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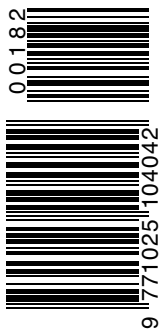


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Heirs sue Absa for R250m

Coke SA pays huge secret damages claim



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Letters

Very special delivery

I HAD A GOOD CHUCKLE THIS MORNING: wrapped around *The Times*, delivered to my door, was the November *Noseweek*. Good lateral thinking!

Adrian Kettle
Pinelands

■ MY NOVEMBER *NOSEWEEK* HAS JUST been hand delivered by a pleasant young man. That's service and going the extra mile – literally!

Thanks again and good luck with this ongoing problem.

Richard Grundy
Centurian

■ JUST TO NOTE, WITH THANKS, THAT I received the November edition on Sunday morning 2 November, delivered to my street address. Don't know exactly how, but well done.

Mike Young
Sedgefield

■ T'IS NOW THE 4TH NOVEMBER AND nowhere in the Northern Suburbs of Johannesburg can one locate your rag. Damn it pisses me off, because it's the only one I read. Radio adverts are wasted and just irritate because I know it's not in the stores. What can we do? The Post Office is not helping matters either.

Markham Batstone
Johannesburg

Help is at hand. This issue should arrive at more addresses and shops – and sooner – than last month's. Please let us know if it doesn't: the more information we have, the better we'll be at resolving remaining snags. The Post Office was once a great institution, providing an essential service and it is not that easily or quickly replaced. – Ed.

Perplexed about KPMG

IT'S ALL SO PERPLEXING WHY INSTITUTIONS such as KPMG and the FSB would try to protect a company like GT Traders (*noses166&167*) and more recently, Western Areas, JCI and Randgold (*nose181*), when clearly and unambigu-

ously, according to your articles, they are manipulating their clients. As do most banks, insurance companies and the like!

It seems it's open season on Mr Average who hasn't the means to take them on through the courts.

Warwick Oakley
Bedfordview

Old Transnet tricks

The Transnet Pension Fund sent a most revealingly misleading letter to all its members on 31 March 1993. Some noteworthy extracts:

“With the conversion of the SA Transport Services to a company on 1 April 1990 an actuarial valuation... found that a deficit of R17.18 billion existed in the Pension Fund. In order to address the deficit... R10.39bn will be paid by Transnet to the Pension Fund in the form of Transnet securities.” [*The equivalent of promissory notes. Most were later simply cancelled. – Ed.*]

“The balance will be paid as lump sums out of Transnet profits within 10 years.” [*Transnet never earned profits and no such lump sums materialised. – Ed.*]

“The deficit increased to R10.47bn... as at 31 March 1992... also because of the salary and pension increases granted to members... between 1990 and 1991

which had been higher than provided for.

“The benefits of the transient fund were compared to those of 52 other pension funds. It was found that the transient fund had the second best retirement benefits in the country... at least 30% better than those of the ‘average’ fund.

“Since these benefits are not affordable, the trustees decided to amend [*reduce*] them.”

[*Some examples:*] “Spouse's pension reduced from 80% to 70% of member's pension.”

Members' pensions would only be increased by the statutory 2% per annum increase for five years after retirement. “If the financial position of the fund allows it, the Trustees may decide to reduce the period of five years.” [*In fact it has remained at this minimum for the past 21 years. – Ed.*]

Alan Wells
Howick

The entire letter can be found on Noseweek's website. – Ed.

Health hypocrites

Dis-Chem should put its house in order before attacking anyone else. For example, how can a supposedly health-conscious chain of pharmacies force its customers to run the gauntlet of sweets and chocolates when queueing for the tills, knowing it will make them sick? Hypocrites!

Don Edwards
Aldara Park

FNB happy to help – really?

THE GARCINIA CAMBOGIA SCAM (*nose181*): While my story does not involve Dis-Chem, I was caught by an advert on the internet about this new marvel medicine. All I had to pay was postage of \$7 and \$7.50 for a trial offer of the two items. Stupidly I fell for the fake report and didn't know the picture had been photo-shopped and that thousands of others had been caught.

Within days of giving my bank account number for an EFT, two amounts of over R1,200 were quickly removed for



COMBATING CLIMATE CHANGE:
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CEO Brian Molefe... Old Transnet tricks

a product I did not order. Off to the bank to stop the transaction. Days later I saw the stop payment had been reversed by FNB and the money again removed from my account. I was told, "Oh yes, we saw a red flag, but this is not fraud, it is a dispute, so please discuss with someone who handles disputes".

I got nowhere with FNB disputes, who told me to write a letter explaining the situation. Having done so and demanded my money be returned to my account, there was silence. This is the bank that states in bold letters in every branch: "How can we help you?"

I am still receiving confirmation of orders not placed, with customs duty of R400-plus on each item. They are posted from the Virgin Islands. Told the post office I wasn't taking them. Fortunately I have a new cheque card. The scam artists are still at it on the internet, now supposedly selling newly discovered fruits, flowers or a mysterious bulb – and stupid people like me are still falling for it.

Jo Maxwell
Pinelands

Thumbs up for Oz

IN RESPONSE TO ANNE SUSSKIND'S OCTOBER missive from Oz: despite Trigg's opinion, my family and I find Australia a very democratic and fair dinkum country.

Steve van Tonder
Nerang, Australia

Dire days for the press

YOUR INFORMATIVE COVERAGE OF RECENT events at Independent Newspapers (nose181) raises disturbing questions

about press freedom, especially as it echoes trends in the Media24 group. For example, in Pietermaritzburg it has reduced the formerly esteemed *The Witness* to the status of "a miserable little rag", in the memorable words of one reader.

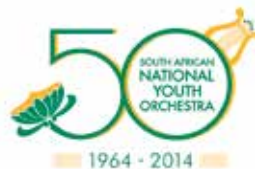
Its newsroom has been turned from a place of creativity and collegiality into one of disciplinary hearings, demoralisation and despair. Long-serving local staff with a commitment to the community have been ejected (as supposedly redundant) or harassed into resignation, to be replaced by outsiders who produce occasional so-called scoops for the front page.

This mayhem has been engineered by careerists on obscenely high salaries.

The established readership has been treated with contempt and the once-excellent opinion and feature pages have become a mockery crowned by never-ending egotistical advertorial masquerading as opinion from the editor himself. The long-term objective is opaque.

The threat to newspapers does not come only from Luthuli House but also from corporate fascism. And the implications for freedom of expression are dire. Think back nearly 30 years to the destruction of the *Rand Daily Mail* when courageous and committed journalists pioneered a new way forward via the alternative press.

Christopher Merrett
Pietermaritzburg



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Dirty work at the crossroads

Two court dramas: a curious judgment in one, belated justice in another

ON 20 OCTOBER I RECEIVED AN EMAIL regarding the Brakspear case from Leonard Katz (who readers know is a senior partner and liquidation expert at attorneys Edward Nathan Sonnenbergs – ENS for short). It reads:

I attach an email which I sent to my colleagues earlier today. The court has shredded your pretensions to be an independent investigative journalist. You are a vindictive and unpleasant man.

The next communication from me will be delivered by the sheriff.

*With apologies to Bruce Willis, yippie-kai-yay, Martin Welz!**

Some extracts from the attached email that Katz had sent to his colleagues:

I am pleased to advise that Brakspear's application for an order setting aside the provisional order for the winding up of West Dunes Properties 5 (Pty) Ltd (in liquidation) was dismissed with costs in the Durban High Court by Judge N F Kgomo.

The judgment runs to 111 pages. I quote certain portions:

"...The entirety of [Brakspear's] founding affidavit is a rambling, incoherent and mostly incomprehensible document littered with assassinated characters of prominent attorneys, advocates and other people..."

"When shown documents contradicting his version and written by himself, [Brakspear] started denying the signatures as his. When the heat of cross-examination intensified, he changed to state that the signature looks like his although he does not remember the occasions he did append them to such documents. At long last he conceded that all those signatures were his.

"For instance, he was referred to an article published in the 13 February 2014 edition of the tabloid [sic], 'Noseweek' in which all the adjectives, language, accusations and allegations of fraud, fictitiousness [and] non-existent court orders are crafted in the same style as the applicant's founding affidavit and heads of argument.

"The applicant acknowledged knowledge of the article as well as the fact that he in-

deed did give information about the liquidation application to its editor, a Mr Welz.

"To add fat to the fire, the Noseweek journalist who 'baby-sat' the story in the tabloid introduced himself to me in chambers on the first day I met counsel and the applicant, as the applicant's friend and advisor. He also asked for leave to sit next to the applicant in court to assist with tips as the trial progressed.

"I am persuaded and satisfied that West Dunes Investments' provisional and final winding-up orders were granted by judges of this Court in the presence of the applicant's legal representatives. Therefore his allegations of impropriety, fraud and fictitiousness are just that – wild, reckless, unsubstantiated and unsubstantiable allegations.

"The applicant was also made to painfully retract his allegations that Mr Katz was the man who organised the procurement of a forged signature on the court order of 23 December 2008.

"He also admitted that the articles concerning the actors in this case written and appearing in Noseweek were based on incorrect, untruthful and contumacious stories that are not only baseless but also very damaging."

On another day and under different circumstances I might have been just a bit rattled by all of that. But I know that *Noseweek's* earlier stories on the subject were squarely based on the evidence quoted in them. I also know that several of the judge's statements quoted here are either half-truths, or simply nonsense. For a start, that article that the judge describes as having appeared in the 13 February, 2014 edition of "that tabloid" *Noseweek*, was not written by me and did not appear in *Noseweek*. It was written by Ciaran Ryan and published online at *news.acts.co.za*. Nowhere in the trial transcript are these passages put to Brakspear for his comment.

On page 87 of his judgment, Judge Kgomo says: "It emerged during the leading of evidence herein that both the applicant Mr Brakspear and Mr Welz are Zimbabwean

CROOKS AT COKE



OASIS BOSSES BULLY STAFF 20 NAVY FLOGS BARGAIN BOATS 23
BOARDROOM BACKSTABBING IN JOBURG 24 STATE PROFITS FROM
ABALONE POACHING 28 CRY ME A RIVER 31

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expatriates and that both... worked towards one central goal: to assist the applicant's other family members... to relocate permanently to South Africa. The modus operandi was to purchase Klein Normandy..."

It most definitely did not emerge in evidence. Where else might Judge Kgomo have got this from?

As it happens, I am not a Zimbabwean expatriate and had never heard of Mr Brakspear until I started researching this case. I also had nothing whatsoever to do with plans for the relocation of the Brakspear family. According to the evidence led in court, Mr Katz's clients in the Nedbank Group were involved in such plans to facilitate the emigration to South Africa of Brakspear's relations.

Some of Judge Kgomo's most damning findings are not supported by the documentary evidence or the official transcript of the ten-day hearing. I also know that after independently studying the record and documents, an eminent senior advocate has seen fit to take it on appeal.

There are undoubtedly many parts of the court evidence that should be reported in *Noseweek*. And if fault is to be found with the judgment, it must be clearly demonstrated. But, as the judge has observed, to separate the wheat from the chaff in thousands of pages of dense, often very technical documents, several hundreds of pages of court transcript and a 110-page judgment is a massive task which I have yet to complete.

* *Willis actually said, "Yippie-kai-yay, motherfucker!" For your further enjoyment, go to (www.youtube.com/watch?v=4XEaeOxgy_4)*

SOME NEWS TO CHEER US UP: IN JANUARY 2012 *Noseweek* took on an even bigger target than Africa's largest law firm. In that cover story we exposed the crooks at Coca-Cola who, if you can believe it, are bigger bullies and have even more money than the men at ENS. (Only joking.)

In 2001 Coke belatedly started planning to enter the natural fruit juice and bottled water markets. To speed up plans, so it was said, they were keen on sponsoring an outsider to set up the appropriate water bottling plant. Their choice fell on Erich Schravessande, owner of Webs Trading, one of their most dynamic and successful distribu-

tors. Encouraged by Coke's promises of guaranteed orders for several years, Schravessande raised a substantial sum, bought the farm Chantilly with a suitable spring, and hastily erected a plant that met Coca-Cola's exacting standards. Only to have Coke change their mind. Or maybe they'd just used him as leverage to rush Appletiser into selling out their fruit and water plants and trademarks to Coke.

