

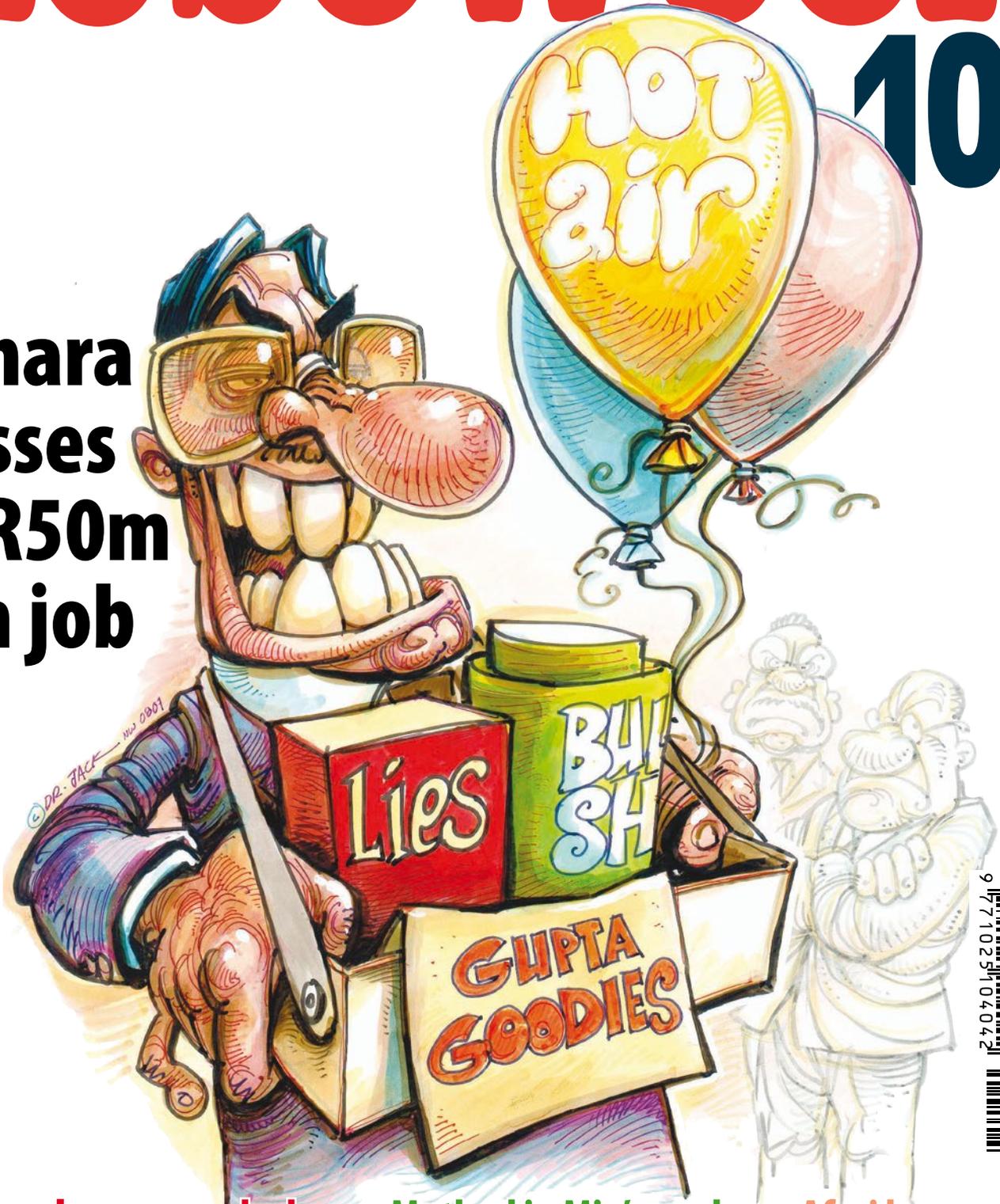
news you're not supposed to know

R33⁵⁰
(including VAT)

noseweek

105
JULY 2008

**Sahara
bosses
in R50m
con job**



Bankers, lawyers and whores Method in Mia's madness **Afgri boss pokes the payroll** Forest Gunk Now Nedbank accused of pensions shlenter



ACCOUNTS/AUDIT

OPERATIONS DIRECTOR (R1.5M NEG)

Extremely challenging opp available at leading mining co for a professional individ to get involved in improving & ensuring sound operational activity across the board. Post grad qual (i.e mining engineer + MBA) & proven track record in mining operations. (Verushka)

CFO – JHB / LONDON (R900K – R1.2M)

Int'l Resources Co seeks target driven CA (SA) / BCom / BAcc coupled with 8-10yrs exp. Oversee the Fin concern & conduct deadline driven Fin reporting. (Lerato)

FINANCIAL DIRECTOR – CENTURION (R1M NEG)

Finance expert with presence req'd to mnge Fin l/ship of industrial Bus. Proven relevant track record, 10-15yrs exp in Snr Fin mngmnt. CA (SA) ess. EE Only. (Verushka)

GROUP FINANCIAL MANAGER (R600K)

Well established Industrial Engineering Grp seeks professional, qual CA (SA) / BCom. 3-5yrs FM exp req to produce & consolidate monthly mngmnt accounts. Monitor Cash Flows, budgets & entire Fin dept. (Lerato)

INTERNAL AUDITOR (R500K – R650K)

Excellent opp with leading Investment Bank for driven individ with Bus process exp. Qualified CA with min 3yrs post article exp in Fin Serv's / Treasury environ. (Bianca)

BANKING / FINANCE

HEAD – CREDIT RISK ANALYTICS & STRATEGY (R1.4M NEG)

Play key role in the establishment of independent / innovative Fin Serv's offering within Retail Grp. Apply complex analytical approach, visionary leadership & implementation skills to ensure value optimisation & effective credit controlling strategies. (Robyn / Susan)

INVESTMENT BANKING – DIVISION HEADS (R800K – R1.2M)

Global Bank req's high profile candidate's CA / MBA / BCom (Hons). Strong technical & network b/ground within following Mining / Resources, Telecomms, Fin Institution, Construction & Top 50 listed Multinationals. 5-10 yrs coverage exp ess. (Carol / Refilwe)

SPECIALISED FINANCIERS (R500K – R850K)

Top notch candidates req'd with 5-8yrs acquisition & structured Fin exp. Must be lateral thinkers, all-rounders & well networked. CA / LLB + HDipTax. (Refilwe)

BPR / STRATEGIC OPS – INVESTMENT BANKING (R850K)

Apply trading process knowl (Investment Banking &/or Consulting) to support the development / implementation of strategic & operating plans as Senior Partner / Advisor to area head. (Robyn)

INVESTMENT BANKERS – MINING & RESOURCES (R650K – R900K)

Various Banking & Pvt Equity opps available for Investment Bankers with 3yrs + Mining & Resources focused exp. (Samira)

CORPORATE FINANCE (R550K – R700K)

Opps avail with intern Investment Bank for Analysts with 2-3yrs exp. (Samira)

SNR ASSOCIATE – RATINGS ANALYST – INSURANCE (R550K – R600K)

Opp exists within dynamic global ratings firm for exp'd Credit Analyst (min 5yrs) to focus on Insurance portfolio. Hons deg in Fin, strong research & Fin analysis skills, report writing ability & Bus dev / comms skills ess. Travel across Africa. (Suvi / Susan)

CREDIT ANALYSTS – RECOVERIES (R500K – R600K)

Do you have strong credit analysis skills coupled with a passion for rehabilitating distressed portfolios? Leading Banking Grp seeks credit professionals with 3-5yrs rel exp & BCom / Insolvency Law. SA Nationals only. (Suvi)

EXECUTIVE PRIVATE BANKER (R500K – R800K)

Enticing opp available for top achiever with structured lending / investment knowl i.e. offshore, fiduciary & treasury. Exposure to ultra HNW portfolio ess. B.Deg (Hons) / LLB + 3-5yrs. (Melanie / Olivia)

AFTERCARE SPECIALIST – ACQUISITION FINANCE (R400K – R500K)

Local Bus Bank req's Specialist with 2-3yrs post investment aftercare mngmnt exp. Ability to maintain client r/ships & meet targets ess. (Samira)

DEBT CAPITAL MARKETS

PROJECT ARRANGER – DCM

Leading DCM team seeks CA (SA) coupled with 3-5yrs Securitisation home loans exp. Est & maintain principal Fin platforms for funding & servicing of asset backed debt. Involvement in credit process as well as structuring. (Nicole)

DCM – DISTRIBUTION / SYNDICATION TRANSACTOR

Join DCM team & focus on both Domestic & Int'l credit markets to develop distribution network by selling synthetic credit risk. 2yrs related exp ess with proven track record in placing various asset classes. (Nicole)

MARKETING

INVESTOR RELATIONS PROFESSIONALS (R500K – R650K)

Exciting opps exist for talented Fin comms specialists in leading IR teams & consultancies. Good u/standing of regulatory & Fin issues, strong written & verbal comm skills. Exec interpersonal & project mgt ability. (Suvi / Susan)

DIRECTOR – MKT RESEARCH (R500K – R600K)

Global leader seeks FMCG Director to deliver premium research & creative ideas in achievement of team & client targets. Commercially orientated, deep mkt research knowl, ppl mgt & ability to work in global environ. (Susan)

PROFESSIONAL SUPPORT

HR HEAD – SA (R850K – R950K) EE ONLY

Int'l Banking giant req strong, strategic thinker who is able to mnge ppl issues. Must be able to effectively lead, conceptualise, plan & mng HR country wide. Min 8yrs exp + deg ess. (Haseena / Ayesha)

HR HEAD (R650K – R800K) EE ONLY

Seasoned HR Generalist req to drive Bus through effective development & implementation of HR strategies. Transform Bus & promote success! Post-grad + 7yrs min exp. Prev Insurance / Fin Serv's adv. (Haseena / Ayesha)

DIRECTOR – COMMERCIAL (R900K – R2M)

Well-established law firm req's your commercial & networking expertise. Specialising in Banking, Competition, Contract Law etc. LLB, min 8yrs PQE. (Cathy / Candice)

LEGAL ADVISOR – WEALTH MANAGEMENT (R750K PLUS)

Fantastic opp for strategy-focused & seasoned Banking Lawyer to join leading Pvt Bank. Must understand banking, credit & investment products. LLB, 5-7yrs PQE in Pvt / Retail Banking. (Cathy / Candice)

PROPERTY

SENIOR FACILITIES MANAGER (R550K – R900K)

Top Fin Serv's Firm req's your expertise. Control all aspects of facilities. Maintain serv contracts. Facilities mment & tech qual ess. Equity appt. (Liesel)

PROPERTY FINANCE CONSULTANTS (R500K – R800K & BONUS)

Achiever req'd by leading firm. Role in proactively marketing Prop Fin products. Generate new Bus & network in Prop sector. Prop Fin & risk ass'tment exp + rel deg ess. (Liesel)





Sahara bosses in R50m con job **page 7**

- 4 **Letters** Bill Venter goes Blank ■ Hilary Prendini Toffoli slips up ■ Alec Erwin gets nuked ■ Investec takes flak ■ Department of Correctional Services parks off
- 6 **Dear Reader** It's hot!
- 10 **Watchdog claims pensions foul** How Nedbank bought its HQ building from the company's pension fund for a fraction of its true value
- 14 **Forest Gunk** Mondi Shanduka handed over a KZN estate with extensive erosion, clogged drainage ditches and overgrown by alien weeds
- 16 **Bankers, lawyers and whores** Absa is up to its old tricks – again
- 20 **Method in Mia's madness** Three years into a promising legal career, Mia McDonald allegedly hired a hitman to murder two Revenue Service officials who were due to testify against her in a corruption case
- 23 **Boss's chick comes home to roost** When your superior shags your wife, is that an unfair labour practice?
- 24 **Before and after** Meet the man who challenges dodgy medical ads
- 26 **SA Rugby's brawn drain** The answer to the problem is simple: pay top players more, says Robert van der Valk
- 28 **Unwanted for questioning** A book that will bring shame to any journalist
- 30 **Flight of capital** A 650kg consignment of US dollars from Harare washed up at OR Tambo airport. Who was its sender and what was its ultimate destination?
- 32 **NoseArk** El Condor Passé
- 34 **Bites and pieces** Hilary Prendini Toffoli pokes her proboscis into Mr Nose's business
- 36 **Web Dreams** Gum deal
- 37 **Wine** A sip of jerepigo
- 38 **Last Word** No smoking

YOU
WOULD
NEVER FIND
US IN THIS
MAGAZINE,
UNLESS IT'S
IN AN
ADVERT

ALLIANCE
group®

AHEAD OF THE GAME

0861 ALLIANCE • www.alliancegroup.co.za

Venting over Venter

Through honest hard work Bill Venter builds up the Altron empire and he is called a halfwit by that dishonest ex-jailbird Greg Blank (*nose104*).

Greg – I am sure Bill will maintain a gentlemanly silence and not run around crying to “influential people” or domineers.

Simon Fourie

Johannesburg

And so we each have our views... – Ed

We were wrong: fact of the matter is Mr Jooste is not Jewish. – Ed.

Homework please for Hilary

Your critical social columnist Hilary Prendini Toffoli is not known to make mistakes.

Surprising, therefore, that she did not do her homework better (*nose104*), in that she got the name of Gail Behr’s shop wrong (it is Homework, not Heartworks), and I believe that she has elevated

Bullies and rogues

Your articles on Investec (noses 104 & 102) have made clearer to me the Investec culture of stonewalling and obfuscation – not to forget downright bullying and dishonesty.

My daughter is the beneficiary of a trust maladministered by Investec. There have been tons of shenanigans. We have uncovered some unsavoury and

into BAE’s arms deal bribes. But I’ve just read Andrew Feinstein’s book *After the Party* and Terry Crawford-Browne’s *Eye on the Money*, and I feel the need to DO SOMETHING about the scandalous waste of scarce economic resources in SA. (I’ve calculated that the arms deal expenditure, if properly invested rather than wasted on arms and bribes, and used to create an inflation linked dividend, could provide a basic income grant of over R100 for everyone ad infinitum.)

As I said, I feel the need to DO SOMETHING, even if it is just to contribute R100 to *noseweek*’s legal fee provision!

Pete

Jeffreys Bay

What a nice idea! We reckon that, having WON the case FirstRand brought against us, and even if they pay the legal costs – they’re still arguing – we will nevertheless be in for an additional R20 000 to R30 000 in “attorney and client” fees. You know what parting with R100 feels like, so imagine that! – Ed.

How do we weed them out?

So glad my husband subscribes to *noseweek* – it’s a fight to see who gets it first!

Emil

Cape Town

The hemp saga is amazing: an easy to grow cash crop, harvested twice yearly, which could help alleviate poverty in rural communities – and Mr Plod is the one holding everything up!

Maybe the Travelgate people could arrange an extravagant, sponsored tour to Canada, China, and the other more informed countries so Mr Plod and his play-mates could learn more about this “weed”?

Next question: We do need this magazine to keep us informed, but once informed what’s the next step?

Our leaders are well informed about Uncle Bob,

I am sure Bill [Venter] will maintain a gentlemanly silence and not run around crying

Faithful yes, Jewish no

In your story about the Blank/Venter bust-up you refer to Marcus Jooste, head of the Steinhoff Group, as Jewish.

I’ve done business with Jooste for years. He’s highly intelligent, very talented and a decent man who would add value to any religion, but unless he recently converted, he is most definitely not of the Jewish faith.

D Wolpert

Rivonia

the status of Gail’s late husband from Baron to Count.

Chris von Ulmenstein

Franschhoek

Two glasses of bubbly, it seems, and Hilary doesn’t know her baron from her baroness – but, somehow she did manage to get the other 53 names and references in her piece correct.

A score of 96% is pretty spectacular by anyone’s standards, don’t you think? – Ed.

unsatisfactory stuff, which Investec wants to sweep under the carpet, accountability not being their strong suite.

I’m going to scan and email the latest *noseweek* Investec story – and the previous one – to all the trustees to motivate a change of administrators. Our question to the trustees: can they justifiably continue a relationship with such manifestly dishonest people?

Gus



“Rush him to the theatre before he gets better”

Let’s have noseTV

I thoroughly enjoy *noseweek*’s irreverent style, and the exposure of fraudsters, crooks, sleazy politicians and the like.

My real wish would be to see *noseweek*’s kind of engagement with our political leaders on local television.

I yearn for a BBC style “Hard Talk” interview with Thabo or Manto about Aids, Thabo on Zimbabwe, Jacob Zuma on governance...

OK, I know that, despite that level of scrutiny, Tony Blair still managed to squash an investigation

but nothing is actually happening; we are informed about our hard travelling MPs using our hard earned taxes – but what do we do about it?

Sue Barnes
Randburg

What to do? Never fail to vote whenever you have a vote. Speak out in letters like yours: That way the world gets to know of the ANC's determination to defame its own voters – by projecting itself as a party of common thieves. On that basis we can also question those companies that continue to do business with the ANC.

No less important: Each in our own small way, we must make sure that crime does not pay – by withdrawing our support from businesses that do not maintain the highest ethical standards. – Ed.

Forgetting the basics

I saw the *noseweek* editor on *Carte Blanche*, expressing reservations about R20bn of taxpayers' money being spent on the still experimental pebble bed nuclear reactor.

Alec Erwin's arrogance was breathtaking – not surprising given that he was also one of the three stooges who appeared on national television to declare that all was kosher with the arms deal. How on earth does our government justify spending R60bn-odd on unnecessary arms acquisitions – and then, having learned nothing from that experience,

spend another R20bn (and counting) on a pebble bed nuclear reactor whose efficacy and commercial viability are unproven? All that in the face of grinding poverty!

As for getting expert technical advice from a senior director at Eskom, who also sits on the advisory panel (conflict of interest?), who also has a personal financial interest in the outcome...

Irwin has clearly forgotten the basics of undergraduate economics that he once taught to students in

Natal, particularly the bits concerning utility indifference curves (the guns or butter dilemma).

Peter Leyland

OTD Project Manager
General Motors South Africa,
Port Elizabeth

Where are they now?

Whatever happened to PSGCC and Tigon and those master scamsters Gary Porritt and Jack Milne? Are they still living the life of luxury to which they became accustomed (at others' cost)?

Clive

Johannesburg

Six years after Porritt

was arrested, the National Prosecuting Authority is still battling to get his trial started. A mammoth charge sheet was prepared in 2005, but Porritt has been raising technical objections to it in various courtrooms (with a degree of success). Milne was prosecuted and spent some time behind bars after a plea-bargain agreement. The millions raised by PSGCC, and ostensibly stolen by Porritt, were never found. Another example of no justice in a country where, all too often, criminals run the show. – Ed.

Shlemiel's corner



Nice parking if you can get it: Department of Correctional Services vehicle occupying two disabled parking bays at Canal Walk shopping centre at 1.25pm on Tuesday 3 June.



YOUR COMPLETE SOFTWARE SOLUTION



- ☛ Trust Accounting
- ☛ Property Transfers
- ☛ Bond Registrations
- ☛ Debt Collection
- ☛ Litigation
- ☛ Bills of Cost
- ☛ Trade Marks

- ☛ Electronic Instructions
- ☛ Case Management
- ☛ Client Billing
- ☛ Diary System
- ☛ Time Management
- ☛ Management Reports
- ☛ Admin Orders

“MAKING COMPUTERS WORK FOR YOU”

0861 711 150

FOR A FREE DEMONSTRATION.
WWW.LEGALSUITE.CO.ZA

Editor

Martin Welz
editor@noseweek.co.za

Production editor

Tony Pinchuck

Assistant editor

Hans Muhlberg

Gauteng bureau chief

Jack Lundin
jhnose@iafrica.com

Censor-in-chief

Len Ashton

Sub-editor

Chas Unwin

Senior reporter

Mark Thomas

Cartoons

Myke Ashley-Cooper
Dr Jack
Gus Ferguson
Meg Jordi

Contributors

Tim James
Marika Roth
Hilary Prendini Toffoli
Harold Strachan
Hilary Venables

Subscriptions

Maud Petersen
noseweek@iafrica.com

Advertising

Adrienne de Jongh

Accounts

Nicci Joubert-van Doesburgh

Copyright All material in this issue is copyright, and belongs to Chaucer Publications (Pty) Ltd, unless otherwise indicated. No part of the material may be quoted, photocopied, reproduced or be stored by any electronic system without prior written permission. Disclaimer While every reasonable effort is taken to ensure the accuracy and soundness of the contents of this publication, neither the authors nor the publisher will bear any responsibility for the consequences of any actions based on information contained. Printed and Published by Chaucer Publications (Pty) Ltd.



