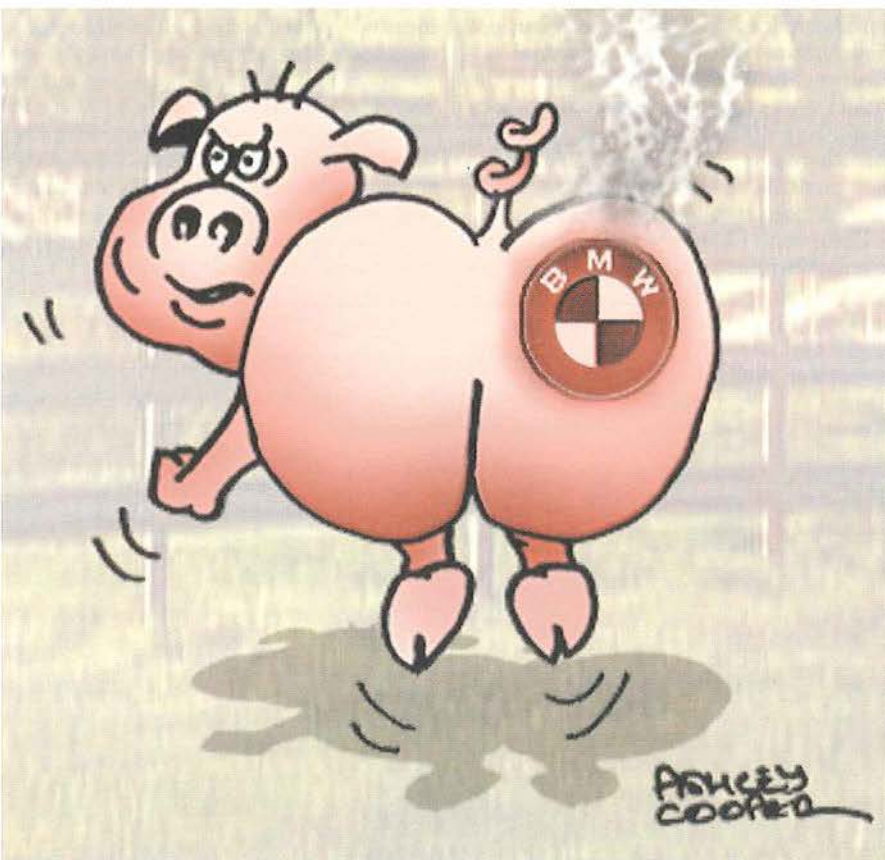
think,' she said. But it is the results on car manufacture that are sure to raise temperatures, and possibly insurance premiums, the most. Ford and Mercedes drivers were the most polite, scoring 90% and 100% respectively on the politeness scale. In fact, most makes of car scored well above 70%.

All — except one. The noseweek survey revealed that only 40% of BMW drivers had the time to lift a (polite) finger. According to experts in the motoring field, there are only two words to describe this result: 'Oink! Oink!'

Ford spokesperson, Craig Vonessen said he wasn't really surprised at the BMW results. 'One often hears some or other horror story about a BMW driver,' Vonessen said. 'Ford drivers, like Ford vehicles, have become more refined and sophisticated.' A spokesperson for

Mercedes said the noseweek survey results were not surprising at all and confirmed their own research findings. 'Our research showed that BMW drivers are more aggressive on the road,' Liesel Eales, Marketing and Communications Manager for Mercedes told noseweek.