Then the men at Coke set about financially and legally disabling Schravessande to make sure he would not come back at them for damages – which they had every reason to believe would amount to many millions and lose a few executives their jobs.

The then-MD of Coca-Cola Canners of SA, Islay Rhind, instructed his staff to fake an invoice in terms of which Schravessande's distributorship, Webs Trading based in KwaZulu-Natal, ostensibly owed Coke R7.5 million, enough to bankrupt Webs if true. At roughly the same time Rhind also falsely accused Schravessande of having bribed one of Coke's employees. He claimed the evidence had been produced at a disciplinary hearing, and threatened to call in the police – unless Schravessande went quietly. He cut off Webs' supply of Coke.

In December 2002 a Coke executive was sent to Durban to negotiate a settlement deal. The draft read: "Without in any way admitting liability for any claim which Chantilly may have... arising from any agreement, whether express, tacit, or implied... CCCSA shall pay to Chantilly an amount of R262,421.88... in full and final settlement of any claims which Chantilly may have against CCCSA and or TCCC (The Coca-Cola Company of Atlanta) arising out of the [wa-

ter bottling] arrangement."

Schravessande stood his ground – and refused to sign the offer.

On 23 November 2003 Chantilly Water, the company he had set up at Coke's suggestion, issued summons out of the High Court in Pietermaritzburg against Coca-Cola Canners of SA, claiming R24m in damages. In their plea to the summons, CCCSA denied that a valid agreement had been concluded between them (they claimed Coke SA chairman, Hans Kaltenbrun, had not been authorised to conclude the agreement) and denied liability for the amount claimed.

Eleven years have passed since then and not a single word of evidence has yet been led in court. There have been a dozen postponements over the years, most applied for by Coke's lawyers.

Webs Trading went into voluntary liquidation on 28 July 2004, and an insolvency inquiry was launched at which Coca-Cola officials were forced to produce many documents and financial records they had hoped to keep secret.

From these it emerged that Coke's claim to have "absolute proof" that Schravessande had bribed a Coke employee was, in fact, an absolute lie.

Schravessande's first advocate suggested he should accept a settlement offer of R1.5m. His second advocate, in a written opinion suggested he should accept a figure of R3.5m. Both were fired.

By the time the trial date arrived in June this year, Chantilly Water was represented by Cedric Puckrin SC of the Johannesburg Bar. There was no more talk of cheap settlements.

Three days before the trial, settlement talks began. A third party who was present says that the first offers of R15m and R17.5m were rejected outright within half an hour of one another.

Noseweek's guess is that Coke ended up paying the full amount claimed.

The settlement agreement was finalised on Thursday 5 June. The case had been set down for hearing on 9 June and was scheduled to last for ten days. The court file only records that a secret settlement was reached.

Coca-Cola's legal costs are estimated at between R4m and R5m. It has been suggested that this is the largest legal settlement in the history of Coca-Cola (Africa Group).

All that remained to be done was for *Noseweek* to rub their noses in it.

The Editor



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Disappointed heirs sue for millions

Absa ducked a R16m damages claim on a legal technicality but now faces R250m demands arising from wrongful actions of its predecessor, Volkskas

WHEN WEALTHY DURBANVILLE farmer Francis Albert Murray Louw senior (known to all as Murray) drew up his will in 1963, he had every reason to believe he owned an extremely valuable piece of land: his 230 hectare farm, Vierlanden, was on the immediate boundary of the already burgeoning town of which he had been mayor for 20 years.

Ripe for township development, Vierlanden was potentially worth hundreds of millions. With this in mind, he wrote a will creating a trust that would inherit and hold his assets, including Vierlanden, various rent-generating commercial buildings in the town, and a classic portfolio of blue chip shares. Upon his death, his widow and his son and daughter were to benefit only from the income generated by his trust assets. Only when they died would the third generation, his grandchildren, inherit the capital assets and would the trust be wound up.

He appointed his long-time bankers, Volkskas Ltd, as executors of his estate and trustees of his trust. A big mistake, as it would transpire.

Louw senior died on 20 June 1973. From then until September 1991 when the assets and liabilities of Volkskas were taken over by United Bank – which was immediately renamed Absa Bank – all the Louw Trust beneficiaries dealt with Volkskastrust, which they as-

sumed was the division of Volkskas that dealt with such trusts.

When Volkskas became Absa, the same Volkskastrust officials in the same offices continued to deal with the Louw Trust, only now, calling themselves Absa Trust, which seemed logical enough.

Murray's widow, Herta, died in 1983. Their son Murray Louw junior died in 2005. It was time to distribute the trust assets to the final beneficiaries. They were somewhat startled at the meagre pickings that were left, and started investigating what had become of the assets.

It soon emerged that Volkskastrust had sold most of the blue chip shares – which today would have been worth R46 million – for R5m, in 2007. They invested the money in Absa funds that are worth only a fraction of that amount today. They had also sold most of the commercial buildings.

And Vierlanden? That, the Volkskas trustees had sold via a contrived tender procedure to Volkskas's own property company, Eldawn Investments, for a meagre R6m. They funded the purchase by Eldawn with a loan from the trust itself! Today Vierlanden would be worth hundreds of millions of rands.

To pacify Louw junior, who had been living on the farm at the time, the Volkskas trustees sold him a five-hectare portion for just R120,000, which he onsold the same day for R220,000. This clearly was a disguised capital distribution to

an income beneficiary, contrary to the terms of the trust.

While most of these transactions required further research, the sale of the five hectares to Louw junior was clearly an unlawful breach of trust. By the time the capital distribution was supposed to take place in 2005, those five hectares were worth R8.2m.

The beneficiaries issued summons against Absa Trust for that amount plus interest in December 2007. (Their claim, with interest, will by now have doubled to R16m.)

In its plea to the summons, Absa Trust did not deny any of the alleged facts; it simply denied being liable for the delictual acts of Volkskastrust.

The matter was eventually argued in the Western Cape High Court earlier this year and Judge Ashley Binns-Ward delivered his judgment on 28 October – eight years after summons was issued.

“There is no doubt that the disposal of the land to FAM Louw junior constituted a breach of trust giving rise to delictual liability,” he says in his judgment.

had informed the Master of the High Court that it had taken over the administration of trusts and estates previously administered by Volkskas Ltd, Volkskas Bank Ltd and Volkskastrust (among others) did not mean it had taken over liability for the previous delictual (unlawful) actions of those entities.

“I have reached this conclusion with a measure of regret for I have sympathy for the plaintiffs and their attorneys confronted with having to try and unravel the legally technical consequences of the byzantine corporate restructuring of Volkskas in the amalgamation of financial institutions that came to be known as Absa.

“Indeed, as appears from the history of events, companies in the Absa Group themselves entered into various transactions involving the trust using the incorrect names and designations.”

But, at the bottom of the pile, it was Volkskas Ltd, later renamed Volkskas Bank Ltd that had been appointed trustee in Murray Louw’s will. The fact that Volkskas had appointed another compa-

Judge sympathises with unhappy plaintiffs

However, the judge found that the party directly responsible was Volkskastrust Ltd, which had administered the trust on behalf of actual trustee, Volkskas Ltd – and that Volkskas Ltd would be liable for the delict (wrongful act) committed by its agent.

Absa Trust’s advocate submitted that while Absa Trust had taken over the administration of the Louw Trust between 1991 and 2005 on behalf of Absa Bank (they are separate companies) – it had not taken over the liabilities of either Volkskas Ltd, or Volkskastrust – Absa Bank had taken over Volkskas’s assets and liabilities and it was Absa Bank (not Absa Trust) that should have been sued. The judge agreed.

Judge Binns-Ward said he had been unable to find any representation by Absa Trust that it had assumed the liabilities of Volkskas Bank Ltd, or Volkskastrust Ltd. The fact that Absa Trust

ny called Volkskastrust to do the job on its behalf, did not change that position.

And when the great bank amalgamation took place, it was Absa Bank that had contractually taken over the assets and liabilities of Volkskas Bank, so that it was Absa Bank that should have been held liable for any unlawful acts committed by the trustee of the trust, Volkskas Bank or its agent, Volkskastrust. The fact that Absa Bank had, in turn, entrusted the job to Absa Trust did not change the position.

Noseweek learned shortly before going to press that the beneficiaries intend taking the judgment on appeal. They have also given Absa Bank notice that they intend suing for more than R250m for damages they have allegedly suffered as a result of the unlawful sale of Vierlanden and other assets by the trustee or its agents. ■

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POST MORTEM

Recent mail strikes are ruining businesses – and could spell The End for the state-run service. By Donwald Pressly

FRUSTRATION WITH THE POST OFFICE has reached fever pitch, particularly in the publishing and mail-order businesses that depend on delivery to customers. The entire business-to-business sector is rushing to find alternative means of delivering all over the country. It's do – or die.

The government doesn't appear to give a toss about the public's outrage at the failure of the Post Office's management to resolve the strike – which has been off and on (mainly on) for the past three years.

After a four-month bout of striking – particularly concentrated in the Johannesburg sorting sites – the cabinet did not even have the matter on its agenda at its bi-weekly meeting in early November. Minister in the Presidency, Jeff Radebe, who briefed the media at parliament, first avoided a question about the strike, then, when pressed, said: "We did not discuss the issue of the Post Office."

But he added, with his customary mastery of the understatement: the Minister of Telecommunications and Postal Services Siyabonga Cwele was "busy trying to solve this long drawn out strike... so that it can come to an end.

It is an issue of grave concern."

Cwele, who as intelligence minister didn't seem to know that his then-wife was involved in international drug dealing, did attend the telecommunications and postal services portfolio committee's meeting with what is left of the Post Office management – held just a few days before. He seemed almost oblivious to the troubles. "If we... as government can just increase our courier business just by 20 percent, we'll resolve most of the problems that are facing the Post Office."

This was at a time when mail-order, marketing and publishing businesses were frantically looking for ways to divorce themselves completely from the Post Office. It took about an hour-and-a-half for the Post Office management present to acknowledge there was perhaps a big problem. Andrew Nongogo, public affairs general manager, finally admitted: "We have a mountain of mail that is undelivered that is now quite substantial." That is, many millions of items; a three-month backlog – debilitating to weekly or monthly magazines; devastating to the mail-order and mail advertising businesses.

Ton Vosloo, outgoing chairman of

Naspers, told a recent Press Club gathering: "As I categorise the government, [it] has a 1960s/1970s Moscow-based, Stalinistic outlook towards the economy... that is smothering any hope of growth.

"Most state entities were running at a profit in the pre-ANC period. Not any more. They don't put the right people in the right places... what with cadre deployment and that sort of thing."

Indeed government meddling has put a stranglehold on the entire communications chain, starting at the big media houses, flowing down to street level where the Post Office is unable to deliver magazines and a variety of other news media.

Roland Pulinx, who was until recently operational director at Cape Town based Arcadia Home Shopping – having once successfully managed a 24-hour dry cleaning shop in Kinshasa – was unable to survive the massive downturn in the mail order business, caused largely by the erratic, unreliable postal service. He is now setting up his own online business. Eckhard Marshing, Arcadia's CEO, was candid about the Post Office. "We have had postal problems for the past three or four years." He has had

to retrench about 50 staff, bringing his complement to ten. The company specialises in a variety of health, lifestyle, beauty and kitchen products. The bulk of its advertising is through the post.

"This year has been catastrophic," said Marshing, complaining that the Post Office's shenanigans had forced business to adopt new models, including moving swiftly to the digital era. "Putting it bluntly, we are writing the Post Office out of the script. We cannot run a business that is dependent on the Post Office."

It was unlikely he would return to using the Post Office: "The risk is too high."

Noting that Cwele suggested that price rises had lagged behind inflation, Marshing said raising rates would make them uncompetitive. Cwele also suggested a growth in the Post Office's courier business. (At the portfolio meeting he constantly confused Sapo with Telkom, and suggested Telkom needed to increase its courier business!)