SUBSCRIPTION RATES

Print

SA only	R318
Neighbouring states (airmail)	R406
Europe, Americas and Australasia	R480

Internet edition

1 year	R278
--------	------

Combined

Print+Internet (SA only)	R450
--------------------------	------

To subscribe

By post: Send cheque with name, address and phone no. to: noseweek, PO Box 44538, Claremont 7735.

Via Internet (pay by credit card):
www.noseweek.co.za

For further information call
(021) 686 0570 or
email noseweek@iafrica.com

It's hot!

ESKOM'S HEAVILY PUNTED – and funded – homegrown Pebble Bed Modular Reactor (PBMR) project has, we surmise, just received the kiss of death – in the form of faint praise from one of Europe's top nuclear energy experts.

The PBMR, said France's Dr Bertrand Barré in a recent presentation, is great, really great ... for generating heat. (As if we didn't know!) No – heat as in 1000 degrees celsius.

But, said Dr Barré, it's really not so great for generating electricity.

In his words, the PBMR's main drawback is its "very low power density".

He revealed that the PBMR has a power density of only 2 MW/cu m, as compared to 100 MW/cu m for a conventional nuclear reactor. This implies a far poorer investment-to-energy ratio. Which is, sort of, what we guessed a while back.

In plain language, standard nuclear power stations are twelve times more energy efficient when it comes to generating electricity. So, when it comes to cost, and economic viability as a generator of electricity, the PBMR is never going to cut it.

Barré didn't say it – he's a nuclear man – but, for the amount of electricity the PBMR is going to produce, you may as well have some strategically placed windmills that are safe, proven, quickly erected – and vastly cheaper.

Back to that back-handed compliment concerning the PBMR's capacity to generate heat: According to Dr Barré, the great heat generated by the PBMR could well find application in industries that require it – such as in the manufacture of synthetic fuels.

So the suggestion now is: Why not prise the whole initiative from cash-strapped Eskom's increasingly tremulous grasp, and hand it over to a cash-flush Sasol? Maybe, again just maybe, the outcome would aid in the manufacture of synthetic fuels for the transport sector, now that biofuels are so rapidly going out of fashion.

Bertrand Barré chairs the International Nuclear Energy Academy. He should know.

He is also scientific advisor to French nuclear-technology group

Areva (the company vying with Westinghouse, of the US, to build the latest version of its pressure water reactor [PWR] in South Africa),

Noseweek has long decried the suspiciously enthusiastic campaign to promote and develop, with public money, the dubious and unproven Koeberg PBMR scheme.

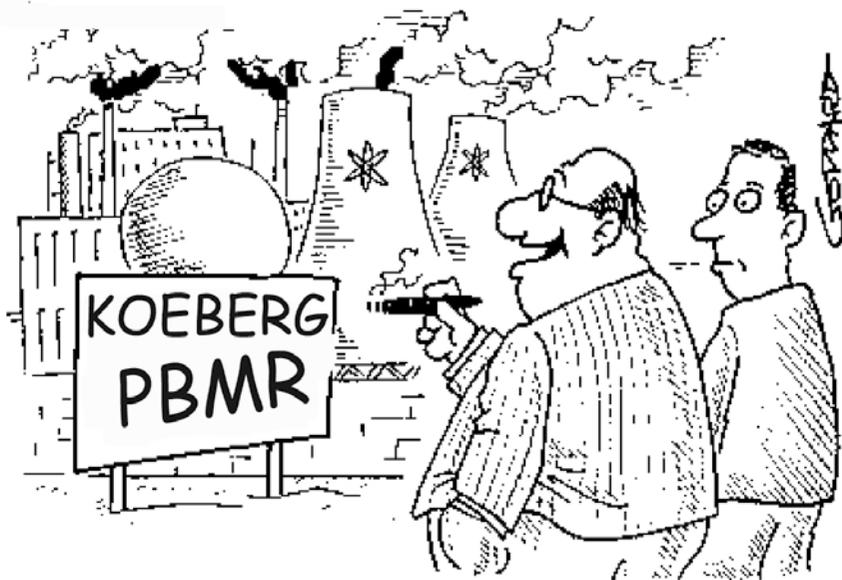
Other opponents include Koeberg's neighbouring City of Cape Town (understandably, considering the waste dump rising under Koeberg). Likewise Earthlife Africa, and more than 70 other objectors.

Earthlife scored when the Cape Town High Court ruled that the Department of Environmental Affairs and Tourism (DEAT) approval of the environmental impact assessment report for the PBMR demo was "fatally flawed". The judge overturned the approval and ordered the director-general of the DEAT, Dr "Chippy" Olver, to give Earthlife and other interested parties an opportunity of making further written submissions.

It is well known that, before gaining power in 1994, the government was firmly opposed to nuclear energy. But it seems that seductive hints of enormous profits (since the financial viability of the project hinges on eventual commercialisation) have tempered that moral resolution.

Monsieur Barré's synthetic fuels notion might just lead to the extraction of something of value from a huge investment in an otherwise clearly doomed experiment.

The Editor



"Risky? Good Lord, no! We're going to make a fortune!"



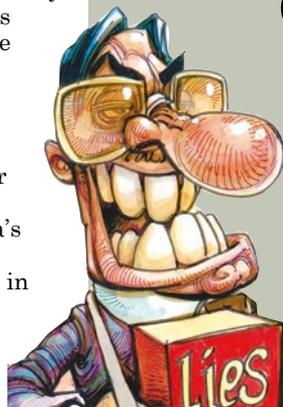
Slick operators

LEVERAGE IS WHAT THEY CALL IT when political connections win you that government contract. But leverage in South Africa isn't necessarily leverage elsewhere, as Sahara Group bosses Atul and Rajesh ("Tony") Gupta discovered when their over-hasty namedropping and careless use of company names lost them their bid for a vastly lucrative oil concession in Angola.

It has also resulted in a group of Angolan war veterans (who enjoy the personal support of President dos Santos) obtaining a default judgment for R50m against a company wholly owned by the Guptas. The Angolan veterans were their partners in the failed oil concession bid.

The Guptas, who emigrated from India to South Africa in 1993, are best known as the power behind computer marketer Sahara Holdings, but are nearly as well known for their determined socialising in high places. They are regular visitors to the Mbekis -- while also making their private jet available to fly Jacob Zuma to his campaign engagements. They recruited Tokyo Sexwale's Mvelapanda and Lazarus Zim's Afripalm to, jointly, become their 27% BEE partners in Sahara Holdings. In exchange the Gupta's family trust, the Oakbay Trust, has acquired a substantial stake in

How some
careless
name-dropping
by Sahara
Holdings wrecked
an Angolan oil
deal



Zim's companies (30% in 30% stake in Zim's Afripalm Holdings) In late 2006, when the Angolan government advertised for bids for an oil concession, Sahara wanted a share and decided to capitalise on connections they'd recently established in a South African BEE deal. But they went a little too far -- they also claimed to have secured partners they'd never even contacted.

Their dealings have cost an Angolan company dearly -- being embedded with Sahara in the bid has led to Utima Resources Ltd being blacklisted from any future government contracts, unless they can clear themselves of responsibility for the fraud.

It's a terrible irony that Utima was originally set up with the endorsement and support of the Angolan government, to empower war veterans for participation in the exploitation of the country's vast natural resources.

Utima lacked the experience to make their own bid -- an Utima executive tells *noseweek*: "We didn't have the background to get involved in oil exploration. Then Gupta Family, through one of their companies, Oakbay Investments (Pty) Ltd, promised us the resources and expertise."

Having picked the right local partner, the Guptas also included the names of some recent South African BEE partners to strengthen their hand in the concession bid. The computer giant had



PALMS!

LARGEST STOCK AVAILABLE!

We Transplant and Transport

www.palmsupplies.co.za

CALL DAVID FROST 082 574 3766

BASED IN THE WESTERN CAPE

just concluded a splendid R640m deal with Tokyo Sexwale's Mvelaphanda Holdings and Lazarus Zim's Afripalm Consortium, that handed 27% of its shares to the empowerment partners. Oakbay told Utima that Mvelaphanda would be providing financial support. In the actual bid they also claimed that Oakbay "as a shareholder in Mvelaphanda Resources is involved as an investor in the TransHex Group which focuses on the exploration and mining of alluvial diamonds".

Oakbay Investments was registered in June 2006 (shortly before the deals with Mvelaphanda and Afripalm). While courting for the Angolan oil fields the company was represented by managing director Jagdish Parekh. Utima were not told that Parekh is the Sahara operations manager – for example he is CEO of Sahara's Westdawn Investments, trading as JIC Mining services.

The Guptas knew that the Angolan call for bids would attract plenty of interest, and decided to increase their leverage by making contacts in the Angolan political leadership. Utima provided just what they needed – President Eduardo dos Santos' personal assistant, Ambassador Luis Kiambata, happens to be president of the war veterans' group for whom Utima was established.

Jagdish Parekh was dispatched to Luanda to convince Utima that Oakbay Investments had important connections in South Africa. Parekh was apparently vocal about the need "to beat the Western multinationals who want to steal African resources".

Utima CEO Stan Muntanga says that Parekh told them that President Mbeki could regularly be seen "driving from the Guptas' Cape Town residence after breakfast". President Mbeki did meet with the Guptas when he attended the premiere of *Gandhi My Father*, a film co-produced by Atul Gupta – but this is the only publicly known association.

Parekh informed the Utima executives that Oakbay already had the

Mvelaphanda Group on board to provide financing, and that Mumbai-based Reliance Ltd, would bring in the necessary experience and expertise in exploiting mineral deposits. Reliance Industries, one of the biggest mineral exploitation companies in the world, have had no contact with Oakbay, and there is no record of a company called Reliance Ltd.

The impressive presentation was enough to convince Utima, but Parekh also then wrote to President dos Santos himself, to ensure that Gupta Family bid had the ear of the highest Angolan political office.

The letter, dated 5 November 2007 (days before closing date for the bid), and written on an Oakbay letterhead but bearing Sahara's Midrand address, reads: "We are honoured and appreciate the privilege afforded to us to submit our details in compliance with the requirements of the licensing 2007 program.

"Oakbay Investments (Pty) Ltd is a South African registered company whose main shareholders are of Indian origin and which has extensive interests in India as well as in South Africa. Oakbay is also in a unique strategic alliance with Utima Resources Ltd. Utima, an Angolan registered company, has been formed within the context of a wider mission to contribute significant returns to its shareholders as well as a wide constituency of Angolan war veterans.

"Combined, our consortium has been further strengthened by harnessing the support of one of the largest private enterprises from India – Reliance Limited.

"Reliance, which today holds one of the largest acreage of exploitation land in the world, is rapidly emerging as the most dynamic company in the fields of Oil Exploration & Production as well as in the field of Refineries."

The letter concludes: "We humbly submit our profile for due consideration

Buying or building a new home?

INSPECT-A-HOME[®] will...

- Discover and estimate the cost of hidden defects before you buy
- Provide a comprehensive unbiased report to help you when purchasing your home
- Assist you with building disputes



For TOTAL peace of mind call:

0861 400 400

www.inspectahome.co.za

We have a proven track record of 22 yrs!

WATER LEAKS FOUND

We detect and repair leaks underground and in walls

Insulation audits done using infrared thermal imaging

SEE OUR WEBSITE FOR DETAILS

www.findaleak.co.za

011 763 6306

Peter 083 651 6306



Three brothers

MONEYWEB DESCRIBED THEM as "the three shrewd yet humble thirty-something brothers – Ajay, Atul and Tony Gupta." That was in 2005. DTI lists the Guptas as Anil (45), Atul (40), Rajesh (36). The three brothers, born in the northern Indian town of Saharanpur, in the state of Uttar Pradesh, arrived in South Africa in 1993. Besides their huge business interests, the Guptas enjoy cricket,

movies and A1 racing: They own the naming right to Newlands stadium (Sahara Park); Atul and Anil co-produced the movie *Gandhi My Father*, which premiered in South Africa in July 2007; and they are the Indian sponsors of the A1 racing team.

Atul Gupta apparently boasts that he regularly lends his private jet to Jacob Zuma, to fly him around the country. **W**

Atul Chandra of Reliance Industries insisted that they were not aware of their inclusion in the Oakbay bid

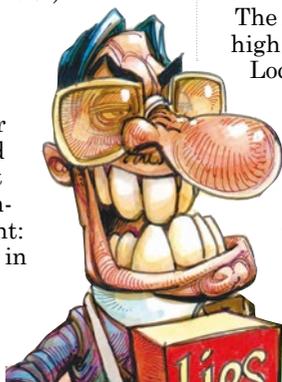
in the pre-qualification process and confirm that our executives shall be available to meet to discuss this proposal further.”

Unfortunately for the Guptas, Parekh had misjudged the situation – Sonangol EP, the Angolan national concessionaire of mining rights, don't seem to care who has breakfast with whom. But as Parekh declined to return *noseweek's* calls, it's not known exactly what Oakbay hoped to get out of a meeting with President Dos Santos.

A memorandum of understanding was signed between Utima and Oakbay Investments, in which Parekh undertook that Utima's expenses, which worked out at around to \$1,15m, would be reimbursed by Oakbay. Another \$5m would be paid to Utima if the bid succeeded.

The Utima Consortium's application, with financial reports of the alleged partners attached, was finally submitted to Sonangol for pre-qualification vetting. But the committee didn't offer preferential (presidential) treatment to the Utima Consortium.

A source close to the Sonangol committee tells *noseweek* that their suspicions were aroused when they had a look at Reliance Industries Limited's financial statement: “In the application, and in



the letter to the president, Parekh repeatedly referred to 'Reliance' while the financial print-out talked of Reliance Industries Limited. Reliance Industries are so big that if they were interested in the oil concession in Angola, they would have entered the bid without including a South African brief-case company.”

The tender committee called the Reliance Industries office in Mumbai, and their suspicions were confirmed – the Mumbai office had no idea what the Angolans were talking about. Utima Consortium was immediately disqualified from the bid. The committee informed Utima Resources' executives of the attempted fraud and barred them from participation in government contracts unless the matter could be explained.

With pressure mounting, Utima CEO Stan Muntanga called Reliance Industries and talked to Atul Chandra, who insisted that they were not aware of their inclusion in the Oakbay bid.

In a later email Chandra declared: “I feel very sorry for all inconvenience caused by actions of some people who do not understand oil exploration business. We had no idea about the quality of project and with whom we are dealing. You would agree for a company like RIL detailed information of partners is necessary. Basic problem is that someone had a last minute thought to use RIL for this opportunity. But we need to have sufficient time and interaction before major investment commitments.”

Chandra was of course unaware that this was no “last minute thought” – Parekh had been talking for nearly a year about Reliance's involvement. Stan Muntanga tells *noseweek* that Utima was misled by Oakbay:

“We shouldn't have trusted this group the way we did. But when they told us that Mvelaphanda were in partnership, and how connected to the business and political worlds they were, we simply took their word. Now we are paying dearly.”

In an attempt to clear their names and cover their losses, Utima Resources, through their Johannesburg attorneys, Tanya Brenner, sent a letter of demand for nearly R50m to Oakbay Investments, but there was no response.

The Angolans proceeded to institute a high court case at the Witwatersrand

Local Division, where Judge Willis awarded Utima a default judgment of R53m, with interest. However, the sheriff has informed Utima that Oakbay are appealing to have the judgment against them overturned.

While *noseweek* was waiting



Some of our
readers have
a thirst for
knowledge.
Others just
have a thirst.

Announcing a special offer for *Noseweek* readers. Receive **12 issues** of *WINE* for only **R210**, a **30%** saving on the annual cover price.

Phone 0860 100 205, or send an email to subs@rsp.co.za. (Ref: 08/07/DM/Noseweek) Valid until 31 August 2008.

WINE
A taste of good living

Watchdog claims pensions foul

NEDBANK GROUP PLUNDERED a R100m asset from its own pensioners when it sold, to itself, one of its head office sites for a knock-down R5m. Such is the claim of former Nedbank internal auditor – and now self-appointed pensioner watchdog – Tatchell Venn.

Venn, 64, left Nedbank nearly four years ago, on voluntary retrenchment, after working for the bank for 41 years – the last 17 as senior internal auditor.

In retirement he is as busy as ever, burrowing into the internal affairs of his pension fund and preparing no less than a dozen separate complaints about it to the Pension Funds Adjudicator.

In May the veteran auditor, head ablaze with a shock of white hair and trundling a carry-cart of documents, attended Nedbank Group's annual general meeting, to witness chairman Reuel Khoza present a slide show rebutting the R100m rip-off accusation.

Attending journalists completely ignored the issue, preferring to chronicle the colourful, if embarrassing, bleat of former chief executive Richard Laubscher, who was demanding an apology from the board for being forced to resign in 2003 following a series of fiascos, including the takeover of BOE and the bizarre purchase of law firm Edward Nathan.

Khoza pointed out that a chief executive takes ultimate responsibility for everything that happens on his watch, and Laubscher didn't get his apology. Given that he held that same CEO slot in 1999, perhaps Laubscher also bears responsibility for events surrounding the purchase in that year of Erf 477 by a wholly-owned Nedbank subsidiary, for R5m.

Erf 477 consists of 2,7 hectares of prime Johannesburg land at Selby, at the western start of the M2 motorway. Transfer deeds show that the old SA Permanent Building Society (the Perm) bought the empty site from Crown Crusher Estates in 1980 for R1m.

A year later, in July 1981, the Perm sold the land to its own Perm Pension Fund for R1,35m, and began building its corporate headquarters on the site. That December, according to Nedbank, the Perm Pension Fund granted a



Pictures: Jack Lundin

Tatchell Venn

How Nedbank bought its HQ building from the company's pension fund for a fraction of its true value

60-year-lease on the land to the Perm. Initial rent was R201 804 a year, escalating at 6% annually for the duration of the lease. Who the trustees of the Perm Pension Fund were at the time is lost in the mists of time, but Tatchell Venn is attempting to discover their identities from the Financial Services Board.

Nedbank's current management claim that the lease committed the Perm to paying for improvements to the land, in the form of a new head office for itself. These buildings, and other improvements, would become the pension fund's property when the 60-year lease expired at the end of 2041. (by which time the building is likely due for expensive demolition anyway.)

One problem with this scenario: although Nedbank is voluble on what it says were the terms of the lease, no one can produce the crucial document itself. Venn doubts that it ever existed. He believes that, in fact, the Perm Pension Fund paid for the buildings, and that Nedcor (as the Nedbank Group was then called), which took over the Perm in 1988, subsequently quietly removed the properties from the fund's assets.

After absorbing the Perm, Nedcor made one of the buildings on Erf 477 into a head office. Then, in 1992, the Perm Pension Fund was absorbed into the Nedcor Defined Benefit Pension Fund, giving the latter ownership of Erf 477 and, insists Tatchell Venn, the valuable buildings upon it.

Actuarial valuation accounts of the Nedcor Pension Fund at 30 September 1995 show assets of land and buildings valued at R57,6m. Venn claims that this figure relates almost totally to Erf 477.

In 1996 the Johannesburg City Council valued Erf 477 (conservatively) at R35,28m (land R3,78m; improvements R31,5m). Then, mysteriously, in 1998 the figure for immovable property in the pension fund's books was down to R1,45m.

In May 1999 Erf 477 was formally transferred to a Nedcor subsidiary, NHS Properties Pty Ltd. The trustees of the Nedcor Pension Fund – most of them senior Nedcor executives, such as Lot Ndlovu, Leon Porter, Rick Tudhope,

and Gary McCreesh – had decided some time earlier to sell Erf 477 to Nedcor for R5m. The Deed of Transfer, dated 20 May 1999, merely records the sale of 2,7 hectares. There is no mention of the head office buildings standing on it, although the deed ought to state “land and all improvements thereon”.