Most surprisingly, BMW spokesperson, Deon Ebersson was also not surprised that BMW drivers lost the politeness survey hands down. 'It's difficult to explain. To really understand it, you must drive a BMW,' Ebersson said. 'Our vehicles are very involving to drive. Once you get behind the wheel, you forget about everything else. People aspire to drive a BMW, so when they can afford it, they do tend to feel a bit superior and might look down on other types of cars.' Ebersson pointed out that, in any case, it is illegal to drive in the shoulder of the road and that



one shouldn't really lift one's hands from the steering wheel while driving. He also pointed to the dangers of vehicles who drive slowly in the fast lane. 'BMW's are for people who live life in the fast lane, so it's annoying when drivers drive slowly in the fast lane.' Ebersson said Mercedes drivers were particularly guilty of this type of impoliteness. 'Mercedes drivers

You're entitled to march up to a BMW driver in a pub while making grunting, snorting noises — but it's not recommended.

tend to think they own the road,' commented Ebersson. 'It would be nice if they could just move over.' Liesel Eales, spokesperson for Mercedes disagreed with this allegation, but was reluctant to get involved in a slanging match. 'Our research showed that Mercedes drivers are more responsible and more mature,' was all she was prepared to say.

That's it. It is now official. You are now perfectly entitled to march up to a BMW driver in a pub while making grunting and snorting noises — although we do not recommend that you actually do this. The very focused and aggressive behaviour of BMW drivers might find expression in their barroom behaviour as well — and we predict that the rest of you sissies won't survive past the first punch.

PS: This noseweek survey was undertaken to settle a pub dispute. In keeping with noseweek's policy of cutting the crap and busting myths, we aim to settle some of South Africa's most difficult unanswered questions, for instance: When braaiing, is it better to wrap the potatoes with the tin foil's shiny side inside or outside? OR, how many people can you really fit into a combi taxi and still drive? OR, what is the origin of 'the Germiston hairstyle', you know the one with the short top and sides, but long at the back, and why do people in Germiston wear it more often than other people? *FINALLY*, who is/was Vannermerwe — and what does a tokoloshe really look like? *n*

continued from page 21

The secret battle

most effective public-relations practitioners in the business, knows that all too well. He's made a lucrative career out of helping polluting companies defeat environmental regulations while simultaneously giving the companies a 'green' public image. In the industry, they call him the 'Dean of Green'. As a longtime opponent of the environmental movement, Harrison has developed some interesting insights into its failures.

He says: 'The environmental movement is dead. It really died in the last fifteen years, from success.' I think he's correct. What he means is that, in the eighties and nineties, environmentalism became a big business, and organizations like the Audubon Society, the Wilderness Society and the National Wildlife Federation, became competing multi-million-dollar bureaucracies. These organizations, Harrison says, seem much more interested in 'the business of greening' than in fighting for fundamental social change.

For instance, the Environmental Defence Fund (whose executive director makes a quarter of a million dollars a year) cut a deal with McDonald's that was probably worth hundreds of millions in publicity to the fast-food giant.

Jensen: How so?

Stauber: After years of being hammered by grass-roots environmentalists for everything from deforestation to inhumane farming practices to contributing to a throwaway culture, McDonald's finally relented on something: it did away with its styrofoam clamshell hamburger containers. But before the company did this, it entered into a partnership with the Environmental Defence Fund and gave that group credit for the change. Both sides 'won' in the ensuing PR lovefest. McDonald's took one little step in response to grass-roots activists, and the Environmental Defence Fund claimed a major victory.

Another problem is that big green groups have virtually no accountability to the many thousands of individuals who provide them with money. Meanwhile, the grass-roots environmental groups are starved of the hundreds of millions of dollars that are raised every year by these massive bureaucracies. Over the past two decades, they've turned the environmental movement's grass-roots base of support into little more than a list of donors they hustle for money via direct-mail appeals and telemarketing.

It's getting even worse, because now corporations are directly funding groups like the Audubon Society, the Wilderness Society, and the National Wildlife Federation. Corporate executives now sit on the boards of some of these groups. PR executive Leslie Dach, for instance, of the rabidly anti-environmental Edelman PR firm, is on the Audubon Society's board of directors. Meanwhile, his PR firm has helped lead the 'wise use' assault on environmental regulation.