Edward Sewnarain, managing director of Tunleys, an electronic and postal mail distribution business dubbed "a one-stop mailshop service", which serves Standard Bank among others, said that while all businesses were affected, mail order businesses were the hardest hit.

"They have no funds coming in... because nothing went out." His take on problems at the Post Office: "Their management are getting gigantic salaries... there's been over-zealous [racial] transformation... the management is inept."

"First prize would be to have a privatised mailing company." A second prize would be to provide competition to the Post Office. The laws that gave it a monopoly needed to be changed so that letters and small parcels weren't the sole preserve of the Post Office.

The postal collapse has also affected medical services. "For example, medicine supplies and pathology-test reports don't get to hospitals and patients in good time, which could mean the difference between living or dying." Financial service companies, banks, insurance houses, academic institutions such as the University of South Africa (Unisa) were all affected.

The Business to Business (B2B) grouping – broadly, the trade magazines – are coming up with a strategy. First they plan to lodge formal complaints with the regulatory authority, Icasa (Independent Communications Authority of South

Africa). Then they could take the Post Office to court, challenging its monopoly and suing it for damages.

In the meantime they are issuing tenders to set up a street delivery network to distribute their publications. Rory Macnamara, MD of Interact Media, one of the leaders of the grouping, said they had tried to hold talks with the Post Office. At first, laborious meetings were held with the now-suspended CEO Christopher Hlekane, but these had petered out. (Hlekane was suspended by Cwele at the end of October).

Auditors Deloitte & Touche and accountants Nkonki reported that the Post Office blew R2.1 billion on irregular expenditure in the financial year ending May 2014. Much of it related to irregular tenders. Hlekane did not short-change himself at this time. He enjoys an annual salary of R2.8m excluding R264,000 in pension fund contributions. In the last financial year the Post Office reported a net loss of R361 million.

Macnamara jokes that Icasa should just cancel the Post Office's licence, but acknowledged that would be impractical because the Post Office has obligations internationally as well as to under-served areas. Macnamara produces *Plumbing Africa* and *Refrigeration and Airconditioning* magazines. He said that about a third of his business was done through the Post Office, but now he was tapping into the newspaper delivery market.

Financial Mail editor Tim Cohen said his magazine was largely delivered through the newspaper group's distributors, while Sandra Gordon – who produces *Media* magazine, *Hotel and Restaurant* and *RiskSA* said she had spent a recent weekend changing all her subscribers' PO Box addresses to street addresses to which her magazines could be delivered on foot.

Others who have joined the foot soldiers of the B2B group are Kenneth Creamer of Creamer Media which includes *Engineering News*, Chris Yelland of EE Publishers which includes *EngineerIT*, *PositionIT*, *Vector*, *Energize* and Anton Marsh of Now Media.

Pressed on how to solve the problems at the Post Office, Gordon said: "Burn it down... but they've done that already!" Yelland said: "I am amazed how long-suffering and passive the South African public and business sector is about the dysfunctional postal service in South Af-

rica". The group has asked Icasa to impose sanctions on the Post Office, including possible punitive financial sanctions. It also wants Icasa to entertain alternative licence applications or additional licence applications "to supplement the activities of Sapo".

Yelland says the troubles at the Post Office had opened up a yawning gap for business to compete in the postal market. What was needed was for the big bulk services companies to band together to form a Mail Bulk Carrier Division to take on the Post Office.

DA MP Cameron McKenzie said about R350m had been provided as a government guarantee to the Post Office so that it could pay salaries. What was now required was to quickly appoint all temporary workers (about 7,000 of them) and make them permanent. "All the mail has to be cleared first... if it doesn't move fast, it isn't a business. They should replace the board that has demonstrated totally incapable leadership."

The Post Office also needed a capital injection to upgrade its IT systems. Cameron believed that about 20 properties unoccupied by the Post Office – including its headquarters in Pretoria – would sell for millions, which could recapitalise the operation.

Four months into the strike, Cwele finally accepted the resignation of the Post Office board on 9 November. With Finance Minister Nhlanhla Nene, Cwele appointed former Rand Water chief executive Simo Lushaba to turn the operations around within three months. Government expressed its commitment to the "no work no pay" principle and the Communications Workers' Union confirmed that workers – a number believed to be in the hundreds – who had been on strike for four months had received letters of dismissal.

A flurry of questions to the minister's spokesman Siya Qoza about whether Cwele would consider competition in the postal field were not answered. Significantly Cwele acknowledged the strike as "unprotected and violent". It had caused "a lot of harm" to many citizens, long-distance students, business – especially the small and medium-sized ones – the diplomatic community and "most of all the workers of the Post Office and the company itself".

It may be too little too late: most of Sapo's clients have already voted with their feet. ■

On yer bike, Milly!

Four little words kicked off Toyota man's peripatetic lifestyle. By Jack Lundin

WHEN HE WAS IN HIS TWENTIES, second-hand Toyota car salesman Mildren "Milly" Lurie single-handedly scuppered Automark's multi-million-rand "our dealers never lie" TV commercial.

It was back in 1996 that Automark, Toyota's used-car division, flighted an ad in which a salesman sails through a polygraph test. "Would you sell your mother-in-law a dud second-hand car?" "Never," replies the salesman – and the alarm bells stayed silent.

But as the viewers chuckled, Milly Lurie, then a youthful salesman at Sandton Toyota, lied to a customer, giving an assurance that a Toyota Camry had a full service history, was not ex-car-hire, and was not from the coast. In fact, as recounted back in *nose27*, it carried all of these debilities. The customer complained to the Advertising Standards Authority; ad agency Saatchi & Saatchi assured the authority that the ad had been pulled; and the young liar Milly Lurie received his marching orders from Toyota.

As he tells it, Lurie's subsequent career embraced used-car salesman with BMW and Volvo; owner of an auto-electrical business; forex trader; and an 18-month stint in Afghanistan as a VIP bodyguard. Only to end up in the West Coast town of Langebaan, where in 2005 he started Milly's Motorcycle Transport, delivering privately owned motorcycles around the country in Mercedes-Benz panel vans.

A lucky break in 2011 saw the arrival of big bucks when DHL, which held the contract to transport both crated and uncrated motorcycles for BMW Motorrad SA, subcontracted Milly's to take over the uncrated ones.

Milly's had been pulling in around R60,000 a month. The BMW work boosted this by an additional R150,000

to as much as R300,000 monthly. Lurie claims 2012 income of R2,203,539 from BMW alone.

A father-of-two, Lurie, now 45 and stocky with a bit of a tum, says he spent R700,000 of his own money gearing up for the BMW workload, acquiring nine vehicles and the services of 13 drivers, assistants and mechanics. His vans bore the proud logo: Biggest approved Transporter of Motorcycles in SA.

But, it now emerges, it was a business running on tick. In order to buy his transport, Lurie was using the names of family and friends – plus one hapless employee who's now landed with a Lurie debt of R294,065.

At the beginning of 2013, when Lurie had BMW's cash to burn, the flamboyant salesman was roaring around the picturesque lagoonside town of Langebaan on a spanking new BMW R1200GS

and bakkie to WesBank, "plus R2,500-a-month to me for their use.

"I saw my BMW Adventure (price around R140,000), but never rode it. It was for Milly's use when he visited dealers to solicit business. And the Navara bakkie (R400,000-plus) was more like his personal transport and bragging tool."

But last year Milly's Motorcycle Transport was abruptly fired by DHL. As abruptly, Lurie had no funds to meet WesBank's R15,000 monthly payments, so the finance house seized bike and bakkie for auction. Now the jobless Vellema – not Milly Lurie – is being chased by WesBank for an outstanding balance of R294,065.26.

It was Milly Lurie's greed, say his critics, that brought about the collapse of his bike transport business. He thought he could score a cool R4m to R6m by

It was greed, say his critics, that brought down the business

Adventure motorcycle. Back at home was a top-of-the-range Nissan Navara Double Cab bakkie for more formal occasions. Altogether, half a million rands worth of luxury wheels. Both bought in the name of Lurie's driver Ivan Vellema, who was earning just R12,000 a month.

"Milly was never clear why he wanted me to sign for the vehicles," says 48-year-old Vellema. "Before he came along I had a clear credit record. Milly said: 'Stick with me and I will make you rich'. I stuck with him and now I'm staring poverty in the face."

Vellema explains that Lurie made the R15,000 monthly payments for bike

selling his flourishing business to British-owned courier company Seabourne Express.

Part of the UK's Seabourne Group, Seabourne Inxpress (Pty) Ltd was already subcontracted by DHL to transport BMW's crated motorcycles. Lurie's plan was to persuade Seabourne to buy him out – using the uncrated BMW business as the lure.

Seabourne Express's Ezelle Harris (managing director) and her husband Garry (operations director) travelled from their Kempton Park offices to meet Lurie at his rented home-cum-office in Langebaan's Paradise Beach.



Taking the plunge (above) and one of Milly's trailers (right)

"My wife and I entertained them with food and drinks," says Lurie. "I explained how Seabourne would benefit from buying Milly's. Our spirits were high. Garry explained they were going to the holding company in the UK and he would let me know as soon as the go-ahead to buy Milly's was given."

Just weeks later, on 17 October last year, a letter arrived from DHL's supply chain executive Kerrie-Anne Kelly informing Lurie that they were terminating the services of Milly's Motorcycle Transport, aka Milly's, with immediate effect.

Imagine Lurie's further shock to discover within hours, from one of his clients, that Seabourne Express was going to be doing BMW's uncrated transport. "Obviously it was a collaborative thing," says Lurie. "Seabourne's offer to me didn't happen – and now they had the whole BMW business. I feel that DHL and Seabourne played me. Why would Ezelle and Garry come to my house if not to buy my company? Were they spying?"

Milly's employees were retrenched and by August this year Ivan Vellema was the only driver left. Lurie is unre-



pentant over the use of his driver's name to buy that luxury bike and bakkie. "I made the R15,000-a-month finance payments in the beginning, when we still had the BMW contract," he says. "Obviously when the BMW contract expired I couldn't afford to pay it any more. I've even said I would assist Ivan in repaying some of that money to the bank, to help him."

Lurie admits that debt had been building up long before he lost the BMW business. Not his fault, of course. "Because of DHL's non-payments and slow payments, all my things got behind: my credit cards, my debt or whatever."

He had freely utilised the name of his wife Rilette, with the result that she was blacklisted by credit bureau ITC (now TransUnion). "I've only just managed to clear my wife's name off the ITC," says Lurie. "It's new though, we still can't get vehicle finance.

Using his own name was out. With reluctance, Lurie admits he's "probably" on ITC's blacklist too.

"My brother-in-law has helped. He's financed a Toyota Quantum panel van in his name until we can build up a bit of a credit history with my wife's name."

Busy job-hunting from his rented home in Cape Town's Kraaifontein, Lurie's former driver Ivan Vellema now has WesBank on his trail. "Milly's told me to duck and dive, that I've got to move from where I've lived for nearly 15 years, and disappear," he says.

"Milly told me he'd previously had a similar situation and moved all over Johannesburg to avoid being located. But how can I? I don't have the funds and my daughter has just started high school."

Seabourne Express insists that there were no dirty tricks when they took over the BMW business from Milly's. "Any potential for a deal came to a halt once we realised that Mildren [Milly Lurie] was unable to supply valid accounting records to substantiate the suggested price on his business," says Ezelle Harris.

DHL declines to comment.

Says WesBank: "There's nothing legally wrong with buying a vehicle under someone else's name. It might be immoral or wrong, because you're placing your friend at risk. We're going to have legal recourse to the person whose name is on the contract, so we never recommend that anybody does that."

However, using an employee on R12,000-a-month to obtain half a million rands worth of finance could have repercussions. "If information submitted to us at the point of application has been fidgeted, it becomes a matter of fraud," says WesBank.

These days Lurie's wife Rilette runs the office while Milly Lurie does the remaining bike-shifting himself, puffing on Camel Filters as he motors around the country wondering how he's going to meet his children's looming private school fees.

The memory of his "lies" that caused Automark to ditch its we're-so-honest TV commercial remains a sensitive one.