So the Nedcor Pension Fund, maintains Tatchell Venn, was paid R5m for an asset that he estimates is now worth as much as R100m. [*That Nedback might have indulged in such dirty tricks is not beyond the realms of possibility: see nose16 – Ed.*] And, besides thereby ensuring permanent ownership of the buildings, Nedbank no longer had to pay rent to its pensioners!

By the time of the sale, at an annual escalation of 6%, the annual rent would have reached R567 017. Had Erf 477 remained with the pension fund, the yearly rental would today be around R973 169.

Perhaps the biggest mystery in the affair is the physical absence of the “60-year lease”. Did it ever exist? Or, if there was a lease, perhaps it was for only 20 years (not the claimed 60) which would have required Nedcor to hand over the buildings to its pension fund as early as 2001?

Noseweek tracked down the Perm’s former deputy managing director, Brian Kemmey, who was responsible for the R18m construction of the buildings on Erf 477. Now in retirement, Kemmey was principal officer of the Perm Pension Fund from 1973 to 1978.

Kemmey has no recollection of any lease, and volunteered to do some research of his own – but he too could find no-one with any knowledge of such a document: “I spoke to one of the chaps in the premises department who was involved with the building payments. He is not aware of any lease. As far as he recalls, the Perm paid for the buildings, and whether it was recouped from the pension fund neither of us knows.”

The intrepid sleuth Tatchell Venn took his concerns to the Financial Services Board, which last year put questions to Rick Tudhope, the former Nedcor executive, who, as a trustee of the Pension Fund, masterminded the 1999 sale of Erf 477.

Tudhope, who joined Nedbank in 1990 and ran the bank’s tax function for 12 years, told the FSB that “one of the reasons why the fund decided to sell this asset was because it was not listed and so a market value was not readily available”. (*What on earth was he talking about? – Ed.*) Tudhope declared

*The biggest mystery
in the affair is the
physical absence of
the ‘60-year lease’.
Does it even exist?*

that, by selling for R5m a property it had bought for R1,45m (R1,35m, actually), the fund had made a handsome profit of R3,55m.

The value of the buildings, Tudhope told the FSB, would only come into play after the expiry of the lease, “and the present value thereof was small”. He added: “The value of unencumbered ownership after expiry of the lease was relatively insignificant because expiry was so far into the future.”

The FSB wanted to see the elusive lease. “We are still perusing the old records of the Fund. We will furnish your office with any contract that we might find,” was Tudhope’s reply.

For reasons we are unable to fathom, the FSB found Tudhope’s explanation “reasonable”. The board’s Retirement Funds: Surveillance and Enforcement unit told Venn: “Should you wish to pursue this matter further, we suggest that you formulate this matter to the Pension Funds Adjudicator for a determination.”

Tudhope, who left Nedcor in 2006, after two final years in the bank’s stra-

tegic recovery and turnaround office, tells *noseweek* that Tatchell Venn is “absolutely barking up the wrong tree”. Says Tudhope: “He thinks he’s on to something, but he just hasn’t understood the transaction. He’s like a dog with a bone. He’s got internal auditing in his blood and now he’s got all this time... He’s used to firing off queries that people have to answer, that’s in his DNA. And every now and then he gets hold of one that really is off the mark.

“His central allegation is that the pension fund sold this property for a fraction of its worth – for R5m, when it’s worth R100m. I would be happy to defend that selling price in any forum.

“I was negotiating it for the pension fund. We sold it for R5m and it gave the fund an absolutely phenomenal return. And we had to sell it because the fund at that time was getting portfolio managers in and every single one of them said: ‘We’ll manage your listed investments, but we don’t know how to value these bits and pieces.’”

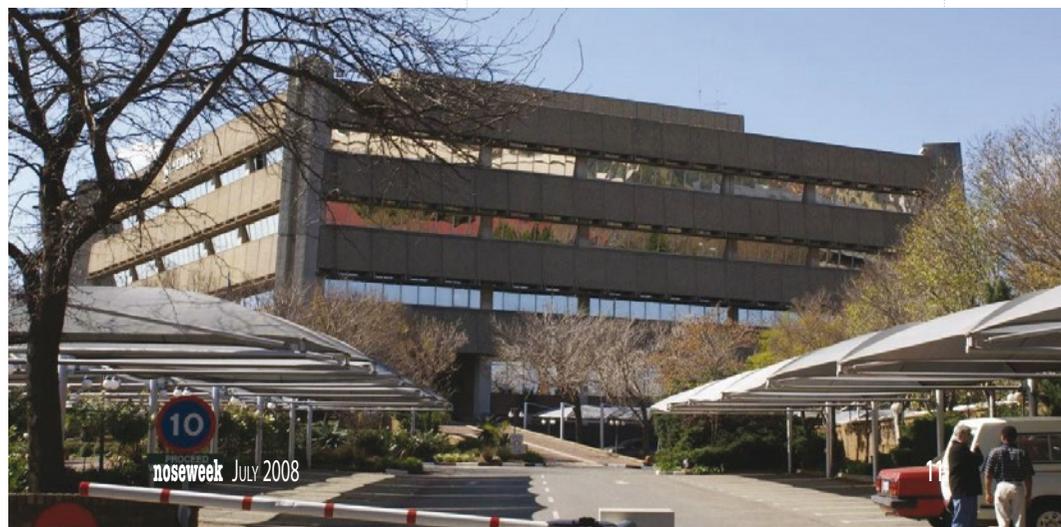
It may be that Nedbank’s portfolio managers don’t know how to value fixed property, but sworn valuers would have been happy to work out the value of the lease – assuming it existed – and the properties as well, to establish a market-related value.

When the Nedcor Defined Pension Fund closed to new entrants in 1994 it had 10 615 pensioners and still-serving members.

Nedbank’s company secretary Gawie Nienaber insists to *noseweek* that when it bought Erf 477 for R5m from its pension fund, the buildings on it were already “owned by Nedbank and not the fund or NHS to whom the land was sold”.

He adds: “In December 1981 the Perm Pension Fund had leased the unimproved land to SA Permanent Building Society (SA Perm) for a 60-year period at an initial rental return of 13,92%. SA Perm was obliged to erect its new head office on the property. This building, known as Perm Park 1, was

**Nedbank’s controversial corporate
headquarters in Johannesburg**





AFRICA IS NOT FOR THE FAINT-HEARTED

Subscribe to *Africa Geographic* or *Africa – Birds & Birding*

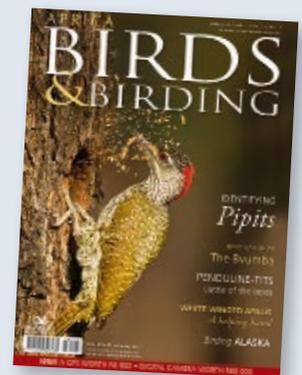


AFRICA GEOGRAPHIC is the continent's top wildlife, nature and conservation magazine. Draw inspiration from our world-class photography and features to play your part in Africa's conservation future.

Subscribe and never miss an issue. Just R275 for 11 issues (SA delivery) or US\$85 (rest of world).

AFRICA – BIRDS & BIRDING strives to foster an awareness and appreciation of our wild birds, and aims to encourage the growth of birdwatching as a pastime for enthusiasts of every level and ability.

A subscription costs just R144 for 6 issues (SA delivery) or US\$49 (rest of world)



For more information about the magazines and our range of products, visit

www.africageographic.com

AFRICA
Geographic

To subscribe, phone (+27-21) 762 2180 or 0800 004464 (toll free in SA). E-mail subscriptions@africageographic.com. Please mention this advertisement. Alternatively, subscribe online at www.africageographic.com, send a cheque with your contact details to Africa Geographic, Freepost CB0566, PO Box 44223, Claremont 7735 or fax your credit card order to (+27-21) 762 2246.

built and owned directly by SA Perm.

“Although the buildings would have vested in the Fund at the expiry of the lease some 42 years after the [1999] sale date, the value of the asset at the time was relatively insignificant.”

If the buildings were put up by the Perm, why were all the applications for planning permission made by the Perm Pension Fund, which is described in the applications as “owner”? “We can only assume, as no records or trustees from that time are available, that it was done for practical reasons, as the pension fund was the owner of the unimproved land on which the buildings were constructed.”

Of that elusive 60-year lease, Nienaber says: “The lease document could not be found. Assumption from documentation available indicates a start date of December 1981. The lease between pension funds (both SA Perm and Nedcor) and between NHS and Nedbank/SA Perm was not registered, as it is not compulsory to register a lease longer than 10 years.”

A legal expert comments: “This is a prime example of how Nedbank conducted its affairs at that time. It’s completely seat-of-the-pants and firing from the hip – a transaction which was

entirely for the benefit of the bank. It ripped off its pensioners and allowed the bank to plunder a long-term asset for its own benefit. They now had an asset worth very significantly more than it cost – and they didn’t have to pay rent any more.

“As soon as the buildings were put up they became the property of the owner of the land – the Perm Pension Fund. When an Erf is sold you can’t separate land and improvements, they must be sold together. That’s why it’s described as immovable property!”

“The whole thing smacks of an attempt by Nedbank to cover up the fact that there probably was no valid lease at the time the property was purchased in 1981. Hence the need to dispose of it on the pretext that it was an illiquid asset that couldn’t be valued by hotshot portfolio managers, in order to protect Nedbank’s position and tenancy in the property.”

These days, at home on the West Rand, Tatchell Venn has all but abandoned his hobbies of Meccano and model railways, for his ongoing and time-consuming audit of Nedbank’s pension affairs. “My quest started with the preparation of a small complaint

to the Pension Funds Adjudicator,” he says. “This ballooned into a complaint covering 12 major issues, which, although specific to me, are generic to most of Nedbank’s current or future pensioners.

“I don’t want to go to sleep at night with unanswered questions about whether or not I could have utilised my skills to have done something for others less fortunate.

“Erf 477 was the pensioners’ asset, there’s no doubt about it in my mind. The pension fund should have received the market value of the entire property – land and buildings – in 1999. But all they got was R5m.”

■ Nedbank is in hot water over its purchase of 137 vacant stands and two developed stands for R100 000 – R750 a stand – at a 2001 auction, although R20m had already been offered for the properties. In May high court Judge NM Mavundla found “overwhelming evidence” of fraud or collusion between the bank and the joint liquidators of a property development company. Mavundla ordered the re-opening of the liquidation and distribution of account, and the appointment of new liquidators. Nedbank is appealing. ■



N14 SELF STORAGE FACILITY

- Self storage units for sale
- Prime location - alongside the N14 highway
- Sectional title
- Owner occupied or rental pool option
- Fully managed investment
- Buy to let - get in early on the most under developed property sector in SA
- Exceptional investment returns
- Transfers 2009

0861 71 71 71

www.saselfstorageinvestments.com



Forest Gunk



Land near Mooi River, handed over by Mondi to its new owner littered with the rotting carcasses of felled trees

HE COULD HAVE BOUGHT a yacht. Or a racehorse or two. Or sent his money overseas. But KZN businessman Iain Buchan though he'd get more satisfaction from spending R2,25m preserving a bit of natural heritage.

Little did he know.

In June 2005, he bought 180ha of land near Mooi River, in the threatened grasslands region of the KZN Midlands, intending to restore the land and its ecosystem, and allow universities and schools free access for study purposes.

The only obstacle was a tenant that Buchan inherited with the property: the giant paper conglomerate Mondi Shanduka, a subsidiary of Anglo American,

Mondi Shanduka
handed over a KZN
estate with extensive
erosion, clogged
drainage ditches and
overgrown by alien
weeds

that includes the likes of Cyril Ramaphosa on its board. Mondi had planted 85ha of the land with pine, but their 18-year lease was due to expire at the end of 2007, and the trees were ready for harvest.

Buchan was confident that by the time his tenants left, the land would have been cleared and be ready for rehabilitation. But when logging began, so did his worries. As the trees came down, it became clear that the property was infested with alien vegetation, especially American bramble and bugweed, both strictly prohibited under the Conservation of Agricultural Resources Act.

"When Mondi Shanduka moved in, the place was virtually free of aliens. You can ask anyone in the neighbourhood," says Buchan. "The adjacent properties also grow timber, but they are pristine."

The lessees had also allowed the roads to fall into disrepair and failed to keep the drainage ditches clear, in contravention of the lease. This had resulted in extensive erosion.

At his first meeting with Mondi, in August 2005, Buchan insisted they eradicate the aliens, remove their trees and repair the roads. He submitted an



environmental impact assessment by respected ecologist Prof Tim O'Connor, which he paid for out of his own pocket. O'Connor had concluded that Buchan's grievances were warranted.

The company accepted the EIA and sent in contractors, who did some superficial repairs to the roads and made a half-hearted attempt to clear the weeds.

Then the rains came and things got worse – instead of suspending their work the loggers kept going, with heavy machinery and trucks gouging ever deeper ruts in the damaged roads and across the muddy ground. A short-cut was driven straight up a slope, and felled timber was left lying against the contour – both invitations to erosion.

It also emerged that one plantation lay on an inaccessible slope, and extracting its logs would cause long-term damage to surrounding vegetation.

Buchan says Mondi admits it should never have planted the slope, but hasn't come up with a way to remove the logs on it.

Mature weeds were left unharmed, while masses of new ones sprang up in the cleared sections. Other invasive aliens, like Scotch thistle and wattle, began to appear. Then the loggers packed up and left, abandoning hundreds of tons of tree trunks to rot, and leaving huge piles of dead branches, or "slash", littering the landscape.

For well over two years, Buchan has pestered Mondi Shanduka to clear up their detritus, to little effect.

Last October, in exasperation, he submitted a thoroughly documented complaint, including photographs, to both the Mondi board and the local office of the international forestry watchdog, the Forest Stewardship Council (FSC).

The FSC describes itself as an independent, voluntary body that promotes sustainable, environmentally and socially responsible timber growing. Mondi Shanduka is FSC accredited, and displays the FSC stamp of approval on its products, as testimony to their origin in well-managed plantations.

Following his complaint, the FSC agreed to include Buchan's farm in its annual audit sample, performed by the Swiss-based company Société Générale de Surveillance (SGS).

Eight months later, Buchan is still awaiting their report, so *noseweek* asked the auditors what was holding things up. The director of SGS's forestry certification programme, Gerrit Marais, said approval of the report had been delayed "due to issues raised during the review process, which have to be addressed by the auditor". The full report was confidential, he said, and Buchan would have to wait for the "public summary".

Yet even if the report is damning, all the FSC can do is withdraw its accreditation.

Buchan has decided that if Mondi continues to duck its responsibilities, he will have to sue, but he's had a hard time securing the services of a legal representative.

"It's the same as with the banks. I couldn't find an attorney who would touch the case. Three groups of attorneys refused, without giving reasons. But I know they all do work for Mondi."

Fortunately for him, Durban firm Goodrickes has agreed to take the corporation on. Buchan wants R1,5m in damages and a commitment from Mondi to remove the aliens entirely, no matter how long it takes. Apart from the visible infestation, the lessees had allowed the seed bank to explode, so the problem will persist for years.

Mondi Shanduka's point man in its battle with Buchan, forestry manager, Keith Paterson, says he doesn't want to debate the issue in the media. He would rather "deal with the man" and is "sure we can sort it out".

Buchan knows of other land-owners who have fallen victim to Big Timber's environmental mismanagement, and *noseweek* spoke to one, a Mpumalanga farmer who prefers to remain anonymous. Most of his farm was devastated by massive fires last July, and he holds his corporate tenants responsible because they did not maintain firebreaks, or control alien vegetation.

He asked *noseweek* not to identify the company concerned, as he had just managed to persuade them to cut short their lease and get off his property.

"I am so thrilled to be rid of them, I don't want to reopen the argument." ■

Keep off the grass

THE GRASSLANDS BIOME, which once covered more than a quarter of the country, is second only to fynbos in plant diversity. It's also the natural habitat of a wide variety of animals, many of them endemic.

Between 60% and 80% of South Africa's grasslands have already been destroyed, and only 2% are legally protected. While agriculture is by far the main culprit, forestry is rapidly gobbling up the few pockets of grassland left in those areas unsuited to crops.

Apart from contributing to biodiversity, grasslands act like giant sponges, reducing run-off and erosion and ensuring a constant supply of water. Alien invasions are a major threat to this ecosystem.

According to Iain Buchan, Mondi Shanduka insists that up to 5% alien coverage is acceptable, but what they base this on is a mystery. Besides, the plants Mondi have allowed to flourish in his patch of grassland are defined as weeds by the law, which states:

"These are prohibited plants that will no longer be tolerated ... These plants may no longer be planted or propagated or be allowed to disperse."

Strong words, but hardly backed up by the mere R5 000 maximum fine that can be imposed on a first-time transgressor. There's the option of two years in jail, but who will they put away? Cyril? ■

Forestry Council Scotchers rumour

NOSEWEEK ASKED the Forestry Stewardship Council's spokesperson in South Africa, Dr John Scotcher, how a company in flagrant violation of the council's standards and criteria could be allowed to display the yellow FSC logo on its products.

Dr Scotcher, a former environmental manager for that other pulping giant, Sappi, said the council did not have the resources to police thoroughly South Africa's over one million ha of plantation, as it is a voluntary, self-funded organisation.

"Our auditors can't inspect every hectare, especially when it comes to the big growers like Sappi and Mondi. They can only take a sample. The system works most of the time but sometimes things slip through."

Critics have complained that the stewardship council, dependent on the timber companies for funding, is too close to the corporations. They cite the fact that employees, like Dr Scotcher, often hop from one side to the other.

Scotcher commented this was "unavoidable" because of the shortage of expertise in the forestry sector, but insisted that the FSC was a credible organisation with high standards for forestry management.

"Forestry is the most tightly regulated agricultural sector – there is nothing like it for wheat or sugar, which have replaced many times more grassland than plantations have. But no-one thinks about that when they're stirring their tea." ■

Bankers, lawyers and whores

COBUS POTGIETER PROBABLY won't be the last person to be taken to the cleaners by Absa. But he's one of the few with the balls to fight back. Which is why *noseweek* is happy to publish his story.

In September 1997 the Durbanville-based management consultant (and former chairman of the Trade Licencing Board for KZN, and general manager at the SBDC) was approached by Dutch businessman Marcel Hooegebeen to find him an investment opportunity. Potgieter found just the thing: a Durbanville farm called Uitkamp, rezoned and suitable for residential development.