Corporations and public-relations firms hire so-called activists and pay them large fees to work against the public interest. For instance, Carol Tucker Foreman was once the executive director of the Consumer Federation of America, a group that itself takes corporate dollars. Now she has her own lucrative consulting firm and works for companies like Monsanto and Proctor & Gamble, pushing rBGH and promoting the fake fat Olestra, which has been linked to bowel problems. She also works with other public-interest pretenders like the Washington DC-based organization Public Voice, which takes money from agribusiness and food interests and should truthfully be called Corporate Voice. (*Compare the case of Isobel Jones, once SA's leading consumer watchdog, but who is today PR for ABSA, Shoprite and TV marketer, Verimark. — Ed.*)

Jensen: It seems the main thrust of the PR business is to get the public to ignore atrocities.

Stauber: Tom Buckmaster, the chairman of Hill & Knowlton, once stated explicitly the single most important rule of public relations: 'Managing the outrage is more important than managing the hazard.' From a corporate perspective, a hazard isn't a problem if you're making money off it. It's only when the public becomes aware and active that you have a problem, or, rather, a PR crisis in need of management.

Jensen: How does your work at PR Watch help?

Stauber: We try to help citizens and journalists learn about how they're being lied to, manipulated, and too often defeated by sophisticated PR campaigns. The public-relations industry is a little like the invisible man in that old Claude Rains movie: crimes are committed, but no-one can see the perpetrator. At PR Watch, we try to paint the invisible manipulators with bright orange paint. Democracies work best without invisible men.

● You can contact PR Watch at 3318 Gregory St, Madison, WI 53711, USA, or goto www.prwatch.org *n*

Ouboet Brakpan takes on Indian Ocean's finest

A true angling story by HAROLD STRACHAN

Patersons Groyne was a jumble of 20-ton blocks flung into the sea at right angles to the North Beach as a sand-trap, otherwise the entire Golden Mile, palm trees, high-rises, Kentucky chickens, the lot would have disappeared neath the restless wave. Well I don't know about the sand, but what it sure as hell did catch was a lot of Mozambique current; it fair gave one the creeps man when the water was wild, piled high as a house out there, hissing half a kay out, seething.

We were about twenty regulars who'd got the techniques of rock-hopping right. We fished together most cunningly with simple tackle, a centre-pin wooden reel and nothing on the line but a cork bung two metres up and a sardine on a steel-traced hook. The sheer evident danger of the place was not an attractive proposition to holiday makers: towering waterwalls would topple before your face, at your feet, fish and all, with great plumes of spindrift tearing off their crests, smash down on the rocks, go straight up into the air and hammer down like a marine waterfall on your sou'wester.

But one afternoon, with tide and half-moon just right and the shad getting a bit fierce, we there espied a citizen in shirt-sleeves with a river rod and a cardboard shoe-box under his arm, examining the approaches to Pattie's like Sir Edmund examining the South Face of Everest. I had a freezer-full of fish at home anyway, I was there only to get a couple of nice fresh ones, so I'd time for staring.

Come to think of it, I was probably excluded from the ANC, not because I was white, but because I smelled of fish, like a pelican.

Lal was up on his rock. He never left it; if the wind was offshore he'd even pee from up there. He had a big canvas pocket on his raincoat, full of sardines, and one of his numberless laaities behind him with a mealie-bag for the fish. Lal was there for protein, being unemployed, and having one of those extended Indian families packed into the house so tightly they must have slept standing up, or hooked on a nail in the wall. Lal was not only the ugliest man I've known, with a complete set of black teeth, but also the best angler I've known, anywhere, fresh or salt water.

He could see individual fish in white water; and hunt them, and damn me if I know how he did it. He never explained how he did it. He never spoke. Come to think of it, he was also the most silent man I've known.