"It was so unfair," complains Lurie. "I was a junior salesman. I'd just started working in the motor industry and I got hit over the knuckles because of something I was told to say. I got punished and it's been haunting me for years." ■

Big Agri feeds its own bottom line

Small, family-run farms are the answer to world hunger. But the large conglomerates are determined to squeeze them out of existence. **By Hilary Venables**

THIS YEAR'S WORLD FOOD DAY HAS come and gone – on 17 October – leaving everyone as hungry or overfed as they were the day before. At the latest count, 842 million people were officially malnourished, or one in eight of us. In South Africa, the figure is one in four. And that's now, while farmers are still able to grow enough food to provide tasty, nutritious, adequate meals for everyone on the planet – if only their produce wasn't so unequally shared and needlessly wasted.

Feeding everyone is going to become much harder as the population grows, climate change bites and the cost of inputs like clean water and liquid fuels rise.

For the past 50 years, since the advent of the laughably misnamed “Green Revolution”, private corporations have spent an enormous amount of money and time convincing governments that the only way to increase agricultural yields is through a system of hi-tech, hyper-agriculture, involving artificial fertilisers, dangerous pesticides, monster machines and expensive hybrid seeds.

But it turns out that's all wrong.

Scientists, agro-economists and UN agencies are now persuaded that the solution to world hunger lies with family farms, 95% of which are smaller than five hectares, but which currently produce an incredible 80% of the world's

edible agricultural output by value. And they do it more efficiently and with far lighter environmental impact than the mega-scale, monocultural model. And yet, not having the lobbying power of Big Agri, they receive very little useful support from their governments, and have limited access to markets or credit.

The UN's Food and Agriculture Organisation (FAO), the chief sponsors of World Food Day, underlined the importance of this sector when they chose as this year's theme: “Family Farms: Feeding the world, caring for the environment”.

In a report titled “The State of Food and Agriculture 2014”, published on the day, the FAO said Green Revolution-style farming, or what it called the “past paradigm of input-intensive production” could not meet the challenge of feeding us all over the long term.

“The world must rely on family farms to grow the food it needs and to do so sustainably,” it said, calling for governments to invest heavily in appropriate research and infrastructure, and to focus on local markets rather than crops for export.

The FAO is not the first UN agency to advocate a fundamental shift in global agricultural policy. Just over a year ago, the Conference on Trade and Development (Unctad) published a document the title of which conveys a level of urgency more readily associated with a

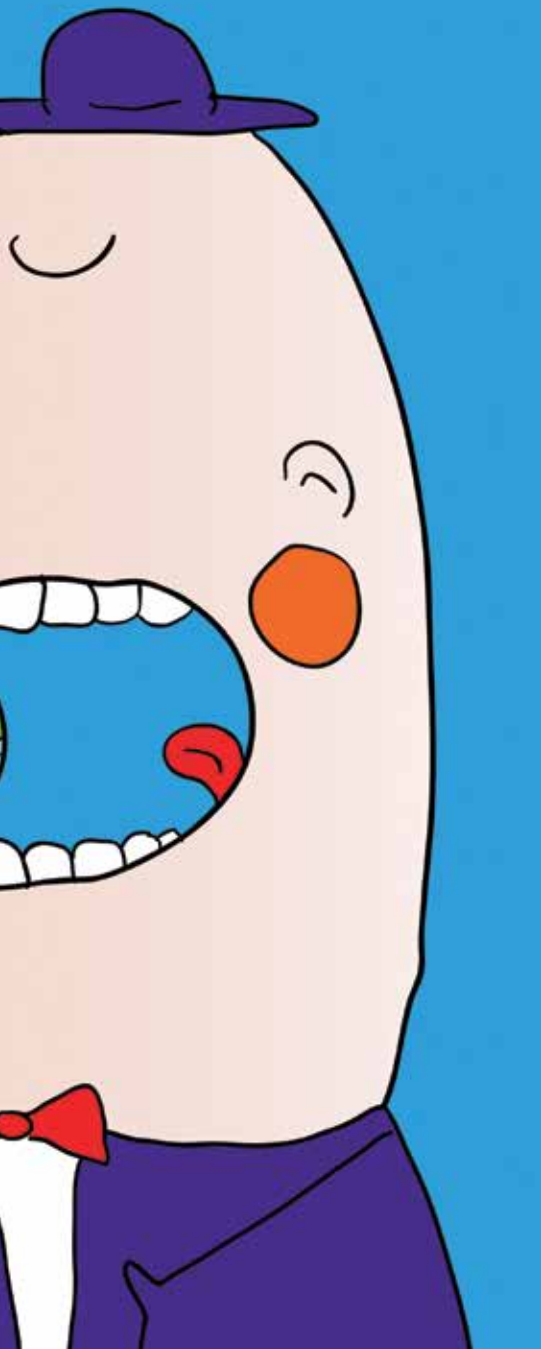
sandwich-board prophet: “Wake up before it's too late”, it said (but in big block capitals).

Like the more recent paper from the FAO, the document calls for a radical and rapid redirection of the global food production strategy from industrial agriculture to a small-scale, sustainable, labour intensive, locally appropriate approach.

But Big Agri, concerned less with feeding the world than feeding itself, is not taking all this green lefty hippy talk lying down. Nosirree.

It is continuing to stride across the developing world like a bloated colossus, grabbing agricultural land, spreading toxic chemicals hither and thither and stomping all over the continent's fragile





democratic institutions. Smoothing its path are the democratically-elected governments of the rich world.

Two years ago, the G8 announced the formation of the New Alliance for Food Security and Nutrition in Africa. According to its PR, the New Alliance is “unlocking responsible private investment in agriculture to benefit small-holder farmers and, ultimately, reduce poverty and hunger in Africa”. But what it is actually doing is extracting binding “commitments” from signatory governments* that allow Big Agri to dictate public policy**, to demand changes to laws and to pay less tax.

Past and present members of the New Alliance Leadership Council include the CEOs of the Anglo-Dutch multinational

Unilever, which has a huge food-processing division; Swiss-based agrochemical giant, Syngenta; Norwegian-based synthetic fertiliser producer Yara; and the US-based international food conglomerate, Cargill.

In September this year, more than 90 NGOs and campaign groups signed a letter condemning the New Alliance. One of its leading critics, the German Forum on Environment and Development, says that these “profound legislative and policy changes threaten small-scale farmers’ control over land and seeds, marginalise local markets and lead to a loss of biodiversity and soil fertility to the detriment of the livelihoods of local communities”.

They’re not taking this green lefty hippy talk lying down

“Moreover, they will exacerbate future climate and economic shocks for small-scale farmers, instead of building their resilience to cope with such shocks.”

In other words, the exact opposite of what the experts urgently advise.

The organisation cites a project in Burkina Faso (a country just recently relieved of its previous corrupt government) to develop and rehabilitate irrigated land in the Bagré Growth Pole Project. It says all but 22% of the land has been reserved for large-scale agribusiness investors.

In Malawi, the “New Alliance” had so far managed to help multinational companies expand their tobacco interests, and earmarked 200,000 hectares of farmland for mega-scale commercial production.

An investigation in February by Britain’s *The Guardian* newspaper into New Alliance investments suggests that “dozens of investments are for non-food crops including cotton, biofuels and rubber, or for projects explicitly targeting export markets”.

In the meantime, family farmers struggle on, their independence steadily eroded by the onward march of Big Agri.

In Malawi, researchers for the African

Centre for Biosafety (ACB) found that small farmers are “trapped in a cycle of debt and dependency on costly external inputs with limited long-term benefit, and that the natural resource base is being degraded and eroded...”

They had been encouraged by their government and organisations like Bill and Melinda Gates’s Alliance for a Green Revolution for Africa (Agra) to plant heavily subsidised hybrid seeds instead of saving their own hardier, more diverse local varieties, while the use of artificial fertiliser, also government-subsidised, was “shockingly high”, presenting a serious threat to soil fertility.

The study revealed “net transfers

The Gates keep it closed

AN INVESTIGATION INTO WHO really benefits from Bill and Melinda Gates’s largesse revealed that only 10% of their foundation’s \$3 billion (R33.4bn) outlay on agricultural grants has been spent in Africa, the continent where it is most active.

According to the Barcelona NGO, Genetic Resources Action International (Grain), almost all of the rest has gone to organisations in the US, Britain and other rich countries, including global research networks, the World Bank and other supporters of hi-tech agriculture.

The Gates Foundation insists that this picture is “not complete”.

You can find the Grain report at <http://www.grain.org/article/entries/5064-how-does-the-gates-foundation-spend-its-money-to-feed-the-world> ■



Save our Seeds

NOSEWEEK REPORTED IN NOSE175 ON yet another politico-corporate mechanism designed to deprive farmers of their right to save and exchange seed.

The inter-governmental copyright and patent enforcer, the African Regional Intellectual Property Organisation (Aripo) is pressuring its member nations – almost all of them very poor – into signing an agreement that will force their farmers to pay royalties on seeds saved from commercial plant varieties.

Since that article, Aripo has managed to lure two more countries (Liberia and São Tomé and Príncipe) into its net and persuaded all 19 nations* to support the signing next year of the so-called Draft Protocol for the Protection of Plant Species, without further changes.

This was the outcome of a three-day “workshop” held at the end of October in Harare, and it has outraged the protocol’s most vocal opponents – the Alliance for Food Safety in Africa (Afsa), representing farmers’ organisations, indigenous peoples’ groups and civil society structures across the continent.

But the alliance is struggling, quite literally, to make its voice heard.

Only one representative from Afsa was allowed to attend the October workshop, and according to the organisation “virtually all the concerns

away from farming households to agribusinesses”, like SeedCo, DuPont, Monsanto, Demeter, Yara, TransGlobe and Omnia (see “Gates” box, previous page).

Not content with gobbling up public money and farmers’ profits, the corporations are also gnawing away at the heart of Africa’s food sovereignty – its seeds.

SeedCo, one of Africa’s biggest seed companies, has just completed the sale of 32% of its shares to Group Limagrain, the world’s fourth-largest seed supplier. Last year, the group snapped up the much smaller South African seed company, Link, while Swiss biotech giant Syngenta took over Zambian seed company MRI Seed, known to possess one of Africa’s most comprehensive and

raised by Afsa through its numerous submissions” were dismissed.

Afsa has accused Aripo of “railroading” ill-informed government officials into approving the final signing of the protocol in spite of “clear reservations expressed by some member states”.

Aripo has tacitly acknowledged, at this late stage, that it needs to do more to explain the agreement to its future signatories. So it is hurriedly organising a three-day training course during which government officials will supposedly master the enormously complex subject of plant variety protections.

“No doubt, issues of farmers’ rights and the right to food, will not form part of such indoctrination,” was Afsa’s acid comment.

The alliance is calling for the protocol, drafted in the presence of representatives from Bayer, Monsanto, Dow and Syngenta, to be subjected to independent expert review and for “national consultations involving all key stakeholders, as required by international law”.

If anyone’s listening. ■

* Botswana, Gambia, Ghana, Kenya, Lesotho, Liberia, Malawi, Mozambique, Namibia, Rwanda, São Tomé and Príncipe, Sierra Leone, Somalia, Sudan, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe.

diverse collections of maize seeds.

In 2012, the Dupont-owned Pioneer-Hi-Bred bought the whole of South Africa-based Pannar Seed.

In 1999 and 2000 Monsanto purchased two of the country’s largest seed companies, Carnia and Sensako, and now dominates our commercial seed market.

So powerful have these seed firms become that they have been able to pressure intellectual property regulators into outlawing the age-old practice of seed-saving and seed sharing (see “Save our Seeds” box, this page).

South Africa, fortunately, has not gone down that route. Yet. Not that it has done very much to support small farmers either, in spite of years of promises.

Unlike the rest of sub-Saharan Africa, South African smallholders contribute very little to the country’s overall food production so are even easier to ignore.

The two million-odd households which engage in some form of home food growing do so to supplement their diets, not their incomes.

Professor Ruth Hall of the Institute for Poverty, Land and Agrarian Studies at the University of the Western Cape says government programmes “seem to turn blind eye to this predominant reality, envisaging instead that small-scale farmers must show ‘production discipline’ and then ‘graduate’ from being small-scale farmers into becoming medium to large-scale commercial farmers”.