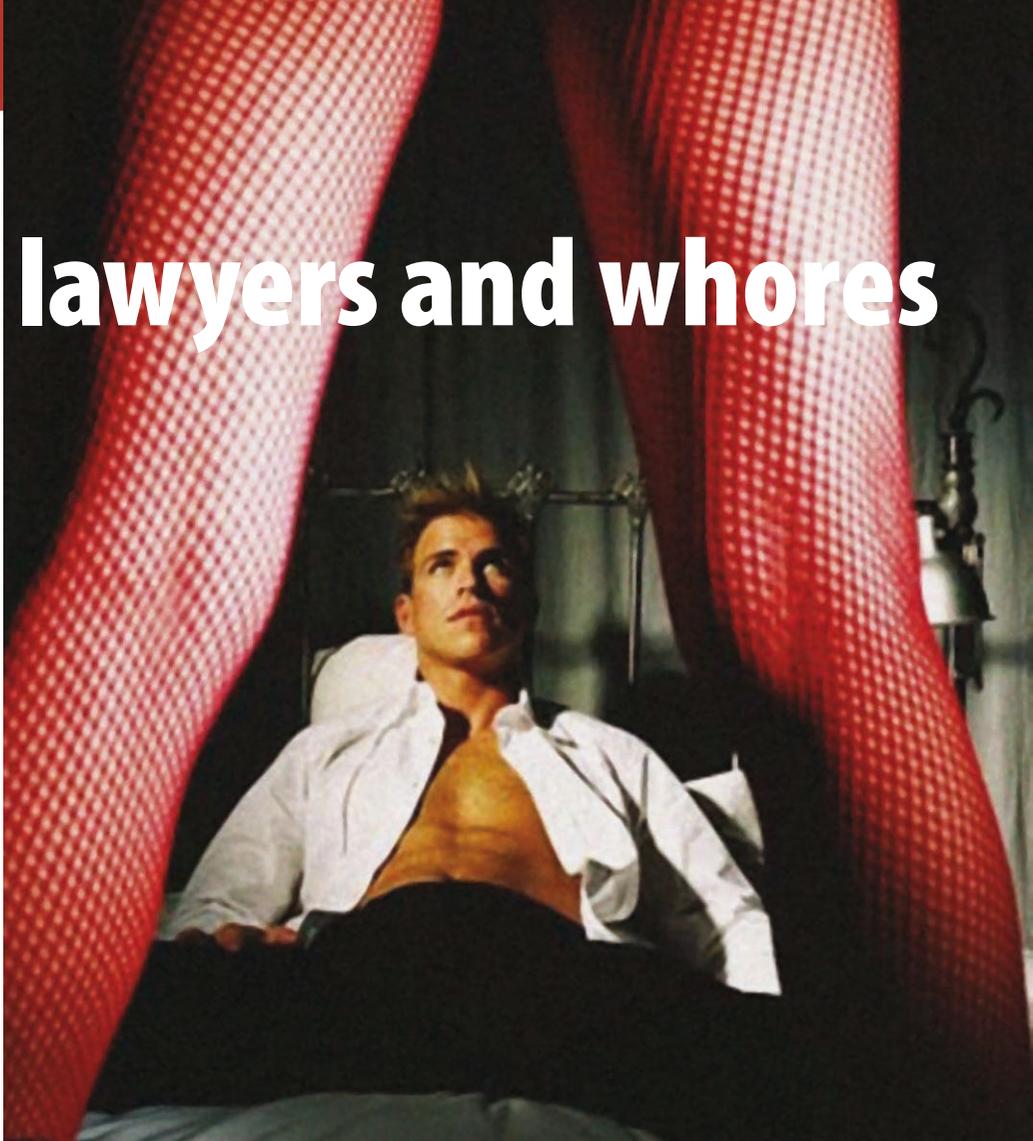
He negotiated a price of R12m for the 103ha farm, and persuaded Absa to provide a loan for the development of 740 plots. In December 1997 Absa confirmed that it would loan Hooegebeen's company, Immo Invest, R40m, R2m of which would be as an overdraft. To limit Absa's exposure, Immo Invest would first have to secure pre-sales of at least R30m.

It was Absa's alteration of this figure at a later stage to R58m – more than the total value of the entire project – that led to the collapse of the deal, and subsequently to Absa suing Potgieter for debts that, with the bank's knowledge, he had incurred in managing the whole process. (In fact the bank had been relying on him making enough profit from the "Uitkamp" development to repay his personal overdraft.)

Here's how it all came about: In December 1997 a deed of sale was signed between Mr Louw, the owner of the land, and Immo Invest. The following February Potgieter signed a joint venture (JV) agreement with Immo Invest, entitling him to a 50% share of the profits of the development. Two months later Immo Invest (Hooegebeen) signed a mortgage loan agreement with Absa, who then gave approval for contractors to go on site. It also allowed Immo Invest to access its R2m overdraft facility.

So far so good – the loan was in place and pre-sales had quickly reached 60% of total sales target.

However, one reason for the rapid movement in pre-sales was that Absa officials were themselves getting in



Absa is up to
its old tricks
– again

on the act, to the tune of some R7m. This included the officials most closely involved with the finance negotiations – Dave Chambers, Absa's area manager, commercial property finance, took eight plots (then already worth R2,2m); Paul Marais, the bank's credit specialist, took two (valued at R1,3m); Gerrit Hickman, manager, commercial property finance, took a commercial stand worth R3,3m, while TP Fowler and Bob Bezuidenhout modestly took only one each.

The Absa employees didn't do anything as scary as signing deeds of sale; they simply signed options, which some of them, in due course, tried to trade. Hooegebeen had undoubtedly made them a special deal: they weren't required to pay deposits or agent's commission.

But then, in early 1999, a dark cloud blotted out the sun that had until then shone on Uitkamp: Dave Chambers informed Potgieter that Absa head office in Johannesburg was unhappy that Absa employees had taken up options in the development. The Joburg assistant general manager credit had written to Absa Western Cape to say: "Although the human resources policy does not preclude them from doing this, we do

not believe that it was ethical, and staff should have recused themselves from the deal.”

But don't worry, Chambers told Potgieter, I'll sort this out.

Now comes the interesting bit: Absa did not cancel the deal because of its managers' misconduct and conflicts of interest (that would be a public admission of impropriety); nor did it order its managers to hand back their plot options (they all got to keep them). At Absa the motto clearly is: Why be straight when you can be underhand? Head office simply upped the required level of pre-sales for Immo to qualify for the finance package – to R58m, a figure they knew would be impossible to achieve. *Noseweek's* not saying it; their own Mr Hickman stated it in a memo sent to head office on 10 March 1999: “Our requirement is, therefore, not possible.”

It was obvious that Absa wanted out of the deal. (Paul Marais has since admitted to Potgieter that the deal was deliberately scuppered because of a disagreement between Absa Cape Town and Absa Johannesburg.)

Immo Invest opted to regard the new condition as a repudiation of the agreement – and the deal was off. Immo, now known as Durbanvale Development (Pty) Ltd, went on to get financial backing from BOE and the Uitkamp development, subsequently renamed D'Urbanvale, became a great success.

But Potgieter was in trouble. For well over a year the project had taken over his life – between September 1997 and March 1999, he held some 200 meetings with various Absa officials. He also spent more than R500 000 on legal and administrative formalities relating to the development – which he was only able to do because Absa granted him an overdraft for this very purpose.

Again, Absa's own records confirm the point. On his overdraft application, the manager of Absa Durbanville has written: “Recommend approval on grounds of involvement in Uitkamp development.”

There are several similar references in other Absa documents, including a 1998 internal memo in which it is recorded: “Potgieter's profit share from the Uitkamp project will place him in an extremely favourable financial position, in that it will leave him with a large amount of surplus funds and a simultaneous downscaling of debt.” Later it states: “The risk [to the bank, on the overdraft] is, in our view, acceptable, especially seen in the light of the fact that the bank has considerable knowledge of the project and initial control of sales and transfers.”

When Absa realised what they had done was illegal, they hurriedly wrote to Old Mutual, falsely claiming that their client now wished to have his policy reinstated

The link between the project and the granting of an overdraft to Potgieter is further confirmed by the fact that not only did the bank require him to hand over certain insurance policies as security, it also demanded that Potgieter cede to the bank his rights to profits generated by the joint venture with Immo Invest.

Which meant that inevitably, and to the bank's knowledge, when it scuppered the deal, it was also fatally compromising Potgieter's security and prospects for repaying the overdraft.

When Potgieter's overdraft got to some R800 000, Absa called it up. In an effort to get him to pay up without further ado, they threatened to have him blacklisted with the credit bureaus – to the extent that, eventually, his then attorneys, Hofmeyers, wrote to the bank to place on record: “The strongest exception is taken to your threats with regard to the credit bureaus.” Some time later, Potgieter learned that Absa officials were spreading the rumour that he was insolvent. Once again his attorneys went to Absa to place on record: “Our client is by no means on the brink of insolvency.”

(Potgieter simply believed that, in the circumstances, he did not owe the bank any money.)

When the bank finally sued him for recovery of the overdraft, Potgieter had to sell his entire share in the venture (worth R8m) in a hurry – to Power Construction for just R1m – in order to raise

the fees for his defence.

Besides defending the action, he launched a counterclaim against Absa for a sum substantially larger than the amount the bank was claiming from him.

Absa immediately resorted to one of the standard weapons in its armoury: it brought an application to have Potgieter declared insolvent – which would have ensured that he was unable to bring his case against the bank.

When, in March 2000, it became apparent that Potgieter was in fact not insolvent, the bank hurriedly withdrew its application.

But the setback did not stop Absa from making good on its earlier threats to blacklist him. Unknown to Potgieter, they instructed credit agency Experian, that same day, to list him as an insolvent, and began spreading the word in the marketplace.

Also unknown to Potgieter, the bank wrote to Old Mutual to say that he wished to surrender his insurance policy, and instructing it to deposit the surrender value into an Absa bank account. Ditto to Momentum.

When, six weeks later, Absa realised that what they had done was illegal, they hurriedly wrote another letter to Old Mutual, falsely claiming that their client now wished to have his policy reinstated. Old Mutual refused. Only years later did Potgieter discover that he had lost his policy and its accumulated value.

Absa now refuse to discuss the matter, claiming it is *sub judice*.

In 2002 Potgieter brought an action against Absa, claiming some R7m for the loss he had suffered from Absa's repudiation of the loan agreement. The basis of his argument was that Absa knew full well that he was relying on the loan to Immo Invest going ahead

when he allowed his overdraft to balloon.

Absa thus owed Potgieter a duty to comply with the loan agreement. In response, Absa argued that it was entitled to repudiate the loan because a suspensive condition (those impossible pre-sales) wasn't fulfilled.

Potgieter's claims certainly seem to be supported by the documents quoted above, and by others in like vein.

In 2007 Potgieter brought a further action against both Absa and credit bureau Experian, for some R13m, this being the loss he claims he suffered from his wrongful listing as an insolvent, including damage to his good name.

Potgieter claimed that Absa wrong-



Cobus Potgieter

noseweek

ADVERTISING

021 686 0570



K I N G S
ESTATE AGENTS

MARKET LEADERS IN

- © PARKTOWN NORTH
- © PARKHURST
- © CRAIGHALL PARK

The only place you will find us in NOSEWEEK is right here

ANDREW 083 655 0366
GREGOR 082 829 6969

NEED TO CATCH A SNAKE?

Africa's premier snake catchers
(We're not bad at sharks either)

Mercantile Investigation
Litigation support
Recoveries & resolutions

Tel: +27+83 357 8555
mark@vumbu.com



VUMBULULA
RESOURCES PTY LTD

Convert debtor's & credit sales into CASH!

Confidential Invoice Discounting & Bridging Finance to SME's.

Alcrest

OUTSOURCING (PTY) LTD

Tel: 011 467 0285 or 083 458 0805
Email: dale@alcrest.co.za

fully and falsely reported to Experian that it had a sequestration order against him, in order to defame him and injure him in his reputation. Experian, he said, had had a duty to verify the information, and had not done so.

So how exactly did the listing affect him? For a start, he had to temporarily close his business, Cape Business Management. For a while he couldn't even get a telephone line because Telkom accessed the Experian record – as did Stannic, Nedcor and Teltron.

In 2004 when Potgieter applied for a home loan with First National, the bank told him that he was "wasting their time" because he was an insolvent. Nedbank called up his Nedbank home loan and took a judgment against him. Nedbank was represented in that matter by none other than (Judge President Hlophe's friend) Derek Wille, then still of Buchanan Boyes. The same Mr Wille who had represented Absa in the abandoned sequestration application!

Potgieter's cash flow eventually became so tight that he had to sell each of his six properties, one by one in a hurry. He lost a bundle.

Wondering how much care goes into a sequestration listing? When Potgieter complained about his listing to Experian the company's Consumer Relations Division supervisor, Billy Isaacs, gave Potgieter the assurance that "no errors are intentional". (Isn't that nice to know!) Isaacs went on to express "sincere and heartfelt apologies for any inconvenience" suffered. The record was finally corrected in January 2005.

Absa's claim, Potgieter's counterclaim and Potgieter's first claim for damages came up for hearing in the Cape High Court in mid-December 2007. Potgieter paid R104 000 for his advocates to prepare for the trial and represent him. But shortly before the trial date, Potgieter's lawyers went to see the acting Judge President and apparently learned from her that there was not a judge available to hear the case on the set down days. The case would have to be postponed – to May 2008. So the lawyers went on a summer holiday, having charged him for their trial fees anyway.

Come May 2008, Potgieter had to pay his lawyers another R245 700 to appear. Shortly before the hearing Potgieter's legal team subpoenaed senior Absa officials, including chairperson Gill Marcus, to ask them to explain why certain documents couldn't be produced. For example, minutes of board meetings held during the relevant time, at which the Uitkamp matter in dispute between Absa Johannesburg and Absa Cape Town were most likely to have been discussed by the board executive. Absa

Potgieter's cash flow became so tight that he had to sell each of his six properties, one by one

announced it would apply to have the subpoenas set aside.

Potgieter pointed out that Absa has form when it comes to hiding documents – in a case involving Absa Insurance Brokers and Compuquote (nos21&26) the bank claimed that it could not find its board minute books which might evidence a particular agreement – but found them when a subpoena was served on its directors to explain to the court their non-compliance with the law.

In Potgieter's case, Absa claimed that the subpoenas were frivolous and "designed to intimidate". Absa also now, without prior notice, midway through the first day of the trial in May, claimed that Potgieter had failed to make out a case in his summons!

The bank's counsel argued that there was no causal link, legally speaking, between what Absa had done and the losses that Potgieter had suffered.

Judge Bennie Griesel allowed this point to be argued, without notice, despite the fact that Absa had had a full six years to raise the issue in its pleading but had not done so. Suddenly Potgieter's lawyers, after consulting with Absa's lawyers, decided that he had a problem, and recommended that he accept Absa's settlement offer, which was pretty uncompromising – withdraw your case and pay us R3m.

Potgieter was appalled at the advice and fired his legal team. He then argued against the exception himself, saying that, without hearing the evidence, the court couldn't decide whether or not there was a link between Absa's actions and his loss, which justified his claim for compensation.

On at least one occasion Absa's advocates consulted with the judge without inviting Potgieter to be present.

When the arguments were over, Judge Griesel announced that he needed time to consider his verdict. He only managed to hand down a decision

on 10 June 2008, by which time the ten days allocated for the trial had run out – meaning that the matter would be postponed again. And Potgieter would once again have to pay full trial fees, without having had a trial.

Judge Griesel found in Absa's favour, ruling that Potgieter's Particulars of Claim didn't make out a case, and granting him 15 days to amend his papers. Which will, in turn, require Absa to file new papers, further delaying the case and increasing the costs. In the meantime, Potgieter will be required to pay Absa's cost relating to the exception, including the cost of two counsel.

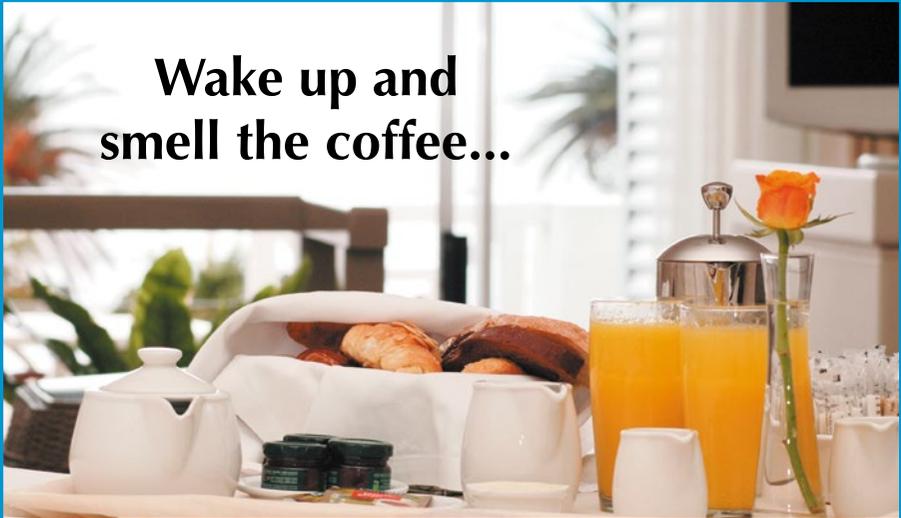
And why did Judge Griesel find for Absa in a case for which he said there was no precedent in South Africa?

Griesel declared that as Potgieter's claim was based on delict (tort in England and America), he had to show that Absa's actions were unlawful. Here the judge closely followed a recent judgment which Supreme Court of Appeal Judge Louis Harms gave in the Telematrix case. Harms quoted an ancient Dutch legal authority, and said that negligence is not sufficient (as it is in the British law of tort); in South Africa, said the judge, conduct is only wrongful if public policy considerations demand that the person wronged be compensated for the loss caused by the negligence. Griesel had no hesitation in finding that there was no public policy consideration which demanded that Potgieter should be compensated for the R7m he lost because Absa Cape Town had a fight with Absa Joburg and then cancelled a deal, reckless of the predictable detrimental consequences for its client, Mr Potgieter, the value of his security and his ability to repay an overdraft.

The judge then went on to find against Potgieter for a further reason: He declared that because Potgieter had signed a joint venture agreement with Immo Invest, he was effectively a shareholder of Immo Invest (this will come as a surprise to many), and a shareholder whose shareholding is diminished because the company suffers damage does not have a claim against the person who causes that damage. Clear from ...er... a number of British judgments on the issue!

Potgieter plans to appeal Griesel's judgment. Whether or not he will have lawyers at his side remains to be seen – his legal team mysteriously resurfaced when Griesel handed down his judgment. But when Potgieter decided to go on appeal they were sceptical of his chances. And they would need another R80 000.

Bankers and lawyers, whores and usurers. Can you tell the difference? **W**



Wake up and
smell the coffee...

THE · BAY · HOTEL
Camps Bay

from **R750** | **R950**
per person sharing | per single
5-Star stay
& full Breakfast

021 438 3972 | res@thebayhotel.com | www.thebayhotel.com

*Terms & Conditions apply. Valid until 30 September 2008

noseclean

We do everything we can to help our clients make news.
But not in a publication like this.

BDO

BDO Spencer Steward
Chartered Accountants

A relationship at work

www.bdo.co.za

The world's fifth largest accounting firm with 626 offices in 111 countries.

6065/nw.thinc

Method in Mia's madness

THE LAW SOCIETY HAS SCUPPERED the come-back plans of onetime advocate Mia McDonald, who had been hoping to re-launch her controversial legal career – as an attorney.

McDonald, now 34, was called to the Pretoria bar at the unusually young age of 23. But barely three years into what could have been a glittering career, she (allegedly) tried to bribe a revenue official on behalf of a client with a tax problem – and then, when trapped, attempted to hire a hitman to murder the two revenue service officials due to testify against her in the ensuing corruption case.

McDonald escaped prosecution on the strength of psychiatric evidence, led by her defence team, that she was insane at the time and therefore had no criminal intent, and was thus also unfit to stand trial. Her particular mental condition was labeled “bipolar”. McDonald thus escaped a possible 15-year prison sentence.

This, despite the fact that the court had earlier ordered her to be detained in a state mental hospital for 30 days observation after which a state psychiatrist had found her to be sane and fit to stand trial. This evidence was, however inexplicably not led at her trial.

After being admitted as an advocate of the Pretoria bar in September 1997, Mia McDonald worked briefly as a prosecutor in the Pretoria regional court, before setting up as a practising advocate at the end of 1998.

In February 2001 she was representing AE and VMC Concalves, proprietors of the Back of the Moon restaurant and jazz bar, who faced prosecution by SARS for tax offences. Rather than fight the case in court, McDonald offered a R20 000 bribe to SARS investigators Olga de Villiers and Brian Hatchet, to hand over their files of the case or provide her with a letter stating that the audit of these files was finalised and no irregularity had been discovered. The officers reported this offer and McDonald was arrested and charged with corruption.

Seven months later, out on R40 000 bail, says the charge sheet, she contracted Diederick Bruyns and Stephanus

**Three years into
a promising
legal career,
Mia McDonald
allegedly hired a
hitman to murder
two revenue
service officials
who were due to
testify against her
in a corruption
case**

Janse van Vuuren to murder the two SARS investigators for R40 000. McDonald provided them with the officials' home addresses and insisted that the hits be carried out quickly, to prevent them from testifying in the corruption case against her, due to start the following month. The “hitmen” reported to the police, a trap was set and McDonald was arrested by officers from the Organised Crime Unit and charged with incitement to murder.

Ten days later, Pretoria North magistrate Marion Wessels ordered that McDonald be held at Weskoppies mental hospital for 30 days' observation.

Dr Paul de Wet, head of the Weskoppies Forensic Psychiatry Unit, found that while McDonald had a depressive condition she was not mentally ill and had not been at the time of the alleged offences. She would, said De Wet, be able to follow court proceedings and make a “meaningful contribution” to them.

On being informed that McDonald was not insane, Magistrate Wessels ordered that she be detained at Diepkloof prison, where she remained, pending trial, for the next 14 months.