So this mountaineer arrives amongst us. I see that the shoe-box contains ill-assorted tackle from some dreck Vakansie Tee-kamer in Point Road, from amongst yesterday's meat pies and Souvenirs of Durban: Ghanaian Ju-ju masks made with a kitchen knife in a mens hostel, and the like. He smiles with boundless innocence. He is from Brakpan and wishes to try Natal surf angling, of which he has heard great tales. So I think what the hell, since I'm crafty enough at this thing to see a challenge here, I'll try



actually to catch a fish with this horrible little fixed-spool reel with its plastic gears. I feel I owe it to him.

I thread the line through the runners, and all of this he views with the utmost excitement, especially the part where I get from my bag the hook with the steel trace, and sharpen it on a little whetstone and tie on the sardine with bait-cotton.

I fling this lot into the sea on the outward surge of a wave, and hand over to him and say 'nou moet jy wakker wees, jong, want hierdie vis het 'n helse aai kjoie,' and as he takes the rod the most uneducated shad in all great Neptune's oceans swallows the sardine so totally that when ou Brakpan gets round to

striking, the hook is somewhere around its giblets. He hauls it out of the water, deadweight, over the rocks, and is enthralled, as indeed he should be. A fish! A Natal shad! His! Never mind that he's standing under this salt waterfall; as I cut loose the steel trace sticking from the mouth with the needle teeth slashing about, this ou says: 'Hei aai'm doing orraait! How many fishes you think this koolie here has got hei?'

'Krish, how many fish you got, you?' I call. Krish counts. Seven.

'That's okay, I've been going five minutes and I've got one, so in an hour's time I should have twenty,' this ou thinks. But statistically there can't be another shad so *onnosel*, and I try to explain this to ou Brakpan as he gets anxious because he's now lost three sardines to the shoal. Relax, I tell him, enjoy it! You're very lucky to get a shad at all, honestly.

I do another cast for him, and hook a fish, and pretend there's nothing there. I hand him the rod and he thinks he's caught the shad. He's happy again.

But not for long.

Every time he misses a strike he curses, though I'm providing the sardines, and swears oaths before God. 'How many fish has he got now?' he asks. 'Hey Krish, how many this time, you?' Nine. 'NINE! Shit, and I've only got two!'

He looks the other side of Krish at Lal on his rock. 'How many fish has that one got, you think?'

'Lal, man,' I call. 'How many fish you got, you?' 'Twenty-seven, me,' calls Lal over his shoulder.

Brakpan drops his rod, frowns hideously and snarls. 'That's the bloody trouble, the bliksems Indians take all our fish, man!' as if they all belong to him and me according to government policy, or perhaps we hold them in some ancient inalienable fiefdom which disallows poaching.

He yells things for all to hear, standing there dripping wave water, his hair all streaming down over his eyes, as I watch his shoe-box fill up from the last big one and the glue of its corners all dissolve and the whole thing open up like a daisy on the rock where it stands and all his tea-room tackle slip out of sight over the edge.

After a bit Lal hands his rod to his laaitie and gets off his rock. He makes his way over to Brakpan. 'Not European Ocean this ocean! he says; Indian Ocean! Why you don't fuck off, you? Go to Vaaldam, catch barbours, you!'

Jis, and now Brakpan only wants to fight, hay?

He is young and well-muscled, but there's a lot of skinny charras around, with septic-looking bait knives, and while he notes these things I come up close and say, sort of avuncular like: 'Ouboet, moenie met hierdie ouens hierso kom droogmaak nie, jong; hulle sal jou w'ragtig in die water gooi!' And they would too have thrown him in the water, because this coast is Injun Territory, man, by traditional occupation, and if ever you want to see God, soon, just get between a Natal angler and his shad.

I take his arm and turn him away from the scene of his sorrow, and thread his fish on a piece of line and and point him homeward and watch him make his wet way over the Himalaya to a sullen supper of bitter shad, swearing sweet revenge.

'Bring me headache, that fellow,' says Lal. *n*

smalls continued from page 28

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