Writing on the website of international development NGO Act Local, Hall says this explains why “state programmes seem to be favouring urban businessmen, and bypassing the vast numbers of small-scale farmers who flout the modernising dream of agricultural officials”.

“To make real inroads into rural poverty, support for the large, impoverished and neglected small-scale farming sector must be wholly rethought,” she writes. “David is not going to grow into Goliath; Goliath must change his ways.” ■

* Benin, Burkina Faso, Côte d’Ivoire, Ethiopia, Ghana, Malawi, Mozambique, Nigeria, Senegal, Tanzania.

** For example, the first commitment in Mozambique’s agreement with the New Alliance is to “Establish policies and regulations that promote competitive, private-sector agricultural input markets, especially for smallholder farmers”.

Sutcliffe's bottomless can of worms

DURBAN'S MOST WIDELY DETESTED citizen, erstwhile city manager Dr Michael Sutcliffe, has agreed to drop his R10.5-million defamation suit against the man who replaced him – only if S'bu Sithole conceded that he erred in saying the council had resolved to recover R1.1m from Sutcliffe, when there had been no such formal resolution.

Part of the agreement was that the council would pay Sutcliffe's legal expenses – expected to top R500,000, because his lawyers charged R200,000 just to read the 7,051-page Manase Report on municipal mismanagement and corruption that took place on Sutcliffe's watch.

After paying R14,9m of ratepayers' money for Manase & Associates to un-

cover R2.2 billion of irregular expenditure from 2009 to 2011, the ANC hierarchy kept the full report under wraps for two years. The DA eventually got a court order for its release in mid-2013 – and it reads like a horror story: countless dodgy deals involving councillors, the mayor and ANC bigwigs, municipal employees and policemen were all raking in enormous bribes – a municipality completely out of control.

It speaks of "negligence and/or incompetence, given the qualifications of ... Dr Sutcliffe" and "...all aforementioned failed to fulfil elementary duties... and have not only attempted to mislead the Municipal Public Accounts Committee and the Executive Council but also the general public into believing these matters had been appropriately resolved."

Many of the issues had already been queried with Sutcliffe. *Noseweek* has scores of emails in which he obfuscates, denies and demands to have all the available evidence so he can launch his own investigation. Few, if any, of his probes achieved finality, but when the Auditor General, the SAPS and the media came up with solid allegations of corruption, Sutcliffe inevitably cried "racism!".

It seems all Sithole did wrong was state that the council had resolved to do something about one small part of the can of worms. They perhaps hadn't formally resolved to do anything – but they certainly should have.

Why did Sithole backpedal? Ask his political bosses.

For more information on Sutcliffe's shenanigans see *noses*85,103,118&178. ■



2014-15 Kirstenbosch SUMMER SUNSET CONCERTS



Sunday 30 November

National Youth Orchestra 50th Birthday Concert with Barbara Hendricks (USA)

The National Youth Orchestra is celebrating its 50th birthday with a selection of music ranging from classical favourites to jazz greats. The concert features top international and local guest artists including world famous soprano **Barbara Hendricks**, Grammy Award winning saxophonist **Magnus Lindgren**, Standard Bank Young Artist bass guitarist **Concord Nkabinde**, and sensational local drummer **Rob Watson**. The orchestra will be conducted by one of Europe's top young conductors, **Fredrik Burstedt**.

Adults R135, Youth R100

www.webtickets.co.za

Gates open at 4pm, concert starts at 5:30pm

Info: 021 799 8783 www.sanbi.org.za

Medical specialists run for cover

The spiralling cost of indemnity insurance could drive doctors from private hospitals. **By Chris Bateman**

THE SOARING COSTS OF PRIVATE indemnity insurance for medical specialists in the higher-risk specialist fields could, ironically, benefit state patients and improve the professional supervision of junior doctors in public hospitals. The temptation for thinly spread specialists in the public service to treat profitable private patients is about to become much less of a temptation: the cost of indemnity insurance for private practice is now so high, it might exceed private fees earned on the side.

This came to light recently when a Cape Town obstetrician, who prefers to remain anonymous, responded to a series of articles in the South African Medical Journal, (SAMJ), exposing the much-abused and controversial Remunerative Work Outside the Public Service (Rwops) practice. Rwops was originally designed by the Department of Health as a sweetener (or “retention tool”) to make it a more attractive proposition for highly skilled and experienced medical practitioners to remain in the public service. However, top-end state medical salaries have since been hiked closer to what private consultants earn, lending weight to accusations of financial greed and state patient neglect against a significant minority of specialists who have abused the system.

Disgruntled public sector junior consultants and medical officers complained of a lack of teaching and scarce availability of their senior colleagues, who were short-changing them, while giving priority to their private patients. Several provincial health administrations launched

investigations using medical aid claims records. More recently, health minister Dr Aaron Motaoleli, speaking at a South African Medical Association (Sama) conference in Durban, blamed Rwops abuse for junior doctors’ deteriorating ability to conduct caesarian sections – with backing from his chief advisor on maternal and infant mortality surveillance, Professor Jack Moodley.

Motaoleli has since imposed a silent moratorium on provinces cracking down on errant specialists – until he has received a long-outstanding report with pragmatic recommendations on Rwops from the Committee of Medical Deans.

Doctors in the public sector are fully covered by the state against “adverse patient events,” but those who also do Rwops are forced to take out insurance, like their private counterparts. Here’s the rub: although the dominant private insurer for healthcare professionals, the London-based Medical Protection Society (MPS), offers reduced rates for limited private practice, it imposes an annual gross Rwops income ceiling of R240,000 a year – a source of much dissatisfaction among higher-risk consultants.

Patient-claims litigators becoming smarter, fast evolving (and expensive) medical technology, and growing patient awareness, have raised the overall cost of clinical negligence by more than 150% in South Africa in recent years. South Africa is the only country to have incurred a mid-year MPS subscription rate hike for the highest-risk discipline, obstetrics; from R156,515 a year to R187,830 in 2011. However the most telling hike is to come – a leap from R330,000-a-year

to R450,000 next year. Any extrapolation of these figures over the next five-to-ten years (before even taking into account specialist overheads) begs the question of who will be left in the private sector to deliver babies.

Co-authoring a recent SAMJ article, Dr Graham Howarth, Head of MPS Medical Services for Africa, predicts that if South African obstetricians are unwilling, or find it too costly, to deliver in the private sector, more and more of the 170,000-plus infant deliveries every year will move to the state sector, putting pressure on overburdened facilities and shifting liability to the state.

He predicts fewer consultants in high-risk specialities, with those remaining practising defensive medicine, an absence or severe curtailment of private specialist obstetric care, with paediatricians and ophthalmologists reluctant to manage newborn children, fewer neurosurgeons



in private practice and fewer still with a primary interest in anything other than spinal surgery. And all restricted to larger urban areas.

The second highest-risk discipline is neurosurgery, with subscriptions rising from R318,190 to R338,520 next year (or on the month-anniversary of first joining MPS). This is followed by a category covering all surgeons (plastic, bariatric, orthopaedic, non-spinal and fertility medicine) where subscriptions jump from R131,080 a year to R140,860.

“Below” these disciplines, the increases are

private practice with just under a quarter (22.5%) in state service – two-thirds of whom did limited private work.

A 10-year UK study of maternity litigation (obstetric claims), via the National Health Service Litigation Authority (part of their NHS), shows that obstetrics accounted for 49% of all payouts. This trend is believed to be very similar in South Africa.

Howarth said of the threat posed by litigation to specialist healthcare delivery, that all concerned had a vested interest in solving the problem: “There is not a medical answer, it has to enter public debate”.

There’s also a growing body of opinion (through no fault of the MPS), that the rising costs of indemnity cover will dissuade young medical graduates from specialising in the most affected

There will be fewer consultants in high-risk specialities, with the remainder practising defensive medicine

described by the MPS as “relatively stable”. The scale of the problem is reflected in South Africa’s highest-ever medical damages settlement of R25 million, in June 2013, to a patient who had undergone neurosurgery.

A recent probe into the impressions of defensive medical practice and medical litigation among South African neurosurgeons (conducted by the Division of Neurosurgery in the Faculty of Health Sciences at the University of Cape Town) proves revealing.

Annual operative caseloads were reported as being between 200 and 300 by 30% of respondents, with over a quarter (26.6%) reporting more than 10,000 cases over their practice lifetime.

Most respondents (72.7%) were in

disciplines. That would aggravate the chances of South Africa’s vital consultant-led district health teams ever being able to advance the ambitious and hugely necessary NHI (National Health Insurance).

The MPS has 30,000 South African members and nearly 300,000 members worldwide. Operating as a mutual society (not an insurer), it is one of the strongest financial reserves of any healthcare indemnifier globally, with assets available to meet claims costs standing at close to R20 billion.

The MPS has well over a billion rand in outstanding claims and a “substantial amount for matters that have already occurred but are not yet claims”, boasting that it has never once turned down a proven claim of negligence.

A recent survey by MPS of 322 of their South African members reveals that 70% of doctors received a complaint about the care they provide, with 57% citing clinical issues and 39% saying communication/manner and attitude was the reason behind the complaint.

A full 84% of doctors believe they now experience more complaints, with 44% considering the main cause to be easier access to lawyers and 43% believing it is because patients “expect more”. ■



Oudtshoorn's Flying Circus

OUDTSHOORN'S HORRIBLY CORRUPT municipality struggles to provide for the needs of its residents yet allows a commercial pilot training school to use its airfield free of charge. And locals say the intrusion of aircraft buzzing around the skies all day long is making their lives a misery, degrading the town's heritage and environment, harming the tourist industry and causing safety concerns about low-flying planes over built-up areas.

The pilot school appears to train only young Chinese males – up to 400 cadets a year – to ensure that China has an adequate pool of pilots.

The Oudtshoorn Airfield was established in 1940 to train WWII British RAF and South African Air Force pilots. The training facility was disbanded in 1945 and it became a recreational airfield. And though the town expanded to

BELIEVE IT OR NOT...

**Hundreds of
Chinese pilots buzz
the ostrich capital
daily. By Koos
Koekemoer**

its perimeter, no-one worried too much since fewer than 30 planes landed there each month. All that changed in 2010, when the airfield was suddenly transformed into a flight school specialising in the training of young male Chinese cadets – a radical development that has been shrouded in secrecy and one that the burghers of the town were never consulted on.

Planes flown by novices buzz overhead incessantly; in circuits and at low altitudes; 12 hours a day; six days a week. A *Cape Times* report on 3 June last year put the number at 40 aircraft making 150 flights a day; 2,000 flights a month. Until recently there were also night flights.

Residents say they are being driven crazy by the noise. They complain that their lifestyles have been destroyed and their property values harmed. They have also voiced serious safety concerns,

not least because the Wesbank Primary School adjoins the airfield. Planes coming in to land, fly barely 30 metres above its roof. (When the RAF and SAAF were using the airfield, the school had to remove its clock tower because the planes were coming in so low.) And they say Oudtshoorn's frantic skies have had a negative effect on the tourism industry – in a heritage area.

It's not easy to establish how this all came about because Oudtshoorn is a dysfunctional municipality. An ANC-controlled council first approved the scheme but soon afterwards was unseated in a DA takeover. The DA councillors promised to "reconsider" the position, didn't, and were soon themselves paralysed by a coalition where no-one knew nuthin about anything.

In 2012 the council commissioned one Advocate Shaheed Patel to look into the lease relating to the municipal airfield. His report says that in 2002 local pilots of the Oudtshoorn Aeroclub entered into a very favourable agreement with the municipality for an open-ended lease to

could do even better and make a real business out of the airfield by having a flying school there. Enter two more players, both of whom now work closely with the Oudtshoorn Aeroclub.

The first is a close corporation called Test Flight Academy of SA (TFASA), which is the alter ego of test pilot Jean Jacques Rossouw, a former SAAF test pilot who has apparently trained pilots in China and owned a pilot training school in the USA – something those authorities put a stop to when he started training Chinese pilots.

The second player is a company called AIFA, which is an acronym for Avic International Flight Training Academy. Avic, in turn, is an acronym for Aviation Industry Corporation of China, which describes itself as "a Chinese state-owned aerospace and defence company".