On trial at the Johannesburg Commercial Crimes Court, McDonald pleaded not guilty to both the corruption and incitement to murder charges. In December 2002 she was found guilty of attempting to bribe the two SARS officials. But Magistrate Hein Louw accepted evidence from two psychiatrists retained by the defence that McDonald had reduced culpability as a result of a bipolar disorder. (One of them, Dr Adele Potgieter, told the court she had been mistaken not to have certified McDonald as insane as early as April 2000.) Magistrate Louw thus found McDonald not guilty of incitement to murder, because of mental incapacity.

Sentence on the corruption charge was deferred for five years on condition that McDonald submitted herself to uninterrupted treatment in a psychiatric hospital, where she was to be detained pending the decision of a judge in chambers five years later. The court order stipulated that this court appearance should be in December 2007.

McDonald's mother, Professor Ria



Picture: Images24/Beeld/Brendan Cockcroft

Mia McDonald

McDonald, an associate professor in the department of Secondary School Teacher Education at Unisa, gave testimony at the trial about her daughter's behavioural problems. She and her husband felt that five years of psychiatric detention was a fair sentence.

But that detention never took place – as *noseweek* has now discovered.

In 2005 the Pretoria Association of Advocates wrote to McDonald's attorney, Willie van Zyl, saying that they would delay their intended application to have her name struck off the roll of advocates, in the light of the fact that she intended to join the side bar (i.e. become an attorney). However, they required McDonald to launch her own high court application to have her name removed from the advocates' roll, and to make complete disclosure in her application of the facts relating to her criminal trial.

This was done and the following

year acting Judge Mabesela duly granted an order removing her name from the roll.

McDonald's second high court application, in 2006 (a year before the date laid down by Magistrate Louw at her trial) was to be discharged as a state president's patient. The application was heard in chambers by Judge Willem van der Merwe, and we can only presume that McDonald was successful, since the court's record of the application cannot be found.

However, McDonald's attorney, Willie van Zyl, who had his own copy of the file, ran off a copy for the Law Society, to accompany McDonald's request for permission to do articles at his law firm.

And what sensational material is in it! According to a member of the Law Society committee which investigated McDonald's permission request, Appendix A is a four-page affidavit by McDonald's curator, deputy director of public prosecutions Advocate Elbie Leonard SC, who stated that McDonald should certainly be discharged, because there was never anything wrong with her, and that the state had failed in its duty to prosecute her.

In her affidavit, says our source, Leonard reveals that Dr de Wet, the Weskoppies psychiatrist who found McDonald fit to stand trial, had been told by the court that he would be notified when to attend to give his evidence. But he was not called, leaving the field open for McDonald's own psychiatrists to label her as

insane and incapable of standing trial.

Leonard's affidavit, according to our source, records that Weskoppies released McDonald only weeks after the court ordered her to be detained there for five years.

As for the matter of the postponed corruption sentence, set for 6 December 2007, Advocate Leonard notes that "nothing happened".

"Justice was not done in this matter," Leonard declares in her affidavit.

Advocate Leonard did not return our calls.

Dr de Wet declined to discuss the case of Mia McDonald – or why he discharged her just days into her five-year "sentence". "I won't be able to give you any information, or make any comments on the issue at all," he said.

The case file, says a Law Society source, gives some interesting insight into the warped mind of Mia McDonald. For example, Advocate Norman Davis,

For sale in Mozambique

Coastal residence on the Sawa Sawa Peninsula - 12km North of Vilanculos



Two of seven houses have been sold. 3rd House under construction.

High position with spectacular sea views.

- 500m² under roof, 100m² open patio area, 16m² gazebo
- Expected occupation December 2008
- Less than 20km from international airport
- Connected to main electricity grid
- Price USD 800 000

For further details contact us:

Currie Group +27 11 465 4000 or
Richard AJ Currie + 27 83 226 7203



Currie
Property Expertise
since 1887

noseweek

ADVERTISING

021 686 0570

Africa for Sissies

Put your feet up and let the Kruger Park's Big 5 come to you. Exclusive TGCSA 4 star self-catering luxury on Crocodile River bank. Five en-suite bedrooms. Panoramic views from riverside decks and rimflow pool.

Daily servicing. Indulge yourself.

Call 011-3277620

www.ngwenyariverlodges.com



previously engaged to McDonald, relates in an affidavit that when he began an affair with McDonald's best friend – to whom he is now married – McDonald threatened to "take him out".

Noseweek didn't get to see the Law Society's copy file of the case – Billy Gundelfinger, the society's investigating committee head (and expensive divorce attorney) curtly instructed *noseweek* to get a copy from the high court.

Thinus Grobler, director of the Law Society of the Northern Provinces, also refused *noseweek* access to the file: "A committee investigated the matter, conducted personal discussions with McDonald and ultimately made a recommendation to the Council of the Law Society, which made the ultimate decision [at the end of May] to refuse permission for her to do articles."

All the background history, bar council involvement and the criminal case were considered by council."

When *noseweek* first contacted McDonald's attorney, and prospective employer, Willie van Zyl, he was receptive to the idea that McDonald should tell her side of the story.

"It's a terrific story, but without her consent I can't negotiate or talk to you," he said. "And I can't give you a copy of that case file without her permission."

Van Zyl confided that the Law Society's refusal to let McDonald do articles was "quite a disappointment to her".

Can we have her number? "Oh, she's

Not legally responsible

STATE PSYCHIATRIST Dr Paul de Wet found Mia McDonald to be sane and fit to stand trial at the end of a 30 day observation period at Pretoria's Weskoppies hospital – but the prosecutor in her trial somehow omitted to present this evidence to the court.

Instead, magistrate Hein Louw accepted the only expert evidence presented to him: that of the two defence psychiatrists, who said Ms McDonald was suffering from bipolar mood disorder, or manic depression, and could not be held legally responsible for her actions.

This is what the Merck Manual has to say about the condition:

"In the full-blown manic psychosis, the mood is typically one of elation, but irritability and frank hostility with cantankerousness are not uncommon.

The morbid mood colours patients' entire experience and behaviour to such an extent that they believe they

are in the best mental state. Their lack of insight and inordinate capacity for activity lead to a dangerously explosive psychotic state, in which the individual is impatient, intrusive and meddlesome and responds with aggressive irritability when crossed.

Thoughts and activities are expansive and may progress into frank delusional grandiosity, ie false convictions of personal wealth, power, inventiveness and genius, or temporary assumption of a grandiose identity.

Manic persons are inexhaustibly, excessively and impulsively involved in various [questionable] activities without recognising the inherent social dangers. In the extreme, psychomotor activity is so frenzied that any understandable link between mood and behaviour is lost (a kind of senseless agitation known as delirious mania)."

a difficult lady," warns Van Zyl, giving the number anyway. "I'll give her a tinkle and I'll tell you if it's a good time to phone her."

A little later the attorney said: "Mia says it's a very serious matter and she's not going to be pushed into anything. If you have to wait three weeks for the

best story of your life then that's it. She'll consider if it's in the best interests of her career, or isn't.

"I personally feel that people must know about it. The Law Society can't act like this."

Rather than play Mia McDonald's waiting game *noseweek* gave her a bell and expressed sorrow at the Law Society's decision. "Let me put it straight," rasped the former advocate. "I didn't go there for any approval. I just want to make a statement, that's all."

A statement? To? "No! You know what, I'm not going to talk to you, you're not going to write my life story. I'm terribly sorry, I'm not going to expose myself to the press. I don't have to justify myself to anybody in the world."

Can we ask just one thing? How long after the trial were you in Weskoppies? "Well, sir, I'm not going to answer that question. Have a nice day."

This conversation was followed almost immediately by an angry call from Willie van Zyl. "I asked you not to phone Mia!" he screamed.

We hear she was in Weskoppies for only a couple of weeks after the trial, we say. Correct? "We're not going to give you that information," rants a by now apoplectic Van Zyl. "There's a story behind that story and if you want to co-operate with us we are willing to co-operate with you. But don't push it! You can either decide to work with us, or try to work against us. But if you're going to have your facts not right, then we're going to take you on." ■



"Good news, honey—seventy is the new fifty."



Former Afgri MD Jeff Wright

Boss's chick comes home to roost

WHAT'S UP AT AFGRI LTD, the JSE-listed farm services and supplies company (assets R8,5bn, sales R7,8bn)? Recently the company's board of directors announced the resignation of its managing director, Jeff Wright, with effect from 30 June 2008, "to pursue other business interests".

It was clearly an unexpected development, as the announcement also states that only now has "a process" been put in place to identify an appropriate replacement for Wright – and that further information will be disseminated "as it comes to hand".

If one believes the company's statement of values published on its website – they include being accountable, open, honest and responsible – then the circumstances of Jeff Wright's departure are completely truthfully stated.

But only fools believe that companies actually subscribe to the "values" they publish on their websites.

OK, so they didn't reveal that they have also agreed to pay him a R6m retrenchment package, which includes cash and shares (and nearly R500 000 in leave pay, despite the fact that he has spent much of the past three months at his holiday home in Plett).

Yes, but that's only the half of it. In fact Wright was effectively sacked because it was becoming ever more widely known that for quite some time he's been shagging his increasingly buxom PA, Ronel Joubert, 41 – while both are married to other parties.

What's new, you ask? A complication: the generously breasted Ronel (thanks to some silicone implants, done at the Rosebank Clinic and paid for by her lover) just happened to be the wife of another Afgri employee (and Jeff's



one-time golfing mate), Dion Joubert.

Humiliated by the ongoing affair (it transpires Ronel and her – and his – boss had been doing the broom cupboard two-time for close on two years), Dion resigned from Afgri some months ago – and got only his modest leave pay.

Now, according to sources close to the company, litigation is pending that raises an interesting legal question: When your boss shags your wife, is that an unfair labour practice and tantamount to constructive dismissal? If so, Afgri could end up paying still more for having indulged its MD's voracious sexual appetite.

That might also explain why Ronel finally got around to resigning on 30 April. (Her lover boss signed off her resignation form. Her reason for resigning: "further studies".) She, too, got only her leave pay – but she did finally get to shack up formally with Jeff in his Jo'burg house. (Mrs Wright and their children have decamped to the countryside.)

While Ronel furthers her study of all the varieties of domestic bliss – she has been married several times – Jeff is set up with a new job heading up a newly established chicken farming enterprise. (Where he might just get to see the chickens coming home to roost? – Ed.)

Not that he's desperate for cash: the records of directors' share dealings reveal that Jeff has been offloading his bonus and optional shares at quite a rate, raising up to R10m per year. **W**

When your boss shags your wife, is that an unfair labour practice and tantamount to constructive dismissal?



Before and after

Meet the man who challenges dodgy medical ads

FROM VEHICLES THAT WOULDN'T be allowed near any autostrada, to "health products" banned in the countries

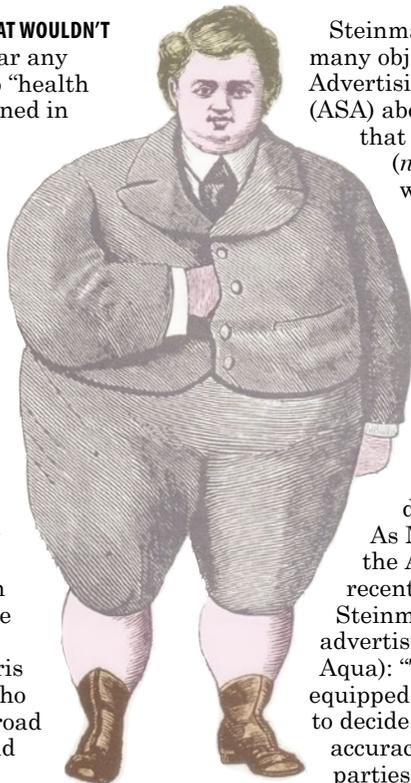
that produce them, South Africa has long been a dumping ground for stuff no-one else wants. Yes, suspect goods continue to pour into stores near you.

And despite plenty of talk about consumer rights and consumer power – a Consumer Protection Act is in the offing – no one in authority seems to be doing much about it.

Then there is Harris Steinman. An MD who follows the medical road less travelled, instead of running a cushy practice, Dr Steinman has devoted himself

to research and writing on medical and health matters – a kind of public watchdog for the health of the nation. But these days even Steinman feels he's simply pissing against the wind.

The doctor is especially disturbed by how many South Africans use bogus slimming products, many of which have been discredited in their countries of origin. He says people who don't question the bullshit around such products can face real dangers to their health – so he particularly dislikes how such products are advertised. As in: Here's a photo of a very fat woman, and here's another photo of her, slim and gorgeous, after using our product for six weeks: and yes she was so pleased that she changed her hair colour too; and yes it's amazing how she's now six inches taller.



Steinman has lost count of how many objections he's lodged at the Advertising Standards Authority (ASA) about the absurd claims that such adverts make (noses89&90) – but he has won many more than he's lost.

But why go to the ASA if you're worried about the products themselves? Why not approach the Medicines Control Council directly?

Besides, hasn't the ASA made it pretty clear it doesn't want to deal with such issues?

As Mervyn King, head of the ASA's appeal board, recently noted (in relation to Steinman's objection to the advertising for Slim Herb Aqua): "The ASA is not equipped, nor is it the body to decide, on the adequacy or accuracy of claims made by parties such as the Appellant [Steinman]."

King added: "We have indicated before that perhaps it is time that the Medicines Control Council should look into the nature of claims as have been debated in this matter."

Nevertheless, the ASA remains the only port of call for the likes of Steinman, because this country has yet to formulate legislation governing the distribution of complementary medicines. In fact, it's not clear if the Medicines and Related Substances Act of 1965 even governs complementary medicines. Steinman himself thinks it does, because, although the Act carries no definition of "complementary medicine", it defines "medicine" widely enough to cover anything from headache pills to slimming products to erectile dysfunction

remedies.

The Act describes a medicine thus: "Any substance or mixture of substances used or purporting to be suitable for use, or manufactured or sold for use in the diagnosis, treatment, mitigation, modification or prevention of disease, abnormal physical or mental state, or the symptoms thereof in man, or restoring, correcting or modifying any somatic or psychic or organic function in man."

In Steinman's view these words define slimming agents as medicines.

He also cites a slightly different case, that gives credence to his view. In a judgment given by Judge Goldblatt in a 2005 court case, Goldblatt ruled that the (herbal) tonic Dynamisan was a medicine, and as such should be registered, and that selling it without

registration was an offence. There's also a government notice (no.118 of 1972) which says that slimming agents need to be registered as medicines.

Yet the distributors of slimming products continue to exploit a vulnerable market, and the lack of clear legislation allows them to get away with it. Meantime, government seems loath to act, perhaps largely because it would require a lot of meddling in the uncertain terrain of traditional medicines.

The situation may well change later this year when the Medicines Control Council is



The doctor is disturbed by how many South Africans use bogus slimming products, many of which have been discredited

replaced by the SA Health Products Registry Authority – which will require complementary medicines and “health foods” to be officially approved and certified.

Steinman says no-one yet knows much about the proposed new regimen, but he’s more than a little sceptical that things will improve. Industry response has also been luke-warm: Clicks’ MD Mike Harvey says registration may well make complementary medicines more expensive, which “works against the spirit of what the Department of Health is trying to do”.

He adds: “There will be fewer products because of the difficulty in getting products registered.” Will Clicks be keen to ensure that Professor Peter Eagles, current head of the Medicines Control Council (and a Clicks board member), secures a place on the new body?

For now, Steinman pursues the ASA route, recently objecting to the Homemark advertising for Slim Coffee. According to the blurb: “Now you can drink away the pounds with the Slim Coffee system. A remarkable new way to shed those excess pounds by drinking delicious, flavourful coffee. Drink Slim Coffee with every meal and your appetite is suppressed, your hunger pains and cravings are curbed and your body is turned into a fat-burning furnace.”

And there are the usual “before” and “after” photos.

Steinman objected to this palpable nonsense on a number of grounds, including that such a product requires registration with the Department of Health, but in its April ruling the ASA did a neat sidestep – the registration of medicines is not its baby, it declared, so the objection wouldn’t be looked at.

Steinman also objected that the Slim Coffee advert was unsubstantiated and misleading, but Homemark countered that it had substantiated the product before its launch. They then produced a letter from Dr Beverley Summers, a pharmacist with a special interest in nutrition, in which she claimed to have reviewed a study of some 90 volunteers who had used the product.

The ASA declared that, as Dr Summers had previously been accepted as a credible witness, her evidence would again be accepted. Yet the advertising body was quietly and conveniently forgetting that as recently as March 2007 (see *nose89*) arbitrators in another case had given a more jaundiced view of Dr Summers’ credibility.

On that occasion, Steinman had objected to the advertising for the Herbex product Peel Away The Pounds (which is banned in the US), that had been “substantiated” by Dr Summers. When the ASA referred the matter to arbitration, Drs Rene Blaauw and Edelweiss Wentzel-Viljoen, reviewing submissions from four experts (including Rhodes University professor of pharmacology, Roy Jobson), found that the ASA should not have accepted Dr Summers’ substantiation.

Hardly surprising – given that the advert’s claims relied on a small two-week pilot study that had not been published in a reputable peer-review journal, and which in fact showed that one in three participants *gained* weight.

The ASA’s recent Slim Coffee decision left Dr Steinman singularly dissatisfied – in particular because he could find no trace of the research body referred to by Dr Summers in her substantiation, the Horus Research Institute for Clinical Studies of Mestre, Italy.

So he asked Homemark for a copy of the Slim Coffee study, under the Promotion of Access to Information Act. Homemark refused, citing section 68 of the Act, which says a company can refuse a request for a record if the record contains a trade secret, or other information which, if disclosed, might harm the commercial or financial interests of the company.

Steinman deftly responded by pointing out that section 70 of the Act says that even if a record is covered by section 68, it must be disclosed

if this would reveal “imminent and serious public safety or environmental risk, and the public interest in the disclosure clearly outweighs the harm contemplated”.

Steinman got absolutely no response.

Flouting the Information Act is, of course, one of corporate South Africa’s favourite pastimes, and Homemark isn’t the only company to show Steinman the finger. He recently asked Verimark for a copy of a study (if in fact there is one) relating to the weight-loss product MyWeigh. Verimark marketing manager Theuns Bezuidenhout sent Steinman a three page response, citing every excuse he could find in the Information Act – you addressed the request to the wrong person; you didn’t sign an attachment; you haven’t told us why you need this; you haven’t indicated in what capacity you are seeking a record on behalf of



Dr Harris Steinman

Dr Harris Steinman (no we don’t get it either!); disclosure will harm the commercial and financial interests of not only ourselves but also a third party (presumably the foreign manufacturer).

Clearly the guys peddling slimming products don’t want you to know too much about their products.

Will the new SA Health Products Registry Authority sort things out? Or will Dr Steinman still go knocking fruitlessly at the ASA’s door? **W**

SA rugby's brawn drain

SOUTH AFRICAN RUGBY is losing players in droves, and it looks like only Rugby SA can save the day – if they're prepared to pay up, and regulate the situation appropriately.

The fact is we're weakening the core of our rugby pool because the pay our stars can earn overseas simply can't be matched locally. Compare the numbers:

Between a Springbok's Super 14 provincial contract, a couple of Currie Cup games, and his Bok contract, he'll earn around R1,8m. On top of this, each time he plays a test match (about 12 annually) he receives a match fee of R40 000, and if the team plays to its historical win ratio, 62% of the time he earns a win bonus of R35 000. If he escapes injury, this could bring his total earnings

to about R2,3m. Not bad. But a top player would be getting at least £225 000 in England, or €280 000 in France, plus accommodation. That's already way more than he can earn locally.

And he can still play for the

Springboks (and earn another R1,8m).

Of course there are only 15-or-so Bok contracts a year – which brings us to the dire comparison of earnings for uncapped players. The situation is so bad it hardly makes any sense for them to ply their trade at home.

Again, there's that £225 000 (plus accommodation) English carrot – at least a million more than in the best scenario at home in South Africa. What's more, the £225 000 is guaranteed for the duration of the contract, even if the player

The answer to the problem is simple: pay the top players more, says Robert van der Valk

is injured or loses form. Or he might still get selected for the Springboks and pick up another R600 000 in match fees and win bonuses.

There's no contest, I reckon, even if the English weather is shitty. Besides, the rugby's less frenetic – so his body is likely to last longer too. Of the three top no.8s – Spies, Kankoski and Rossouw – whoever isn't selected is obviously going to consider the overseas option seriously.