AIFA is an external company with its registered office in George. It says on its Facebook page that it is "a joint operation between China and South Africa, established to provide pilot training for various Chinese airline companies".

authorising the building, which led to the plans being approved. Construction went ahead without an Environmental Impact Assessment (EIA).

TFASA must have decided it might as well build a flight control tower too – again without any tenure – and without approval, plans or an EIA. The exercise was brought to the attention of the provincial authorities, who threatened to impose a R5m fine unless a suitable rehabilitation plan was submitted. It was this environmental intervention that got Oudtshoorn residents involved.

In response to TFASA's application for after-the-fact construction approval (a so-called section 24G Nema application), organisations like the Oudtshoorn Ratepayers Association (Orpa) and Afriforum submitted objections. Orpa members have since received telephone threats so they prefer not to be named.

Their submissions include:

- The impact on the town, the area and the people. The residents make it clear they're not too fussed about the erection of the tower or the hangar, but

Residents up in arms as trainer aircraft skim the rooftops with 150 flights a day

occupy and use the airfield at a rental of exactly no rands.

Moreover, club members were exempt from paying landing fees, while the municipality was responsible for maintenance of the grounds and runway and for the water and electricity bills.

There must be some quid pro quo, one would think. Well, there was. The Oudtshoorn Aeroclub had to collect landing fees from non-members and pay 50% to the municipality. The club was also obliged to administer the sale of fuel on the municipality's behalf. But these requirements were ignored.

Patel's report says the Oudtshoorn Aeroclub has never paid the municipality any landing fees and that it ran the sale of fuels for its own account. In fact, the club even "sold" a hangar (yes, a hangar belonging to the municipality) to the Red Cross for R25,000. A nice little earner, as they say.

Eventually the members decided they

Inquires made by people who are unhappy with the flying school suggest that AVIC and other Chinese organisations, including the Nanjing University of Aeronautics and Astronautics, hold 75% of the shares in AIFA, and that Rossouw of TFASA holds the remaining 25%. Rossouw's interests are said to be represented by a company registered in the tax haven of the British Virgin Islands. AIFA's directors are Rossouw and a certain Yuming Fu.

In 2010 TFASA asked the Oudtshoorn municipality for permission to build a hangar – a pretty unusual request, given that it wasn't even the tenant of the airfield. The Oudtshoorn Aeroclub was, therefore TFSA had no right to operate there. But legalities like that don't seem to matter in Oudtshoorn: the then municipal manager, Noël Pietersen, (since fired with the standard multi-million-rand pay-off) instructed a municipal employee called Baartman to issue a letter

that it was mostly the lack of consultation that had raised their ire – along with the effects the flight school was having on the town and the area. They are concerned about indications that the academy will in time use jets and military aircraft too; TFASA had announced that it owns such planes and intends to use them. Fuelling such worries is the fact that the Civil Aviation Authority of SA (Caasa) has issued TFASA with a top-level Class 1 licence, which allows it to use and test any type of aircraft, including jets. Residents say the flight school's footprint already covers a few hundred square kilometres – which will expand if the flying extends to military aircraft.

Residents warn too of a "real risk" of a plane flown by an inexperienced pilot ditching into a house – or even Wesbank Primary School. They calculate that, based on the amount of flying activity, statistics suggest that Oudtshoorn can

expect “an incident” 1.5 times a year. They point out there are far more suitable locations for a flight school, and cite for example nearby Willowmore and Beaufort West, or even military facilities like Langebaan and Overberg.

- Complaints about the arrogance of the people behind the flying school. It’s claimed that one aeroclub member boasted to residents: “You haven’t seen anything yet, we’re going to bring in hundreds of planes, so get used to it.” And it is claimed that Oudtshoorn Aeroclub chairman David Pienaar said to a resident: “Who do you think got the Chinese flying school into town? It was us. I am a mover and shaker in this place. By the way, would you rather have a plastic bag squatter camp on the aerodrome property or a flying school?”

- The fact that the supposed economic benefits are nonsense – some guest houses may benefit from having the Chinese cadets as lodgers, but just as many suffer because tourists stay away.

- They object to the lack of consultation, the lack of due process and the apparent illegality of the whole thing. They also object to the fact that the illegality is being overlooked – evidently because the new colonial power is involved.

- They make a startling claim that the letter authorising TFASA to build the hangar was bogus, in that no council meeting to approve it ever took place. They complain that there’s been no public participation or consultation – only one badly advertised and misleading public meeting with no municipal officials in attendance. They point out that there’s no spatial development plan, framework plan or integrated development plan; that there’s been no investigation into the impact of the academy on the town and its residents, and that their activity contravenes municipal by-laws and noise regulations, as well as provincial and national laws.

- The residents complain that the council is unable or unwilling to deal with the matter.

The Patel report recommended that the Aeroclub’s lease be terminated – which did not happen. The *Cape Times* report of 18 months ago said the council had adopted Patel’s suggestion, but ANC mayor Gordon April failed to implement it. When the DA took control, the party hemmed and hawed, claiming that a lot of money had been invested in the project. The council is now run by an ANC-

China’s sky-high demand for pilots

CHINA WILL NEED TO TRAIN TENS OF thousands of pilots over the next 20 years, *China Daily* reported in September. The newspaper quotes Boeing as saying that the superpower will need 98,000 additional pilots by 2033.

According to a high-ranking Boeing official: “The Asia Pacific region is seeing tremendous economic growth and is set to become the largest air

travel market in the world.”

The demand for pilots in China is even higher – half a million by 2035 – if a Reuters article in November is to be believed. The agency says that China’s own civil aviation authority can train only 100 students a year and its dozen flying schools are stretched to the limit, which is why the country’s wannabe pilots are being forced to seek training abroad.

led coalition and Gordon April is back at the helm, yet the flight school doesn’t seem to be on the agenda at all.

As for the provincial authorities, the locals say they keep fobbing them off with cryptic references to “sensitive issues” and “higher authorities”. They report that former MP Jac Bekker told them after he’d had discussions with Western Cape ministers Anton Bredell and Alan Winde: “This is the way things work in the new South Africa... we [*Who? The DA? – Ed.*] owe the Chinese [*For what? – Ed.*] ...the laws we seek protection under are not relevant... they are here to stay so we better negotiate with them.”

The residents conclude by saying the authorities have effectively “handed over administration of our town to a foreign company, their local managers and a select few business investors while they sit idly by, taking instructions from these parties as though they were the de facto law and government”.

Predictably enough, the people behind the academy got off with a slap on the wrist – a fine of R360,000. But the residents are appealing, hoping someone eventually will consider the wider issues, not simply the issue of a tower and a hangar.

In the meantime, individual residents have entered the fray. One, Dr E Heydenrych, sent an impassioned letter to Oudtshoorn’s municipal manager, in which he broaches health issues – for example, the fact that noise causes health problems like hypertension and heart disease. He says the children of Wesbank Primary will find it hard to concentrate with the constant noise they’re subjected to. He himself has aircraft flying over his home at three-minute intervals, and suffers from stress as a result. Describ-

ing how the flight activity affects his life, he says he has to suspend conversations and that even his sleep is disturbed. He also rails at the secrecy, the apparent illegality, and all the talk of offshore bank accounts. He ends with a flourish: “I expect the local authority to firstly serve residents, before you worship and bow down before those who train future overseas military pilots.”

Orpa, too, continues the fight. On 3 March it wrote to the Chinese Ambassador in Pretoria, Tian Xuejin – in Mandarin, translated at considerable expense – pointing out that when the Chinese premier visited Africa recently he had said: “China and its business interests coming to Africa will respect the laws of the land and the rights of the communities they operate in.” Orpa says that, notwithstanding the fact that three Chinese government organisations are involved with the academy, no formal authorisations were ever obtained. Chinese courtesy seemingly doesn’t extend to replying to letters.

On 11 August, Orpa sent a letter to a number of parties, including MEC Anton Bredell, Premier Helen Zille and the Public Protector. Among several issues, is a query as to why no safety restrictions have been imposed on the flight school – for example, limiting flights over built-up areas – when such restrictions apply elsewhere, such as in Cape Town. Again, no response.

One question that the letter might have posed (but didn’t) is: Is the DA provincial government turning a blind eye to what is typically ANC-style behaviour – the misuse of public assets and the kissing of Chinese arse – simply because it is white males who are doing the abusing and the kissing?

Noseweek asked Oudtshoorn Aero-club's David Pienaar for comment on the various issues raised in this article but he didn't reply. Also TFASA's Jean Jacques Rossouw. A tad sarcastically, he responded: "You obviously have all the facts at your fingertips, as one would expect from an esteemed *Noseweek* journalist. If you are happy with all the facts, please go ahead and publish. No comment from my side. Let's not let the facts ruin a good story."

The very next day Rossouw's attorney Ron Wheeldon called *Noseweek*, possibly to save Rossouw from himself. He made it clear that his client's intention was simply to give some context and back-

it must not extend to military training.

And how about jet aircraft?

Wheeldon confirmed that TFASA has access to jet aircraft. He said that jet training is already taking place at Bisho airport but he thought that was unlikely to happen in Oudtshoorn because the runway isn't long enough.

Couldn't it be extended?

He didn't think so. (It turns out the training of Chinese pilots is taking place in various locations – Oudtshoorn, George, Beaufort West and Bisho).

Wheeldon said that Rossouw had been the architect of the Oudtshoorn flying school – that he had chosen the town because it has the best weather conditions

news for small towns, that they create jobs and constitute a good use of municipal land. He cited Port Alfred as a success story, and Hermanus as an example of what can happen if an airfield isn't used – the land that was once the Hermanus airfield is now part of a township.

Wheeldon finally suggested that the noise really isn't that big a deal, and that living in Oudtshoorn is no different from living near Rand or Grand Central airports in Gauteng.

(Oudtshoorn residents have pointed out that they chose to live in the town for the peace and quiet.)

Wheeldon claimed that most of the

The Aeroclub entered into a favourable agreement with the municipality to lease the airfield at a rental of exactly no rands

ground. Although denying that Rossouw (along with fellow director Yuming Fu) has a 25% shareholding in AIFA, Wheeldon could not divulge Rossouw's shareholding or reveal whether these shares are held in the British Virgin Islands. Neither was he prepared to reveal too much about Rossouw's background, but he did say Rossouw was a test pilot who had worked closely with well-known test pilot Dave Stock, who died in a flying accident a few years ago. He said Stock had impressed the Chinese as a test pilot and that it was he who had persuaded them to use South Africa as a base for pilot training.

Why do the Chinese train here?

Attorney Wheeldon says China "is opening up its skies" and needs literally thousands of commercial pilots, but it doesn't have training facilities that are up to Western standards. Hence sunny South Africa. [See box story.]

Commercial pilots?

Wheeldon said he was pretty sure all the cadets are civilians. He did, however, mention that some military personnel had been trained in Cape Town a few years ago, which had caused a stink.

He said that the national intelligence people had been in contact with Rossouw and told him that, even though the government is OK with flight training,

(260 clear days a year), and that he had taken the idea to officials at the municipality, who had been delighted with it. He also said that there is an Integrated Development Plan for the area, and this refers to economic development and in particular a cargo airport.

Wheeldon said flight schools are good

residents of Oudtshoorn are happy that there's a flying school and that the opposition to the enterprise is being driven by a very small number of objectors. He mentioned one name in particular – that person happens to be one of the people who claim to have received threatening phone calls. ■



BLACK DAY FOR WHITE ENCLAVE

Dream of exclusive community
lands far-rightists in the red.

By Tina Weavind

KLEINFONTEIN, POOR COUSIN OF THE all-white town of Orania, is being torn apart by death threats, litigation, a qualified audit and calls from residents for the place to be put into liquidation. Although Kleinfontein Boerebelange Koöperatief Beperk (KBK), the far-right-wing Afrikaner enclave outside Pretoria, has been riven by internecine squabbling for years, more recently the management's reaction to "a disgruntled splinter group" calling itself the Kleinfontein Aksie Beweging (KAB), (Kleinfontein Action Movement) has rent the community.

but stopped short of admitting it had emanated from within Kleinfontein's leadership.