SA Rugby has the power to halt the exodus – but does it have the will?

It can try to regulate player movement, but my guess is the labour lawyers will have a field day. It can decree that overseas-based players cannot be selected for the Springboks – but what if that left

the national side so weakened that its results nosedived? The fans – and the sponsors – would not be pleased.

The answer, I believe, is for SA Rugby to pay its top players more. Only this will keep them available for the Currie Cup, the Super 14 and the Springboks. Can this be done without bankrupting the game? The answer is yes. Rugby in South Africa is a billion rand business – that's the combined income of the provincial unions and SA Rugby. Yet the combined annual salary bill of all professional rugby players in South Africa comes to less than R200m. Rugby spends only 20% of its total income on the players, i.e. on the guys who actually make it all possible in the first place.

There are interesting precedents for player earnings in other sports, football being the extreme, where up to 80% is spent on players' salaries.

In the US, where sporting codes have endured season-long strikes to determine the players' worth, spending 50% of gross income on salaries is the norm. Australian cricket and rugby have revenue-sharing agreements, with around 35% going to the players. Cricket SA has recently concluded a similar agreement but is keeping mum on the players' share.

Revenue-sharing agreements are great because, if the sport does well, all the stakeholders benefit. A 35% revenue-sharing deal in rugby would translate into R350m in the kitty.

The next step in the solution I'm proposing would be to reduce the number of professional players in South Africa by restricting professional rugby to unions that are financially viable. Presently at least nine unions exist on handouts from SA Rugby. Surely any union that cannot host a test match, or have at least 20 000 fans at major games, cannot sustain a professional set-up.

I would look to base professional rugby in only the six major metropolitan centres, including Port Elizabeth. Each team should contract a squad of no more than 40 players. (European teams play up to 35 games in a season and manage with this number.) A player who has aspirations to play at this level can join a club, where he will be spotted by a talent scout if he is good enough.

A R350m budget for 240 players

means that we could pay realistic salaries and offer long-term contracts. Players really don't want to leave South Africa in their prime because life can be very lonely for a *boereseun* in a foreign land.

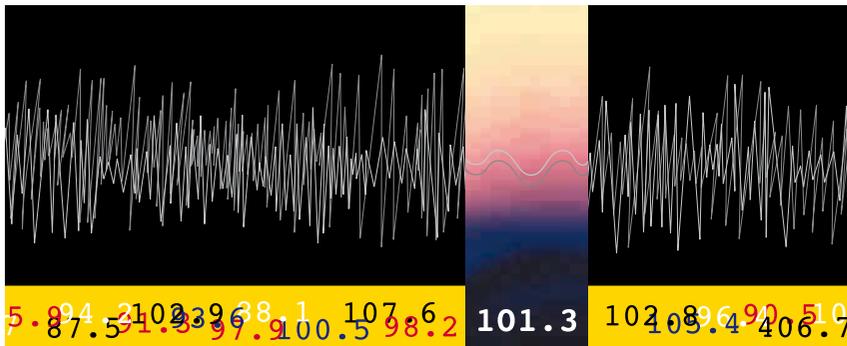
If SA Rugby would do something along these lines we'd have a chance of stemming the tide. Fewer players would leave, Super 14 squads would be strengthened and the Currie Cup would regain its status. Fans and the sponsors would be happy.

The real stumbling block to my proposed solution is the way rugby is presently structured, where SA Rugby is made up of 14 provincial unions, each with equal voting power. This gives a big union like the Sharks the same voting power as Northern Free State in Welkom, or Boland in Wellington. And these small

provinces would never support any move that would seriously affect the narrow interests of their paid administrators, who also earn well from serving on the many committees of SA Rugby, where they get up to R5 000 per meeting. Today, being an elected sports administrator has become a lucrative profession where the wellbeing of the game itself often seems to be of secondary concern.

The smaller unions need to revert to their previous amateur status, where unpaid, elected administrators oversee rugby for the love of the game. These unions don't need to be shut down – they could remain an integral part of SA Rugby. They must simply stop fielding professional teams they can't afford, and participating in irrelevant provincial competitions that nobody watches. **■**

calm in chaos



When in Cape Town

Refining the art of leisure.
Calming life's tempo.
Striking the right chords.
Fine Jazz. Fine Classics. Fine Radio.

Fine
Music
Radio **101.3**



noseweek

ADVERTISING

021 686 0570

noseads@iafrica.com



THE BOND MAN™

Sourcing the best home loan for you

Gary Peterson
082 453 7374
gary@bondman.co.za

www.bondman.co.za

THERE IS ONLY ONE BOND MAN

PROPERTY MANAGEMENT

maxigroup

COMMERCIAL PROPERTY BROKERS

Cape Town and suburbs

PROPERTY BROKING Tel: 0861 422 427
E-mail: reception@maxigroup.net
PROPERTY MANAGEMENT Tel: 0861 422 426
E-mail: admin@maxigroup.net

CONGRATULATIONS!!



Forresters Wine Pack Winners

Mrs Catherina Heunis, Stellenbosch 7599
Mr D Sethole, Rosebank 2196
Mr Tommy Stephens, Malelane 1320
Mrs Mellisa Caboz, Cape Town 8001
Mr B Robertson, Port Elizabeth 6001

Unwanted for questioning

WHEN MULTI-AWARD-winning British journalist Nick Davies decided to investigate the state of his own profession he had only an inkling of how bad things had become in the news industry.

The result of his meticulous investigation is *Flat Earth News* – a shocking exposé of how far from the facts much contemporary news reporting strays. And with over 80 000 online references in the first three months of its release, the book's full impact has yet to be registered.

As to be expected, the book has made Davies something of an “unwanted man” in the London media. Asked if the exposé has made life difficult, Davies, who writes for *The Guardian*, tells *noseweek*: “I think it probably means there are a lot of people who would not hire me. But they were already established as the kind of people for whom I would not work.”

Peter Osborne of *The Spectator* writes of the book: “No journalist with any decency can read this work without at times feeling anger and personal shame.” *The Independent* writes: “The ferocity of his attacks had journalists turning straight to the index to see if they were named and shamed.”

Flat Earth News has done more than shame, and the effects are already hitting Fleet Street – two named and shamed senior journalists, ironically from the *Guardian's* sister weekly, *The Observer*, have quit their jobs. Both gave other reasons for their departures. Former editor Roger Alton has yet to find a job, while Kamal Ahmed, *The Observer's* former political editor, has taken a job as communications director with the government-controlled Equality and Human Rights Commission. Davies exposed Ahmed as having been repeatedly used by Tony Blair's former spin doctor Alastair Campbell to peddle 10 Downing Street's war-on-Iraq propaganda.

All the main British media outlets are examined. Regarding the BBC, whose staff are expected to adhere to rules laid out in a guide, Davies writes: “On the one hand, it urges: ‘Your story MUST be accurate, impartial, balanced

BOOK REVIEW by Mark Thomas

Flat Earth News
by Nick Davies;
Publisher: Chatto & Windus

and uphold the values of BBC News... NEVER publish anything that you don't understand, that is speculation or inadequately sourced’. And, as if there were no contradictions at all: ‘Get the story up as fast as you can... We encourage a sense of urgency – we want to be first’.”

Then there's the *Daily Telegraph*, whose Washington correspondent Toby Harnden filed a detailed yet utterly speculative report on the hanging of Saddam Hussein in January 2007. Harnden's story might have “passed unnoticed had it not been for the unfortunate leaking of a video of the execution”.

Harnden confessed his professional sins in his blog – a confession which,

No journalist with any decency can read this work without at times feeling anger and personal shame

Peter Osborne, *The Spectator*

Davies writes, “didn't go down well with his bosses at the *Telegraph*. The entry on his blog was rapidly deleted, and a message was sent to all staff warning them to ‘think carefully before blogging about journalistic tricks of the trade’. There you have it: imaginary material is nothing worse than a ‘trick of the trade’...”

In a chapter that Davies heads “Mail Aggression”, there is much of interest about that influential and much-loved tabloid, the one which makes our South African versions look like religious publications. What the *Daily Mail* wants the *Daily Mail* must get, and if it doesn't, reporters don't dare face editor “The Vagina Monologue” Paul Dacre.

Davies mourns the demise of the Harry Evans investigative Insight Team of the British *Sunday Times*, and writes that under owner Rupert Murdoch the newspaper has hit bottom. On a Friday evening, he says, reporters would be instructed to call experts to extract from them specific quotes. “They would be told to keep phoning until they found somebody who would give them exactly the quote they wanted. It was like going into a restaurant and ordering this quote off the menu, and it had to be exactly this. Eventually you would get somebody to say it – you might talk to them for 45 minutes and use nine seconds of what they said, totally out of context, but as long as they said the words, technically it was OK to use it.”

In his prologue Davies writes that naming and shaming was never his original intention: “It started with a single, notorious story – the long and twisted saga of the weapons of mass destruction in Iraq. As the sand settled after the invasion in March 2003 and the weaponless reality slowly began to emerge, journalists across the world finally started looking for the truth, and yet almost all of them wrote about it as though this were a screw-up generated only by intelligence agencies and governments, invariably failing to expose their own profession's global contribution.

“But this isn't a book about WMD. It's about everything I found when I started trying to explain how we had

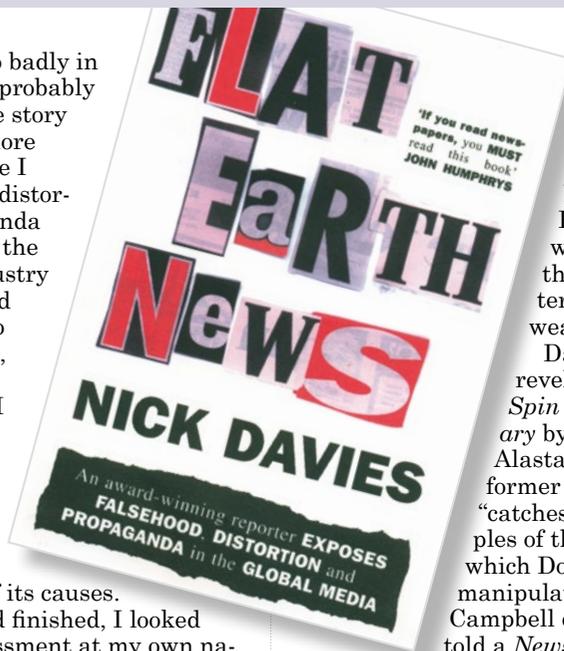
managed to do so badly in covering what is probably the biggest single story of our era. The more I looked, the more I found falsehood, distortion and propaganda running through the outlets of an industry which is supposed to be dedicated to the very opposite, i.e. to telling the truth. The more I searched for an explanation, the more alarmed I became by the scale of the problem and by the complexity of its causes. By the time I had finished, I looked back in embarrassment at my own naivety.”

Davies clearly took an extraordinary risk, but with his investigations aided and supported by a team of eminent media scholars from the Cardiff University School of Journalism, not many would dare challenge his research, or conclusions.

Fleet Street was left with two choices – to ignore the book totally or to counter-attack. Neither move was productive: *Flat Earth News* is too stinging to be ignored and too credible in its detailed analyses for successful counter attack.

Davies’ findings contradict popular belief that news content is dictated mainly by advertisers or industry bosses: in fact a large slice of content is created by journalists themselves. Except that they’re spending less and less time actually absorbing and filtering the huge streams of information available today: writing on the hop, under pressure to get to press or broadcast, journalists more or less make things up as they go along – and the public gets fed concoctions that, most of the time, have almost no truth value. As one case study, Davies publishes the news diary of a senior reporter with a regional daily newspaper (with three editions each weekday) who produced 48 stories within five days of talking to only 26 contacts, only four of whom he had interviewed face-to-face.

But the bigger problem is more difficult to comprehend: a huge number of media items, in fact the main body of material published daily in the British media, is actually sourced from public relations companies. And most journalists, Davies writes, never bother to check whether what PR firms feed them is true or not.



In essence, journalists have handed their profession to high-earning PR experts who only serve the vested interests of their wealthy clients.

Davies refers to revelations in *The Spin Doctor's Diary* by Lance Prince, Alastair Campbell's former deputy, who “catches several examples of the ease with which Downing Street manipulates reporters. Campbell deliberately told a *News of the World*

man that Blair had stayed on the eighth floor of a hotel, just as a test to see whether he would check and find that the hotel was only six storeys high. He didn't. Similarly, when Campbell went to a Britney Spears concert and got her to sign a photo, he bet somebody £200 he could get *The Standard* to splash on a story that Britney supported Labour. He won the bet the same day”.

British newsrooms, which Davies calls “news factories”, now depend, he says, mostly on PR and Press Association (wire service) as their main story supply chain. “It is not that PA and PR are better than the old system. The at-

traction for the grocers is simply that they are much cheaper. It is no longer a matter of independent newspapers competing with each other to produce the best stories, but of mutually dependent newspapers working in tandem to produce more or less the same stories – stories which may or may not be ‘the best’. Or honest. Or accurate.”

Davies tells *noseweek*: “The book provoked some hostility, but always from predictable sources – a few of the big beasts of Fleet Street who can't stand the fact that they've spent decades running organisations which fail in their primary purpose – to tell the truth – and a few of the individuals who come out badly in the book. What's been reassuring is that, beyond them, there is a mass of journalists and media consumers in the UK and around the world who have been in touch to support the project.”

Flat Earth News has already had eight re-prints, which, Davies says, is eight more than any of his previous four books – *Dark Heart*, *White Lies*, *Murder on Ward Four* and *The School Report*. *Private Eye* seems to be the only British publication considering its serialisation.

So how safe is South African journalism from infiltration by the same well-oiled operatives. Are we also in denial? Nick Davies put his head on the block to produce an exemplary work, but if you check deep enough you may well find that far too many media consumers still happily believe that the earth is flat. **W**

TEL +27(0)21 855 2374
 FAX +27(0)21 855 2373
 marketing@kenforresterwines.com

KF
 KEN FORRESTER
 VINEYARDS

PO BOX 1253 STELLENBOSCH
 SOUTH AFRICA 7599
 www.kenforresterwines.com

IT IS NOW WIDELY KNOWN that before the Zimbabwe general election earlier this year, container loads of newly printed, near worthless Zimbabwe dollars were arriving in South African ports from Germany for trans-shipment to the Zim Reserve Bank in Harare.

Less well-known is the fact that at about the same time consignments of foreign hard currency were being flown out of Zimbabwe.

noseweek has established that in the run-up to Zim's March election a large consignment of hard currency (said to be US dollars) was flown quietly out of Harare into Johannesburg's OR Tambo International Airport. The consignment is believed to have been one of many.

The consignment arrived aboard South African Airways' flight SA0023, that took off from Harare at 13h15 on 1 February and touched down two hours later at OR Tambo airport.

The aircraft's manifest stated simply: 650kg hard currency.

When the aircraft had taxied to a stop, two vehicles raced up. One was a white van bearing the familiar green and brown Fidelity Security logo; the other a police car with two or three uniformed police aboard. The vehicles backed up to the aircraft's cargo hold and the loot was loaded into the Fidelity van. Both vehicles then sped off in the direction of the terminal buildings.

The hard currency most commonly used in international trade is US dollars. 650kgs of American dollars (the weight of eight average-sized men) is a lot of money. US\$1m in new \$100 bills weighs 10,8kg, valuing the consignment at a staggering \$60m (R468m). Used notes weigh more: \$1m worth of them weigh 15kg, valuing the consignment at \$43m (R335m).

With an inflation rate some claim is over one million percent, and an official exchange rate of Z\$5bn (late June) to just one solitary US dollar, the amount of American dollars included in Zimbabwe's foreign currency reserves is now a closely held secret. Ten years ago, in January 1997, they stood at US\$760m, but had fallen to US\$255m by that November. By the end of last year they were down to an estimated US\$120m.

Certainly Mugabe and his big-spender wife Grace have access to these foreign reserves. On 7 June the *Saturday Star* reported that Zimbabwe's Reserve Bank had stumped up US\$80 000 (R625 000) for Grace's shopping spree and a R10 000-a-night hotel suite in Rome, where they last month attended a UN summit on the looming world food crisis.

As the *Saturday Star* pointed out,



Flight of capital

Reserve Bank governor Gideon Gono is a personal friend of the Mugabes, and has spent time at their holiday home in Malaysia. He is also, reported the newspaper, President Mugabe's private banker.

Sources close to OR Tambo International say that the 650kg of cash flown in on 1 February was not the first such consignment; apparently in preceding weeks hard currency consignments arrived on SAA flights from Harare. Speculation has it that they very quickly find their way onto daily Swiss Air flights to Geneva, Basel or Zurich.

The Fidelity Security Services group no longer operates at OR Tambo, following a fall-out with the Airports Company of SA. But in February its white vans with their familiar green and

brown logo were still working there, in the form of its Khulani Fidelity operation.

Fidelity group chief executive Wahl Bartmann knows nothing about any consignment of hard currency that arrived from Harare aboard SA0023 on 1 February. But he explained how things were done. "A plane comes in, Guardforce [an international security company with high-tech facilities at OR Tambo] come up with their paperwork, we escort a Guardforce staff member to the plane. They sign for whatever, load it onto the vehicle and take it to their vaulting area."

Richard Poulton, director of sales and marketing at Guardforce, says: "I'm afraid I can't tell you anything about any movement that involves customers

True or False?



IN MID-JUNE THIS amazing picture arrived by email at *noseweek's* offices. It bore the following caption: "An engineer was visiting the Kriel Power Station recently. As you are well aware, many of the problems we have with power outages are because Eskom screwed up their coal supplies by using up stockpiles, awarding transport contracts to hairdressers, etc. This is the line of trucks that couldn't get in because the sign-in book at the entrance gate was full... True story, actual picture."

When we publish a picture, we like to credit the photographer. We also check that the caption is accurate.

So: where had it originated, and who took it? Or is this a Photoshopped bit of – implicitly racist – anti-Eskom propaganda?

Stuart Wallace was as far back as we could trace it. At 3.09am on Friday 13 June (he was obviously having a sleepless night) he had sent it to a list of recipients that included his friend Virginia. (There is no indication on Stuart's email that it is a forwarded message received from someone else.) Virginia sent it to various of her friends, one of

whom sent it to Mel (amongst others), who copied it to Alex, who copied it to Pieter, who forwarded it to us. All within 48 hours.

So we went back to Stuart Wallace and asked him who had sent it to him (only days earlier) and whether he knew who had taken the photograph – or if he knew whether it was genuine or not. His reply: "I'm afraid I can't help as I just don't know. I have my email group of friends, Virginia is one of them, and we send emails of interest to each other, and then delete in order to save memory; that one has long since gone to the recycle bin. I can't trace who sent it to me originally."

We spoke to various people at Kriel power station. None could remember such an event. And they had not been moving coal to Kriel (it also has its own coalmine that supplies coal by train to the power station) since mid May.

Which just confirms Marike Roth's perception that, for its inhabitants, the internet has become a world of virtual reality; a world in which true or false has become irrelevant.

Dangerous, don't you think? 

of ours. It's all confidential.

"We often don't know the origin or destination of the goods that we handle. To us it is simply acting on instructions and we handle according to those instructions."

Is it usual for cargoes of hard currency weighing 650kg to arrive from Zimbabwe? "We do handle currency," says Poulton. "I actually don't recall any coming from Zimbabwe, to be honest. So I don't know whether we did handle it or not."

For South Africa's largest security company to be involved in the OR Tambo pick-up, plus an escort of South African policemen, however routine that procedure, indicates that this operation had the nod of approval from up top.

Which leaves *noseweek* to speculate

not only on the currency's destination, but also where it came from. Very, very few tourists (who might carry some hard currency) visit Zimbabwe, making it unlikely that they are the source.

Who else is likely to trade with Zimbabwe in suitcases of hard currency – other than launderers of hot money? The Italian Mafia, for example, is famous for its search for routes to launder the dollar proceeds of its drug sales in America back into Europe – which explains why Mafia banker Vito Palazzolo is still a refugee from international justice, with homes in South Africa and Namibia.