Entitled "*Riglyne vir 'n geïntegreerde ontwikkelingsplan vir Kleinfontein*" (Guidelines for an integrated development plan for Kleinfontein) the paper is peppered with the kind of paranoid language last heard in the 1980s. Some examples:

- "The KAB 'splinter' element consists of only a few fanatic, likely deviant, individuals. They need to be removed."
- "The possibility exists that internal subversion and destabilisation is being

in the KBK office has, in the past, been leaked. The best-known informant has however, recently retired. Hopefully, at present, we have only trustworthy personnel on duty."

The community of about 1,300 residents living together on a 1,700-hectare property, bases its exclusivity on the controversial Article 235 of the constitution, which recognises "the right to self-determination of any community sharing a common cultural and language heritage,

To move into Kleinfontein you need to want to protect the Boer Afrikaner culture

A document leaked to *Noseweek* suggests intrigue worthy of a John le Carré novel, set in one of apartheid's last outposts. A KAB member, who asked not to be named, said the document was penned by one of the Kleinfontein directors and that another director, disillusioned with the management, had stolen the document and handed it over to the KAB.

Kleinfontein board chairman Jan Groenewald told *Noseweek* he was aware that the document was freely available

fanned by external influences."

- "The Safety Committee is experiencing practical challenges."
- "Motivation and community spirit have been seriously disrupted as a result of ongoing subversion."
- "Overt and clandestine action must be taken."
- "Counter-insurgency methods must be used against the subversive group".

The document also refers to a spy in the ranks: "All confidential information

within a territorial entity".

Residents are carefully screened to ensure they comply with membership requirements. To move into Kleinfontein, you need to want to protect the Boer Afrikaner culture, which includes preserving the "true" Afrikaans language. And you need to be Christian. You also need to be white.

But the hundreds of members of the action group have become increasingly vocal in their accusations that the coop-





erative is being financially mismanaged and is technically insolvent since it is unable to pay its debts when due.

The latest financial report for the year ended February 2014 was qualified, as no provision had been made to meet a R5-million VAT demand from the Receiver of Revenue. However the directors' report attached to the financials explains that no provision was necessary since the claim, first made in 2012, has been taken on appeal.

The directors reported that their assessment of the financial situation is backed by legal opinion from an unnamed senior advocate and an unnamed tax specialist. They say the issue is immaterial, the provision doesn't need to be made and that the cooperative is solvent.

But in the leaked "Guidelines" one of the biggest financial concerns is "the threatening VAT assessment by SARS". Another is the never-ending litigation draining funds.

In the financial report, the Kleinfontein directors admit that if provision



Trouble in paradise? Snapshot glimpses of life in Kleinfontein are deceptive – it appears calm, but there's trouble back at the ranch



had been made for the VAT claim, liabilities would have outstripped assets and Kleinfontein would be technically insolvent.

Residents were warned in a speech by their financial director Bonnie Fryer, after the recent AGM, that many of them faced being forced into white squatter camps should a court application by splinter-group member Sakkie Booysen to the Independent Regulatory Board for Auditors be upheld.

Booyesen claimed in his application that Pretoria auditors, HP Audit, had been negligent in their assessment of the cooperative and that it was too cash-strapped to change its legal status from an informal settlement to a formal residential company in which residents are given title deeds. He recommended either liquidation or dissolution of the company.

Deputy President Cyril Ramaphosa met with the Boere-Afrikaner Volksraad (Boer-Afrikaner People's Council) in August to hear its plans for exclusive living areas – or provinces – in which like-minded Afrikaners could live together. While the council said the meeting had been conciliatory, the parlous state of Kleinfontein highlights potential pitfalls in the ideology. The chasm between the leadership and the action group has resulted in ruinous court cases, many of which are connected to the non-payment of levies.

One of the major issues is that members do not have title deeds to their properties. Instead, they buy shares in the cooperative – a small business – which owns the property. Because residents' shareholding status is so uncertain, Kleinfontein's affiliated cooperative bank – known as the KKSK, a type of registered *stokvel* (small savings club) regulated by the Reserve Bank – is the only financial institution that will offer loans using the internal share certificate as surety.

Several members of this group have withheld portions of their levies, and hundreds of thousands of rands' of litigation has ensued. The withholding of levies and the soaring legal costs are putting pressure on the cooperative's already depleted coffers. Ironically, since the levies are used to fund Kleinfontein's operations, protestors pay legal fees both for and against themselves.

The protesting members claim Kleinfontein's directors misrepresent the le-

gal status of the residents' investments by making it appear as though they, the residents, actually own some part of the cooperative property.

In response, Kleinfontein directors have said the contracts signed with residents clearly lay out the legal position of a member buying into the cooperative.

KBK chairman Groenewald said the action group might be hoping to destroy Kleinfontein in order to sell the liquidated assets.

As a result of the KAB's repeated calls for intervention, a two-year investigation by the Companies and Intellectual Property Commission (CIPC) into the affairs of the cooperative was completed in April this year. In the preliminary findings, Astrid Ludin, the commissioner appointed by the CIPC, approved a recommendation that the place be urgently changed from a registered cooperative to a share block or a freehold arrangement, to protect the residents who, the action group claims, have only questionable legal rights to the property investments into which they have sunk their savings.



Echoes of the past

ONCE YOU'VE SIGNED THE VISITORS' book and passed through the huge black gates of Kleinfontein, there is no doubt you have moved away from the South Africa we know. One of the things that grabs attention is a large cement bust honouring Hendrik Verwoerd, the architect of apartheid. Behind the sculpture is a small shopping centre, with most of the little stores boarded up. In one corner though, a sparsely stocked home-industry store sells koeksisters and basic supplies.

Further into the estate are the houses, mostly face-brick, modest homes with neat gardens adorned with flowerbeds. Several are in the process of being built or renovated. Along the dirt roads, white labourers service the drains and culverts, helping to maintain the basic infrastructure.

Jan Groenewald, chairman of Kleinfontein's board of directors, and his wife live in one of the homes at the end of the road. Groenewald was a founder of the Af-

rikaner Weerstandsbeweging (AWB) and was the creative talent behind the party's swastika-like emblem. On his office bookshelves are non-fiction tomes about the Third Reich.

Groenewald refers often to Article 235 of the South African Constitution, which recognises "the right of self-determination of any community sharing a common cultural and language heritage, within a territorial entity".

However in a recent document allegedly penned by one of the Kleinfontein directors, there is an admission that the controversial Article 235 has never been tested in a court of law.

Several roads down from the middle-class homes, among a clump of trees, are the shacks, tents and battered caravan homes of the poor white community that has found shelter in Kleinfontein.

Further on, past a small school, is a fenced and meticulously maintained graveyard dating back to the Anglo-Boer War.



The villagers sought a peaceful retreat, but harsh realities are spoiling the atmosphere

Groenewald says that for years efforts have been made to formalise Kleinfontein and that all legal requirements were being followed.

However getting the Environmental Impact Assessment will put more strain on Kleinfontein's coffers, as a fine of up to R5m will need to be paid to the Gauteng Department of Agriculture and Rural Development "for the activities that took place on the site without prior authorisation".

Anè Agenbacht, senior environmental assessment practitioner at environmental consultants Bokamoso, says this fine will be payable before the department decides "to either approve the [residential] activities [on the property] by issuing an Environmental Authorisation or by rejecting the application".

The Kleinfontein directors had not

responded to questions about the effect this might have on the finances of the cooperative at the time of going to press.

However in their responding remarks to the CIPC's preliminary findings, the directors said the cost of the township establishment would be determined by the final negotiation with the relevant authorities and cost would be negotiated "with regard to the financial ability of the members".

Also affecting the dire financial status of Kleinfontein has been the withholding of levies by several members of the protesting group, which has resulted in almost a million rands' of litigation in the past ten years.

Meanwhile the atmosphere in Kleinfontein seems increasingly toxic. A note left outside the home of one of the members of the splinter group said that "terrorists" threatening the continued existence of Kleinfontein had no place there; such people should be "gejaag en vermoor" (hunted down and killed). Groenewald distanced himself and the directors from the message, saying it was despicable and that it discredited management.

While Kleinfontein is billed as a cultural oasis of like-minded individuals isolated from the rest of democratic South Africa, the notion of love thy neighbour has clearly faded.

Despite having refused to respond to queries on a number of occasions – and having ignored a five-day deadline as *Noseweek* prepared to go to print – Johan Kriek, lawyer for the Kleinfontein directors, demanded another two weeks to consider their position, threatening legal action otherwise against this reporter and *Noseweek*. ■

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The price of depression

Under-budgeting for mental health is costing SA billions. By Chris Bateman

GROSSLY INADEQUATE GOVERNMENT spending on mental health – a disease affecting one-in-four South Africans – is costing South Africa 2.2% of its annual GDP, with 230 attempted suicides recorded daily and 48% of people living with HIV/Aids suffering from a mental health condition.

The latest figures from the country's largest medical aid, Discovery Health, show a 41% increase in mental disorder payouts (between 2008 and 2012), rising from R96.7 million to R494.6m, but figures for the public sector (where over 80% of the population are treated), remain unavailable. These telling snapshots emerged from presentations given by several top mental health researchers at a summit held at the University of Cape Town.

Neuropsychiatric disorders are now the third biggest contributor to the local burden of disease, trailing close behind HIV/Aids and Ischaemic heart disease. Globally, South Africa languishes among the bottom four countries in providing mental health treatment, recently cutting mental hospital beds across all provinces by 7.7% – with half of all health facilities failing to meet mini-

imum mental health quality standards.

According to Professor Crick Lund, of the Department of Psychiatry and Mental Health at the University of Cape Town, depression is costing the country “more to not treat, than to treat”. He and several fellow UCT psychiatrists and epidemiologists currently estimate mean lost earnings due to severe mental illness (major depression and anxiety disorders), at R54,121 per adult, each year. A South African Stress and Health Survey projected the total annual cost to the country in lost earnings at R40.6 billion, as far back as 2003, (equal to 2.2% of GDP), dwarfing direct national department of health spending on mental health of R665.52m, (2005 figures).

“Depression is highly prevalent and has a major social and economic impact in South Africa. Our preliminary findings indicate that providing treatment for mental disorders like depression can actually improve individual and household economic circumstances. Poverty is associated with increased prevalence of mental health disorders, increased severity and a longer course and worse outcome. We need to urgently invest in and scale up mental health care,” Lund stressed to summit delegates.

Further illustrating the social and economic impact, he said measuring “days out of role,” (the inability to work or carry out day-to-day activities) put the average individual figure at 28 days a year for anxiety disorders and 27 days a year for depression. The 12-month-prevalence (the number of people who report having symptoms meeting the diagnostic criteria for anxiety, mood and substance disorders) in South Africa currently stands at 16.5%, with a lifetime prevalence of common mental disorders among adults pegged at 38%.

Crick reported women as having twice the risk of depression as men, but said men had twice the risk of substance abuse than women.

Living with HIV doubled the risk of depression. “Just treating with anti-depressants leads to better adherence [*to anti-retroviral drugs*], an improved CD4 cell count and changes the viral load.” Lund said the national health department was “keen” to include anti-depressants in the drug regime of HIV-positive patients, adding that it was vital to ask people undergoing ART about “what else is happening in your life, do you need to see a counsellor?” Only one-in-four South Africans living with a mental

disorder had any access to appropriate care, he said. The country's (in)capacity in terms of available psychiatrists and psychologists emerged during question time in parliament in November – and the fact hardly inspires confidence that anything will be changing any time soon.

Limpopo and Mpumalanga have 24.2% and 33% of their psychiatric posts filled, while the North West province has only 31% of the psychologists it needs. Only the Western Cape has filled all its vacancies for both disciplines. The number of psychiatrists per 10,000 population nationally stands at 0.32 and the number of clinical psychologists per 10,000 population is 0.7. The national health department said it had “embarked on a process” to develop workforce staffing norms to ensure equitable distribution

Health at UCT, drew a distinction between trauma and PTSD. He said motor vehicle accidents were among the biggest contributors to PTSD in South Africa. Merely witnessing trauma on its own was unlikely to cause major PTSD – however the burden of trauma in South Africa was “so huge” that the effect was unavoidable. He singled out group vigilantism as a major contributor to PTSD and said mental health generally in South Africa was “underdiagnosed and undertreated”.