Another of several possibilities is that Zimbabwe is laundering its sanctions-busting trade through a South African bank. If you know more than we do, call us. 

noseweek

ADVERTISING
noseads@iafrica.com

Private Apartments to let

FULL FACILITIES • TV • SECURITY

LONDON £100 per day* between Park Lane and Grosvenor Square

NEW YORK \$120 per day* Midtown/E63rd & Madison Ave

PARIS €120 per day* 206 Rue de Rivoli on Tuileries Gardens

Cell 082 445 1804 or Tel/Fax: 021 712 1712

*Costs apply for stays of 3 or more days. Cost of 1 or 2 days extra 25%.

EMAIL: ddn@iafrica.com



Who nose and 'ears everything on the Garden Route?

ACTION ADS

Knysna

12 000 copies weekly

Tel: 044 382 6673 / 044 382 7010
ads@actionads.co.za • www.actionads.co.za

COMPANY DIRECTORS

Websec offers 24-hour online information on directors of all SA-registered companies.



Low volume searches (1000 pa) for R2750 plus VAT.
Contact lennon@acfin.co.za



Discover the transformative power of story

www.storytelling.co.za

El Condor Passé

DEEP INSIDE US, the story goes, lurks the deep urge to break loose and hit the open veld, to live by wits and strength alone. Our culture loves the loner heroes, the strong individuals prepared to write their own rules. Today, images of unfettered eagles and wild-running lions are inexhaustible symbols of this power and freedom, supporting the promise of individual liberty for all.

Car manufacturers have long played on this same idea of individual freedom to sell vehicles. Buy a 4x4, and you can travel solo in the trackless wilderness, going where no man has gone before. A sleek sports car lets you burn up endless roads that overreach the horizon, nary a speedcop or wobble-wheeled taxi in sight – none but the heli-cam for company.

We might well realise that these images are fantasies – even the sleekest car on the straightest Karoo road fills up with smelly petrol at a dusty roadside garage while its driver uses rancid restrooms without toilet paper or soap – but we buy into them nonetheless. Until, that is, the rubber hits the road – until petrol is too expensive, or we're forced by some other means to get real and grow up.

General Motors South Africa had a good whine after *noseweek* had some fun with the ridiculous Hummer SUV, which they recently began building on our shores, and which Cell-C was promoting in a competition (*nose98*). GMSA spun themselves into a tizz trying to explain that the Hummer was, in engine capacity and overall dimensions, actually smaller than many other wanker-mobiles on the road.

Inept PR isn't the only weakness suffered by GM. The Hummer was born in the USA, where cheap petrol and huge cars long went together. US car makers have enormous political power and hence access to enormous subsidies, making them lazy and infecting them with a dangerous dose of hubris. Unlike many Asian and European car makers that have spent a lot of time making vehicles more efficient, developing hybrid and electric cars, and otherwise preparing for a fossil-fuel constrained future, GM, Ford and the like have spent the last decade burying their heads in the sand.

GM prototyped an electric car, the EV1, after notably progressive California got serious about fuel efficiency, and forced carmakers who wanted to sell in that state to make "zero emissions vehicles".

The car was a technological success and test drivers raved, but GM, and others, went to work behind the scenes to kill the law. As soon as it was scrapped, GM trashed the EV1 programme – even secretly destroying all working examples of the electric wonder.

Producers went for oversized SUVs because bigger cars tend to have higher profit margins than small ones, and use more expensive spares. Because US drivers have been raised on "bigger is better", selling them ever-larger deathboxes isn't very challenging, and monster-mobiles make up a huge chunk of production. They dominate traffic in the US, nowhere more so than in Texas, where "big" is a religion and environmentalism tends to be a swearword.

But today there's trouble in Texas. Where the greens have failed, the high oil price is succeeding. When NoseArk recently passed through there, SUVs and other large vehicles were being sold at super-low prices, if at all. Dealers complain that, even at cost price, large cars are difficult to get rid of.

Though the vehicle is now hugely discounted, Hummer sales are down more than a third from last year. TV news reports months-long waiting lists for tiny Smart cars and hybrid Toyota Priuses. The realities of the wallet have punched through the veneer of ego. Even in Texas, driving a big car is starting to feel stupid.

Noseark travelled on to Michigan, heartland of car manufacturing, and found the industry in decline. The local paper in Lansing announced 17 000 jobs being shed by that town's car factories, with possibly more to follow. Apparently Ford expects to run at a massive loss for some time, because, like GM, it bet the farm on big 4x4s – and lost.

The Hummer range is made in only two factories in the world, one in the US and one in South Africa. Stung by the realities of the oil price and market reaction, GM is now considering selling the Hummer brand, or simply closing it down entirely, as it might not find a buyer.



“High gasoline prices are changing consumer behaviour rapidly,” said CEO Rick Wagoner “We at GM don’t think this is a spike or temporary shift. We believe that it is by and large permanent.”

Wagoner’s comments were not widely reported in South Africa, and GM South Africa would only say that it was “business as usual” for Hummer in this country. Is GMSA trying to avoid spooking buyers, or are they stupid enough to believe their own propaganda? Are they still invested in the myth of the endless frontier, studded with oil fountains and lovingly enveloped in an ever-forgiving atmosphere?

More importantly, does the public still actually believe in that kind of freedom? Do we believe that ambitious mankind and wild beast can still run unimpeded by petty fences or material constraints? That open land still lies waiting?

The signs, of course, are all around us that wide open horizons are a thing of the past. Yes, there are still lions in Africa, tigers in Asia, bears in North America, and eagles in South America. But their numbers are dropping. Fast. There are now more tigers in captivity in the USA than there are in the wild.

WILDLIFE TV SHOWS, in general, promote the same fantasies of endless nature as do car advertisers.

We seldom see fences and factories in those beautifully portrayed animal specials. We don’t hear much about recent extinctions, even of spectacular animals like the West African Black Rhino, or pending extinctions of others, such as the Northern White Rhino. When we do see conservationists going about their work, it’s made to look glamorous, macho, interesting. The grind of securing funding, of working for less than you’re worth, the mental strain of dealing with endless setbacks in complex circumstances, negotiating horrible compromises with uncaring politicians and businessmen – these realities of the conservationist’s job don’t make it into our living rooms.

The way wildlife shows present it, good-looking game rangers are successfully securing our planetary heritage. A few images of burning forests are easy foils to their effortless heroism. The animals they work with live beautiful lives in the great wide open.

In many cases this hardly fits the facts. Any rare animals that still roam this planet are under threat – they must dodge bullets, evade fences and poisons, and deal with vanishing habitats, food and water. Many are still with us

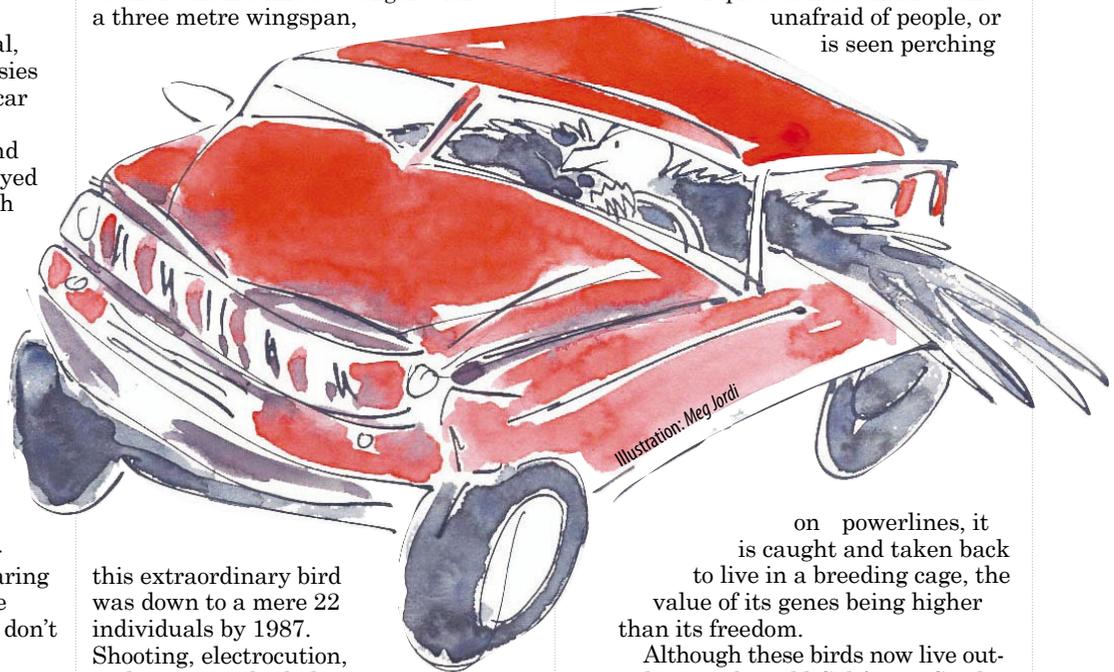
Do we believe that ambitious mankind and wild beast can still run unimpeded by petty fences or material constraints?

only because of extraordinary efforts by people determined to protect them, who also have had the resources to do so.

Take the California Condor, one of North America’s largest birds. A spectacular vulture-like scavenger with a three metre wingspan,

We didn’t mention that the birds could only be taken into captive care after a series of punishing and expensive court cases. The conservation effort for this single species has cost at least \$35m to date. Although condors are now breeding in the wild, they are heavily assisted, and the risks to successful reproduction are minimised by human intervention. Newly-laid eggs are removed by climbers and artificially kept warm in a super-safe incubator while artificial dummy eggs are left behind to fool the parents. Just before the incubated eggs hatch they are spirited back into the nest, and the parents take over.

Powerlines and lead bullet fragments left in deer carcasses still kill the birds, and nestlings have been dying after being fed with small bits of junk (bottle caps, PVC plastic shards, etc.). Adult condors only have enough food to eat because conservationists feed them (still-born cattle, mainly) and each free-flying bird is constantly followed – each is electronically tagged. Every few years the bird is recaptured and its tag batteries replaced. If a condor seems unafraid of people, or is seen perching



this extraordinary bird was down to a mere 22 individuals by 1987.

Shooting, electrocution, and poisoning had almost wiped them out. The last wild birds were captured and taken into breeding programmes, where experts managed to get them to reproduce.

In late 1991 the first individuals were released back into the California skies. Since then they have been followed by many others. Today 148 birds soar the skies over California, Arizona, and western Mexico, and a similar number exist in captivity.

Sounds like a success, doesn’t it?

on powerlines, it is caught and taken back to live in a breeding cage, the value of its genes being higher than its freedom.

Although these birds now live outside zoos, the wild California Condor is in some profound sense extinct, along with the wilderness that shaped it.

The world has very few spaces left to expand into, exploit or roam beyond. It seems that to accept this is to mark the starting point of a necessary renegotiation of all our ideas of freedom.

Without such a revisioning the future itself is a land of squandered opportunities and wasteful missteps – and far fewer wonderful beasts to growl, howl and hum in the night. ■



Photographer: **Nikki Barlow**

Clockwise from top left: Alliance Group trio Ariella Kuper, Rael Levitt and Kim Faclier; Rian Malan with Bosky Andrew; stand-up comic Nik Rabinowitz; and violinist Rayelle Goodman

BY NOW WE ALL KNOW HOW deeply, madly you readers love this publication. And isn't that what tonight's party is all about? The fact that this courageous, irreverent little rag (whose fearless editor has not been

bumped off, thankfully) has reached its 15th year, passed its 100th issue, and succeeding in hitting the 20 000 circulation figure. A bit of a miracle in today's overcrowded magazine market, where titles constantly bite the dust.

Still, as *noseweek* readers pour into the foyer of the Rotunda at the Bay Hotel in Camps Bay on this chilly winter's night, I confess I'm a little astounded.

They've had to pay through the nose to be at *noseweek's* party – R450 a head. There isn't even caviar on the menu. Yet nobody's grumbling. And delight and expectancy run high. Mr Nose is clearly a huge draw.

In his white suit with Afro Indian jacket detailing, courtesy of a Somali tailor in Claremont, this former lawyer looks considerably nattier than he ever does in the defendant's box. Equally stylishly dressed is his second wife Susan, the parliamentary correspondent and mother of his two small children. He also has kids in their twenties, but this old dog keeps quiet about his age – though he's just been given a Lifetime Achievement Award by Sanlam, which should tell us something.

Taking on the likes of Investec is enough to turn anyone's hair white. Even *noseweek's* Aids oddball Rian Malan is taking strain. Haggard has of course always been this 54-year-old babe magnet's trademark. The sombre



lived-in look certainly pulls them, and tonight his line is that the end of the world is nigh. A new version of his sad-decay piece on South Africa is in the *Spectator*.

He and his clone, photographer Guy Tillim, another appealingly worn-down womaniser, both arrive in their signature counter-culture beanies. Homeless chic. Mr Nose makes Rian take his off.

The place hums with movers and shakers. Everyone going somewhere or just returned. Inkatha's strong-willed blonde MP Suzanne Vos is leaving for Zim at dawn as an Independent Observer with the Pan African Parliament. "I wouldn't be surprised if they don't come up with a negotiated solu-

tion," says this eternal optimist.

Aviva Pelham's trio of singers is off to Scandinavia with *Porgy and Bess*, while Fine Music Radio's Rodney Trudgeon – in bold black fedora – has just returned with 25 listeners from St Helena. ("Bo-Kaap without TV.")

Alliance Group bombshell Kim Faclier has been co-producing a martial arts documentary in New Zealand, while my two table companions, former Opposition Leader Colin Eglon and former Prog MP Peter Soal, are planning to be in Washington for the US elections. They're convinced that, thanks to Obama's genius campaign, he'll walk it.

Rhoda Kadalie has brought her 21-year-old, Julia Bertelsmann, who's doing third-year maths and economics at Harvard. Her thesis is on SA's monetary policy – "What they're doing and what they should be doing" says this chiselled beauty – but her mother is not encouraging her to come home and put it into practice. "What, and have to prove she's black enough to get a job?"

For the others, the talk is business as usual. Alliance's Rael Levitt is auctioning off Fidentia's assets and Vernon Bricknell's Nationwide planes, while for *Cape Times* editor Tyrone August it's the same old daily same old – Zim, xenophobia and the Scorpions.

Thank God for Nik Rabinowitz. The



nubile, no, sorry, newly married son of Hyme the potter is an endlessly entertaining comic who takes off the various factions of this country with such delicious manic wit he even brings a smile to the terminally serious lips of forensic scientist David Klatzow.

It falls to Belinda Walker, standing in for a fluey Helen Zille, to propose the loyal toast to the Republic. But where, this spirited elf announces, do her loyalties lie?

The meal causes chaos in the kitchen. We've pre-ordered our set menus. A's main course is Cob Fillets with Gremolata, Lemon Cous Cous and Ratatouille, and B's is Lamb Shanks with

Parmesan Mash, Red Onion Cassoulet and Salsa Mechouia. But some political wheeler-dealers like Peter Soal wangle A's starter with B's main course. So the kitchen runs out of Lamb Shanks.

Part of tonight's entertainment – along with Aviva's velvet-voiced gang



Julia Bertelsmann, David Klatzow and Rhoda Kadalie

and a hot gypsy violinist called Rayelle Goodman – is an auction. Rael Levitt facilitates the speedy and polished sale of the original artwork of *noseweek* covers, caricatures of Jackie Selebi and Thabo Mbeki. The R10 000 raised will help fund a new little *noseweek*-inspired anti-corruption publication in Mpumalanga.

Mr Nose is the star of the show however. The fans lean forward to hear from the lips of this intrepid maverick how, with not many rands but loads of spunk and humour, he created a publication whose sole aim is to fight corporate venality and corruption in high places. And how, much to his astonishment, it became a national institution.

It's a never-ending story that even includes all the little people behind the scenes. You wouldn't know it, but, underneath that cut-throat exterior, Mr Nose is a bit of a softie. **W**



Velvet-voiced trio Nomasande Webu, Luthando Qave, Nkosazana Dimande



Be first on your block to know what noseweek says about you. Have the news your neighbours aren't supposed to know delivered straight to your letterbox...

At least you'll know when it's time to make your excuses and leave. You'll save yourself 21% on the shop price – and lashings of embarrassment...

SAVE 21%

Recipient's details (in block letters, please)

Title:..... Initials:..... Surname:..... Year of birth:.....

Postal address:.....

City:..... Postcode:.....

Profession/Business:.....

Tel.(.....):..... Email:.....

This is a gift from (if applicable):

Title:..... Initials:..... Surname:.....

City:..... Tel/email:.....

This is a New subscription Renewal
Rate Local @ R318 SADC @ R406 Foreign @ R480 Online edition @ R278

Take the online edition with any of the print subscriptions above for just R132 extra
Payment details Cheque enclosed Direct deposit (First National Bank; Vineyard Branch; Code 204 209; Acc: Mag Marketing; No: 620 2477 9623. (Fax deposit slip with this form.)

Credit card: Master Card Visa Diners Club

Card number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Last three digits on reverse of card: Expiry date:

Cardholder's signature

For more information (or to subscribe online) go to www.noseweek.co.za or tel: (021) 686 0570



Gum deal

GIVING UP SMOKING IS EASY. I've done it dozens of times. The only problem is I love smoking. I love the feel of a cigarette between my lips, the crackle as the tobacco ignites, the inhalation, the exhalation of a fragrant cloud of blue smoke.

Pity it's addictive... and poisonous. Yeah, I know all about what it does to your lungs, and the associated risks. I know that, after 30 years of puffing, my lungs resemble a coal miner's, and that by now I could have bought a yacht and half of France with all the money I could have saved. But when I'm reminded of that, it makes me so anxious I just want to smoke.

One of my favourite philosophers, Brooke Shields, once said: "Smoking kills. And if you're killed, you've lost a very important part of your life."

I think she's right.

And that's why I need to give up smoking. That, and the fact that my husband recently announced he was quitting. Then he started chewing nicotine gum and stealing out of my pack. Well, I'd be damned if he was going to use me as an excuse to continue smoking. So one evening I decided that when my pack was finished, it would be the end of my bad habit. I was going to give up smoking. So I thought I'd consult my oracle – the Internet.

I googled "stop smoking". As I suspected, most of the sites that popped up were commercial ones advertising every stop-smoking gimmick known to Christendom. Oh, the sites I saw – ads and advice for patches and prescriptions, lozenges and gum, hypnosis and herbal remedies (www.topconsumerreviews.com/stop-smoking).

How about a smokeless cigarette (www.aerosinfo.com)? Who would want a smokeless cigarette? Perhaps those folks who see value in a stationary bicycle.

There were five cigarettes in the pack when I gave up and went to bed. In the morning there were two. No matter, I reasoned with myself, it didn't make much difference in the grand scheme of things. I smoked two cigarettes in quick succession, and then I wasn't quite sure what to do with my hands. I kept myself busy, but after several hours I began to seethe with the injustice of the loss of those three cigarettes. I had a good mind to go out and buy another pack.

Instead, I returned to the oracle and googled "how to stop smoking". I found scads of advice. Deep breathing and meditation was often



Listen, you preachy, sanctimonious giver-uppers, you're eating and breathing toxins every day. Go after the mega-corporations



Illustration: Meg Jardi

mentioned, and one person swore that pineapples and sunflower seeds are the cure...

But having gone far too long without a smoke, what I really wanted was a fight.

I found a quit smoking message board (www.quitsmoking.com) and hunted for a convenient target, which wasn't hard to find. Cloud9 had

given up smoking and was complaining about his wife who still smoked (in the garage). "Does she have the right to smoke in her car if I'm in it?" he wanted to know.

Staying well within the bounds of human civility, I began typing. "Your wife is already relegated to the garage and her own car, so if you complain about her last vestiges of freedom you will make her urge to smoke even stronger, and she will dig in her heels. A little second-hand smoke won't do you much harm, so open the window and shut your gob," I advised.

Suddenly the thread got lively. Self-righteous ex-smokers came charging out of nowhere. "A little second-hand smoke not bad for you?" one sneered. "You should be ashamed of yourself." That was my signal to open fire.

"Listen, you preachy, sanctimonious giver-uppers, you're eating and breathing toxins every day. Go after the mega-corporations spewing out poisonous products and foul air if you want to make a difference. Let me put it this way – would you rather spend the night locked in your garage with a car running, or with 50 chain-smokers? One of the two will probably kill you. Guess which one?"

It felt good.

Then I reached for a cigarette that wasn't there. I searched the house for a stale forgotten pack, or even an entjie, but found only nicotine gum. I chomped a piece of gum and the knot in my guts miraculously melted.

It's been two weeks now since I smoked a cigarette. I'm learning a new way to live.

Right now I'm taking deep breaths with my cheeks stuffed with sunflower seeds, while sitting on a pineapple. And I can't stop stealing my husband's nicotine gum. **W**

A sip of jerepigo

IN WAS ONE OF THOSE WEEKS that swirl nastily into the Cape winelands in autumn, warning of winter to come, rather than reminiscent of summer past – the summer that, as far as wine-lovers are concerned, is tucked away with hope in tanks and barrels, or even already bottled. It was miserable: cool, blowy and wet (rather like a nice spring day in northern Europe). The sodden vineyards looked blotchy, exhausted and unloved – with nothing to do now other than wait for those cruel pruning shears, and then some cold wet sleep till next year’s work.

Lugubrious sentimentality is fine and warming for a while, but I was grateful for a sudden cheerful thought: just the weather, I realised, to start bringing out once more those strong, fiery wines of winter – the ports and sadly unfashionable jerepigos that go so well with a proverbially crackling fire, or even an electric heater (Eskom permitting) or a blanket or snuggling dog (Eskom defied).

So that night I opened a Monis Muscadel 2000 (a real bargain at about R67 for 500ml). Disconcertingly, the label of the stylish bottle suggested it should be served “ice-cold”, which is not what I was after at all, though it’s not a bad idea for a cheaper version in summer. I ignored the instruction and had it in traditional style, just cool. And it was cool indeed: ruddy brown, grapey, sweetly rich with a nice grip from acid and alcohol (at 16,5% little more than many shirazes these days), overtones of coffee and raisin, and generally pretty delicious. And undoubtedly sending little flames licking the cockles of one’s heart.

Fortified wine categories are not always clear: can you rattle off the difference between port, jerepigo, sherry and madeira? Muscadel (the name refers to a muscat grape variety) and jerepigo should not strictly be called wines at all, in fact, except as a courtesy. The only wine in them is, or was, the wine that produced the fortifying brandy or grape spirit. Generally, jerepigo (and therefore muscadel) is simple grape juice that never even starts fermenting before being hit by the whack of alcohol that knocks fermentation ambitions out of any eager yeasts. That’s why it is so sweet: none of the sugar has been diverted into alcohol.

Port, however, is made from partially fermented juice – from sweet, low-alcohol wine in fact, that is then fortified with spirit to prevent further fermentation. Much the same, usually, for madeira; sherry is fortified

(and sometimes sweetened) only after it has fully fermented.

Enough of the lesson, back to the drinking. The Monis 2000 had spent five years maturing in oak barrels – they were old ones, so they added little wood flavour, but the slow oxidation and maturation they allowed is all-important to the flavour and smoothness. Taste it alongside one of the many cheaper, standard, quickly-made jerepigos and the difference is obvious.

Most hot-country co-ops, and many of the other wineries too, produce spirituous sweet drinks, which are pleasant enough but not a patch on a matured example. Some are particularly nice (Swartland and du Toitskloof at under R40), some definitely superior – Nuy, for example, is always beautifully balanced, and both red and white versions can do their maturation in bottle for decades, like vintage port – but it seems to me worth splashing out a bit more for the Monis, which is already mature.

And then there are some astounding, much older, examples available, including what are surely the best bargains in the world of fortified wine. The KWV 1975 – “75 Vintage” it styles itself – is splendid stuff. About the same price as the Monis (R115 for a full-sized bottle), it is perhaps a finer, more serious, more refined drink. It spent ages in huge old vats, acquiring gorgeous overtones of “aeroplane model glue” (classy glue-sniffing, this), like great madeira often has, along with nuts and all sort of other hints, and with a much drier effect than younger versions have.

Another excellent oldie available is the Boplaas Red Muscadel Vintner’s Reserve 1975 (limited stock at R250 from the farm only).

And Deetlefs Muscat d’Alexandrie (the fancy name for the hanepoot grape), is a year older, but vastly more expensive – you can read why on www.deetlefs.com.

Treat yourself this winter. Don’t sneer at muscadel and jerepigos, but think of the best of them as national treasures.

An old muscadel won’t send the Highveld frost or the Cape rain away, but it’ll make their threat that much less baleful. ▣

“

Treat yourself this winter. Don’t sneer at muscadel and jerepigos, but think of the best of them as national treasures

”

Illustration: Meg Jordi



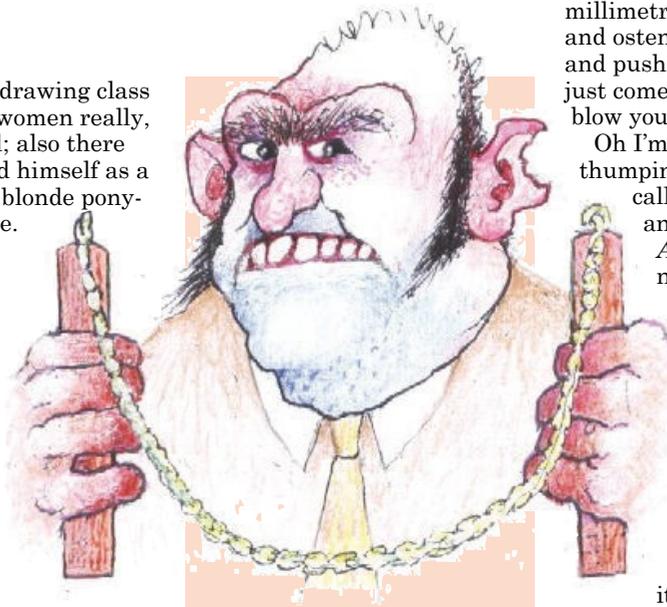


No smoking

CURIOSLY, THE ENTIRE figure-drawing class were girls. Well, young women really, just finished with school; also there was Daniel, who counted himself as a girl too and wore a long blonde ponytail as was favoured at the time.

I notice these days that tattered blue jeans are back in fashion; you can buy a pair ready-tattered by a Beijing factory, but the jeans of these kids were all ragged from true wear and tear, and not washed too often, as also was fashionable at that time. These were new Rock 'n Roll girls who were *wragtig* rough, hey, roughness was no more just a posture, but pretty, man, pretty, every one of them, plus Daniel. Particularly so a certain Barbara Bligh, eighteen, who was the spitting image of Ava Gardner. You could imagine her dancing dead drunk on a cabaret table at midnight, except this lot didn't do cabarets, they just danced on the spot whenever it grabbed them. Should it grab them they would also smoke it up a bit on the spot. Demonstrating a drawing technique was difficult with Barbara sitting close and breathing great wafts of pheromone on one. She would gaze deep into one's soul with hooded bedroom eyes if one turned to look at her, and smile a great crooked smile and display the moist tip of her tongue. Barbara lived exactly opposite me, we would sometimes walk together to the Art School in the morning, sometimes I would go across with a bottle of something when there were guitars with body language over the road; things were nice and easy with these kids.

Well early one a.m. I go to take a bath because I'm covered entirely with fine floating slippery silver stuff that sticks to absolutely everything, and this silvery stuff is ammonal, a truly gruesome high explosive which I have spent the night mixing up in a food blender for the ANC, and as I strip off and dip a toe in the hot water there's a dreadful hammering at the front door and my heart sinks. If I'd had that bath it would have been my last for many a year, but I didn't have it. I didn't even dry my foot, but flung on once again my filthy reeking sweaty silver shirt and shorts, and off barefoot to the back door and the side-street gate, which I



A monstrous eerie man with loony eyes fixes to the end of my schnoz the muzzle of a nasty nine millimetre FN Browning Parabellum

slinkily unlatch and start to slink out. *O my Here, daar staan die Law!* There stands a monstrous eerie man with loony eyes, Majoor Godlief Op't Boud, who fixes to the end of my schnoz the muzzle of a nasty nine millimetre FN Browning Parabellum pistol and ostentatiously releases the safety catch and pushes me back by the nose the way I've just come and says Make one move and I'll blow your *vokken* face off.

Oh I'm not moving, I reply. His crew come thumping round the corner, a one ton lump called Erasmus van Vuurwapen plus an anthropomorph of the species *Agricola robustus* in a safari suit, name of Jordaan van den Gruwel-daad, who has buckled to his belly a firearm in compliance with regulations but scarce needs it since he has in his hands a Kung Fu device of hardwood batons and connecting chain, which apparatus is just coming into fashion 'mongst men of massive muscle and wee willy. He handcuffs me to a drainpipe and they go through the flat. Minutely. It's a small flat but it takes them hours. What on earth

can this slithery silvery stuff possibly BE? It's EVERYWHERE! Finally they pack up the blender and myself, *kaalvoet*, dirty, and we're off to Security Branch HQ for gentlemanly interrogation.

The entire Figure Drawing Gang is in the street. As my door opens they bust out in cheering and blowing kisses and I raise my cuffed silver hands and make a thumbs-up. Erasmus van Vuurwapen becomes enraged, hauls from its holster a ghastly great 45-calibre Colt revolver and rolls his eyes hideously. The Majoor grips his wrist and glowers, ou Rassie scowls, stows his artillerypiece and all the kids turn round and bend over and wobble their bums and shout N'YE N'YE N'YE! Daniel has written on his in charcoal *KUSH MIR IM TOCHIS*, kiss my arse. Barbara Bligh hooks her fingers in the corners of her mouth and stretches it like a letter box and sticks out her tongue and squints. *Onse jollie kèrels* haughtily raise their chins and forge ahead to their unmarked car. *Ou Jorrie* takes the belt from his broeks and straps fast the far door of the passenger part lest I fling myself handcuffs and all into the city traffic and climbs in with his Kung Fu stranglemachine and the Majoor takes the wheel. *Ou Rassie* reverses from the garage my mighty Fiat 500 cc motor car and the Majoor follows him to headquarters. They want this Fiat as evidence, see, the strange silvery stuff is stuck everywhere inside by static electricity. Thick. Erasmus van Vuurwapen lights a cigarette. I don't know whether to laugh or cry. **■**

PAYMENT & TERMS FOR SMALLS

Deadline for smalls is the 1st of the month prior to publication.

Small ads are prepaid at R120 for up to 15 words, thereafter R10 per word.

Boxed ads are R200 per column cm ex VAT (min 3cm deep).

Payment by cheque should be made to Chaucer Publications, PO Box 44538, Claremont 7735.

Payment by direct transfer should be made to Chaucer Publications; Account 591 7001 7966; First National Bank; Vineyard Branch; Branch code 204 209.

Payment online at noseweek.co.za or email noseads@iafrica.com

PERSONAL

Noseweek – keep nailing the bastards!

David & Zeldia O'Brien are pleased to announce the birth of Joel James. They sincerely hope that this is his last appearance in *noseweek*.

Ben Trovato is a girl – Stromboli.

Barbara Gray – The sun, the moon & the stars. Loved forever.

Thanks Grumpy from your Mpande partner Twit.

Keep up the good work What happened to Macmed Medical? Keep us informed – Freddy.

The more I get to know people – the more I love animals.

Are you unhappy with your fund administrators? Phone Linda 011 444 0546.

Bilton Wines – on your list of 100 things to enjoy before you die – Wine Addict.

HOLIDAY ACCOMMODATION

Arniston Stunning seafront home perched on clifftop overlooking beach. Breathtaking position and panoramic sea views. 5 Bedrooms, 3 en-suite, serviced. 082 706 5902.

Aida Atlantic Seaboard Prestigious property sales and upmarket rentals on Atlantic seaboard – long and short term. Contact David on 083 347 2773 or Sandy on 083 300 0155. Sandy@Aidaseapoint.co.za

Clarens Near Golden Gate in the beautiful Eastern Free State: Rosewood Corner B&B offers all you want for a break from it all. 058 256 1252.

Marina Da Gama, Cape Town Self-catering apartment on water's edge. www.cootslanding.co.za.

Knysna 69 Circular Spacious self-catering accommodation; special rates May to August. Please Call 044 382 2970; www.knysna.com/69circular.

Bridge House – unique four star guest house in Parkhurst, Jhb. 011 880 1111 or bridgehouse@afriacaadventure.co.za

Northern Drakensberg Sungubala Mountain bush-camp 036 438 6000; www.sungubala.com.

Kruger Private Game Lodge R450 pppn including game drives, self-catering. Tony 083 453 9789; www.senalala.co.za; tony.hutton@mweb.co.za.

Green Point, Cape Town Furnished apartment with private sea view terrace, daily/monthly rates, ideal for businessmen. Kenny@absamail.co.za; 082 453 5319

Noordhoek, Cape Town. Two bedroomed self-catering apartment with lovely views. www.brynbrook-selfcatering.co.za.

Europe's best kept skiing secret – Stunning newly renovated 7 bedroom private chalet with brand new furnishings, available near Chamonix Valley; www.chalet-montblanc.net or Susan 084 870 4436.

Friston Lodge Guest House B&B Centrally situated, Upper Newlands near Kirstenbosch Gardens, UCT and the Waterfront. Comfortable affordable accommodation, in garden setting. Solar heated pool, DSTV. Sabine 076 156 2381; Sabine@capestay.com.

Clifton 4th beach Front row holiday rental, 3 bedrooms, deck, garage. Mid-Dec 08 to Mid-Jan 09. home@leonsavendesign.com.

Knysna, Belvidere Estate 4B/R(en suite)quality, waterfront home. Own mooring and pool. Available 22/12 to mid-January. R3500 per day. Phone 082 600 5357.

Constantia Comfortable self catering unit. Safe parking. Suitable for holidays or commuting businessman. 082 298 8873.

PROPERTY TO BUY, SELL OR RENT

Misty Cliffs, Cape Peninsula In nature area. Stone & Thatch Cottage. Long term lease. www.mistycliffs.co.za.

Pinelands Flat to let, 2 beds, security complex, parking. Immediately available. R3500 Call Henning 084 556 3333.

Waterberg Game Farm 500 hectares, game, fenced, seasonal river. R5m onco. Call Ronnie 082 520 2206

Knysna Factory To rent 1x 200m2, 1 x 500m2 with cottage. Phone Don 073 227 3453.

TRAVEL & LEISURE

Guided casual walking in beautiful south-west France. Be our house guests enjoying excellent cuisine. www.frenchcooks.com. +44 20 8776 2045.

Tallyho Leisure 'n Style Umhlanga Rocks' only one-stop beach shop. RHBP@mweb.co.za.

LEGAL, INSURANCE & FINANCIAL

Muhlberg Attorneys, intellectual property law specialists. 011 465 5600 or 083 947 0903. mail@muhlberg.co.za.

Still number 1 after all these years John Fisher for life assurance and group benefits. 011 444 2824.

Assist you as executors Call Brian 083 419 2134 or bbailey@mweb.co.za.

Seasoned attorney based in Lonehill for property conveyancing, contracts and consultation. 011 465 9727 or dereklaw@gwisa.com.

Final Accounts & Claims For contractors. Martin 082 900 1410.

Need Legal Services in Kenya? Wanam Associates specialize in IP, Trade Mark, Corporate Law, Conveyance/Property Law, ICT Law, Litigation, Legal Support/Resources: visit: www.wanam.co.ke or email: mail@wanam.co.ke.

FOR SALE

Tinus de Jongh Art Gallery, Cape Town – Exhibition and sale of collection by Charles Theodore Villet. Open Tues and Friday 10–12 or by appointment. 13 Aberdeen Rd Newlands 021 686 4141; dejongh@yabo.co.za; www.tinusdejongh.co.za.

Office chairs and desks New and second hand. Gary 011 792 1117; gary@totaloffice.co.za.

Black & White Trucks cc Samil, Deutz, Samag, Magirus, Sakom, Iveco, ZF, Unimog and Actros; Trucks, Spares & Vehicle Servicing. Tel 0877 544 544; fax 0866 575 132; samil@mweb.co.za; www.samiltrucks.co.za.

Wine machinery Equipment for existing or starting wine making. www.winemachinerygroup.co.za or 021 887 4731.

Ruby Soul Psychedelicatessen Fresh handmade soap using the finest quality essential oils. Nose treat 044 535 9759.

Dryson Quality umbrellas for all occasions at unbelievable prices. Call Martin 082 453 4027 (JHB)

Master Organics – Manufacturers of original growing mediums, growers of specialised lawn grasses and trees. Call 021 396 1066.

MISCELLANEOUS SERVICES

Flying Dutchman For all your graphic design work – logos, adverts, print, packaging, corporate ID. Contact Mich 072 141 8854.

Silver Spoon Function Hire Hiring of cutlery, crockery, linen, glasses, marquees, heaters etc. For all your hiring requirements 011 262 2227 or 011 706 7884.

Counselling Services Senior psychology student and remedial teacher in Cape Town; adults and students. Cindy 079 774 4867 www.armyart.org

Best Board For all your school and office white or notice board requirements. Call 011 440 1506.

Farmers Livestock Agents The professional livestock marketers. Call 039 757 5253.

Ferndale Nurseries, Constantia Nose around our large nursery, play area and duck pond. 021 794 5175.

Moors Milne & Kieviet Architects All forms of architecture, residential, commercial, industrial, institutional. 041 585 1575.

World Wide Medical Aid Expats, students working abroad. www.cgbrokers.co.za for a quotation and cover.

Make media work for you! Professional & effective media training & PR. Information Nation 011 782 1188.

All your travel needs Honest old fashioned service. Disa Travel & Tours 021 712 2499.

Ann Nosworthy Oil Painting Studio 021 794 4508

Laser engraving Corporate gift branding, print stamp & engraving. 49 Shaanti Crescent, Gatesville, Cape Town. 021 633 1621 or 082 880 1047.

Turner Plastics For all your injection moulding requirements. 021 701 4777/8 or rian@turnerplastics.co.za

Translations English to Afrikaans. Ina 082 978 9846.

WANTED

Old Books wanted By collector on architecture, building construction, joinery, bricklaying, carpentry, etc. William 083 325 9600.

Bamboo 1000 or more splits of plants. Bambuso nana or similar. 014 736 3674; horticultura@gwisa.com.

Stamps of the world 072 904 0268 or P O Box 2112, Hermanus, 7200.

COURSES

Art Classes, Muizenberg July holidays & term three. General art & drawing skills. Meg: 021 788 5974; 082 926 7666; jordi@telkomsa.net.

HEALTH, BEAUTY & FITNESS

Fight the flab Reduce stress with your own personal fitness training programme, one-to-one with master personal trainer. Lose weight. Correct body alignment and posture, at Sandton's newest gym. Free assessment. Pilates, sports training and rehabilitation, comprehensive stretching. Stressed out overweight execs a speciality! 082 373 2409.

Chiropractor Dr David Dyson (USA) Treatment of neuro-muscular-skeletal disorders. Need a bed? www.chirobed.co.za or call 031 469 4192.

Homeopath Dr Richard Steele. Gentle health. North Beach Medical Centre, Durban. I also do housecalls. 031 332 6060 or 082 928 6208.

North Beach Medical Centre, Durban. I also do housecalls. 031 332 6060 or 082 928 6208.

Dental Surgeon Dr Kevin Luk, 101 Mulbarton Medical Centre. For appointments call 011 432 0190.

Springbok Pharmacy For all your pigeon and caged bird medicines. Call Joe 021 696 1532.

PUBLICATIONS

Research and writing for your publication. Trust MANE Consultants cc to provide it. For all your publications' requirements visit www.maneconsul.com.

Expert editing All subjects, especially technology. Also copywriting, speeches. Tim Anderson Associates. timofpen@mweb.co.za.

BUSINESS OPPORTUNITIES

Magazine publisher Specialist in Sales and Marketing short and long-term assignments. 083 252 8380.

Business for sale "The View" between Betty's Bay/Hermanus. Cosy bar/restaurant seating 60 – who appreciate fresh caught fish and fine food. Owner Warren 02827/14937 or 082 421 2150. Visit soon.

Brisbane, Australia Business migration opportunity. High profile business for sale. Fabrication/building industry est. 1948. T/O AUD \$4m p.a. ebit \$400K. 20 highly skilled & committed staff.

Triple distilled.
Twice as smooth.



Not for sale to persons under 18.



JAMESON
IRISH WHISKEY