Stein is leading a research team analysing blood samples from animals at the time of major trauma to predict PTSD, based on the genes in white blood cells. He is also a world authority on brain functional imaging and genetic studies.

Professor Stefan Hofmann, a world

psychiatrist, the late Dr Joseph Wolpe, whose initial PTSD work with World War II soldiers moved global thinking away from a Freudian psychoanalytic approach to a more pragmatic systematic “desensitisation approach”.

Hoffman decried the supremacy, locally, of what he termed less successful therapies, saying CBT was a “hugely effective treatment” with a sound empirical foundation that was evolving with close links to psychiatry and neuroscience. Its newer approaches included strategies to augment specific processes with pharmacological agents (in more severe cases). CBT also had new ways of conceptualising and classifying mental disorders, as well as tailoring treatment to the specific cultural background of the patient. A 2009 global meta-analysis

Eleven percent of non-natural deaths in South Africa are due to suicide

of human resources for health, using World Health Organisation “Workload Indicators of Staffing Need”.

According to the South African Depression and Anxiety Group, (Sadag), the largest NGO of its kind in South Africa, there are 23 known suicides daily across the nation. A full 11% of all non-natural deaths in the country were also due to suicide. Sadag deals with 400 calls a day on 15 helplines and gets 600,000 hits a month on its website, offering 98 support groups.

Sadag estimates that about six million South Africans could be suffering from Post-Traumatic Stress Disorder (PTSD), and that 82.1% cannot afford private health care. One survey revealed that about half of all South Africans do not see mental health as a priority. A total of 8,000 South Africans chose to end their lives every year. Figures from the Council for Medical Schemes (CMS), based on medical aid claims paid out, show that the incidence of bipolar disorder increased by 228% between 2006 and 2011. (From 0.7% to 2.3% of every 1,000 medical aid members).

Professor Dan Stein, Chairperson of the Faculty of Psychiatry and Mental

expert on cognitive behavioural therapy (CBT) and leader at Boston University's Clinical CBT Programme, told the summit that it was “shocking” to him that CBT was not the first-line treatment in the very country that had helped pioneer it. Referring to South African

showed CBT to “consistently outperform or equal all other treatments”.

Hofmann said a British study had shown that by training an extra 3,600 CBT therapists, a saving of R12,6 billion was achieved. CBT was now part of a “global sea-change in therapy”. ■



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Awkward allies... US Secretary of State John Kerry and former Burkinabè leader Blaise Compaoré

Arsonist firefighter. France lifts deposed Burkino Faso president from flames

SUMMING UP THE 27-YEAR RULE OF Burkinabè ex-President Blaise Compaoré as the opposition gathered on the streets of Ouagadougou, a French political analyst settled for “*un pompier pyromane*”, a firefighter who is also an arsonist. He explained how Compaoré, with the support of Libya’s Colonel Moammar al Gaddafi, had backed rebellions in neighbouring states and had had ambiguous relations with insurgents in Mali and Niger.

Distancing himself from these conflicts, Compaoré would then offer his good offices in securing “a negotiated peace”. Accordingly, Mali has been openly celebrating the downfall of Compaoré, while others, such as the widow of murdered Burkinabè leader Thomas Sankara, and Liberian human rights activists, would like him tried for murder and war crimes.

France and the US have found Compaoré willing to host their security officials, so turned a blind eye to his pyromania. French special forces helped whisk him off to the Ivorian capital, Yamoussoukro, where he can enjoy some legal protection, for now. With Compaoré’s exit, the dynamics of regional conflict have also changed. The state sponsors of war and terror

have been eclipsed – Gaddafi is dead, Charles Taylor is in jail and Compaoré in exile. In their place, jihadist and nationalist insurgents exploit political failures

Libya’s internationally recognised secular government is pitted against the Libya Dawn coalition of jihadist fighters and the Muslim Brotherhood. If defeated, many are likely to head south to help like-minded groups attack towns and UN peacekeepers in northern Mali.

Chadian President Idriss Déby Itno is the one regional leader whose stock looks likely to rise amid this chaos. Having seen off a couple of insurgencies and signed a non-aggression pact with their sponsor, Sudan, Déby has made himself vital to France’s military operations in the region.

To the south, Chad has a key role in the uneasy regional coalition against Boko Haram’s spread from north-east Nigeria into Cameroon and Chad. France has based its counter-terrorist Operation Barkhane in Chad’s capital Ndjamená, which is also the headquarters of the regional force tasked with stopping Boko Haram from launching cross-border operations.

This year, Boko Haram’s military operations have grown and it has be-

come more dependent on rear bases in neighbouring countries, which has started to disrupt regional trade. With police units driven out, criminal gangs operate in tandem with Boko Haram.

In August, Boko Haram approached Déby through an intermediary to ask him to broker a ceasefire with Nigeria. He consulted former Borno state governor Ali Modu Sheriff, who arranged a meeting with President Goodluck Jonathan in Ndjamená. When his Chief of Defence Staff, Air Chief Marshal Alex Badeh, announced on 17 October that Nigeria had reached a ceasefire agreement with Boko Haram it was taken seriously. Yet as Boko Haram units intensified their attacks in north-eastern Nigeria after the announcement, many questioned the bona fides of the government’s interlocutors. Reports from the area suggest several more school children are missing after recent raids. But senior Chadian and Nigerian officials insist the talks are continuing with credible representatives of Boko Haram. Even sceptics who saw the ceasefire claim as preparation for Jonathan’s formal announcement that he would run again for the presidency next year, concede that it could backfire if the talks lead nowhere.

The crises in Mali and northern Ni-

geria are undermining much of the past decade's economic and political progress in the region, turning West Africa's leaders into firefighters racing from one crisis to the next. And the fires are growing fiercer: alongside the insurgencies are failing political systems – some barely recovered from civil war – declining terms of trade, worsening financial pressures, climate change and now, with Ebola, a major public health crisis.

Some of the crises have grown out of more positive and longer-term trends. The West African public is stepping up pressure on governments in the region's increasingly open societies. Civil activists frequently question governments' management of oil and gas revenue and demand the disclosure of contracts and tax payments. It was popular agitation, coupled with claims



The reports on pages 30–32 are from UK-based **Africa Confidential** (www.africa-confidential.com), the authoritative fortnightly bulletin on Africa.

– with wage cuts and redundancies on the state payroll – and abandoning some much-needed capital investment to develop power and water services, said an official close to the talks. By further reducing foreign exchange earnings, the falling oil price is worsening the budgetary problem.

Nor is Nigeria, now Africa's biggest economy, immune from international and local financial pressures as oil prices slump. Should the price of its Bonny Light fall below \$78 a barrel for a sustained period, the government will have to draw on the \$4bn left in its Excess Crude Account – or cut back sharply on budgeted spending. Either option is problematic for Jonathan, only months away from a general election. Reflecting these concerns, share prices have been tumbling on the Nigerian Stock Exchange.

By reducing foreign exchange earnings, the falling oil price is worsening budgetary problems

by the former Governor of the Central Bank of Nigeria, Sanusi Lamido Sanusi, that the state oil company had failed to account for US\$40 billion in export revenue, that forced Jonathan to commission a forensic audit of the accounts – due to have been released last month.

The business class is growing in strength as it invests in local mineral resources, and makes tentative steps to rebuild the manufacturing base destroyed by the structural adjustment policies of the 1980s.

Not only does West Africa have some of the world's richest reserves of iron ore, oil and gas, along with productive tropical and savannah agriculture and forestry, it is also home to some of the most determinedly entrepreneurial and cosmopolitan mixes of peoples on the continent. Yet it is the prospect of riches that has sparked many of the region's conflicts that have undermined economic development.

Five years ago, the directors of the International Monetary Fund and World Bank were congratulating West African governments on better macroeconomic management and their handling of the effects of the West's financial cri-

sis. Some sad sirens of Afro-pessimism were quick to seize on the "Africa Rising" mantra, as banks marketed sovereign bonds to willing buyers in Côte d'Ivoire, Ghana and Nigeria.

A new set of economic troubles is assailing the region's economies: most immediately threatening for state revenue in Cameroon, Chad, Ghana and Nigeria is the fast-falling international oil price. More widely damaging is the slowdown in China, the leading trading partner for most economies in the region, together with what IMF Director General Christine Lagarde calls the "new mediocre" in most other industrialised economies. That means lacklustre growth and cash-strapped and short-termist governments. There are signs the IMF and World Bank are going to be busy in West Africa; their officials speak of the need for economic reforms as big as those in the 1980s.

Ghana is trying to agree a three-year reform programme with the IMF but its officials find the levels of public-sector spending cuts demanded politically unpalatable. President John Mahama's government faces a tough choice between deep cuts in recurrent costs

Nigeria has negotiated oil price crashes before, some of which have forced governments into radical reforms. This time, the question is the effect these economic problems will have on a new breed of national capitalists, such as Aliko Dangote and companies such as Oando and Seplat, as well as on private equity investors, and on public political feeling.

With worsening economic pressures, officials fear the proposed remedies will add to a long list of discontents: youth unemployment; the rising cost but unreliability of electricity and water; static or falling wages; rampant corruption and rent-seeking by the political and business class. Those political discontents are likely to play out in the sort of street demonstrations seen recently in Burkina Faso and, earlier this year, in Côte d'Ivoire, Ghana, Nigeria and Senegal. Across the region there are an unprecedented number of presidential and parliamentary elections due in the next three years, which could trigger political change or confrontation. The signal from Burkina Faso is that people are no longer waiting for governments to take the initiative. ■

Zambia's Acting President Guy Scott meets the country's military chiefs

Zambian succession. Competing factions can't wait to bury the president

ZAMBIA'S ACTING PRESIDENT GUY Scott is finding out just how difficult the management of the governing Patriotic Front (PF) can be. On 3 November he was obliged to reinstate Edgar Lungu, a powerful contender for the PF presidential nomination, just 24 hours after sacking him as PF Secretary General. Scott had moved against Lungu for violating the ban on infighting ahead of Michael Sata's funeral on 11 November, and had replaced him with the Chipili MP Davies Mwila, who is close to Scott and the former PF Secretary General Wynter Kabimba.

Cabinet ministers and senior PF officials prevailed on Mwila to decline the appointment. Scott then replaced him with Kawambwa Central MP Nickson Chilangwa but, after Sata's family intervened, Scott had to reinstate Lungu.

Sports minister Chishimba Kambwili is believed in Lusaka to have had an influence on the fighting between gangs of youths in Lusaka's suburbs. Politically weaker now, in the absence of Kabimba and Sata, Scott has lost this early test of strength to the so-called Bemba Faction in the PF.

Mwila resigned as Deputy Defence Minister in September 2013 after protracted differences with his boss, the former Defence Minister Geoffrey Mwamba. Mwila believed that members of Mwamba's family and close associates were benefiting unduly from government contracts. Mwamba denies any wrongdoing.

Some of Sata's immediate family threatened to take his body away from Lusaka and bury it in his native

Mpika district unless the factions stopped warring.

After backing down from his ambitious plan to succeed Sata himself, Finance Minister Alexander Chikwanda has opted to back Lungu for the PF presidential nomination and, according to political sources, he has promised to use his influence and connections with the business community to raise funds for Lungu's campaign.

On 3 November, Chikwanda organised a meeting attended by Lungu and PF Secretary General Edgar Luo at the Chinese restaurant Don Feng to mobilise support for Lungu. This infuriated Scott who had banned all campaigns and Central Committee meetings until after Sata's funeral.

After talks brokered by PF Central Committee Chairwoman Inonge Wina, Scott agreed to reinstate Lungu on condition that "any member of the Central Committee who intends to stand for election as party president and presidential candidate for PF, including the Secretary General or holder of any other position that may present a conflict of interest, will be required to immediately step down from those positions".

Lungu is now set for a fierce battle for the Bemba Faction's favours with presidential son Mulenga Sata. Lungu is an easterner, not Bemba, but it is Chikwanda's confidence in him which is the key factor. Lungu can also point to Sata having appointed him Acting President in his absence.

The PF's other group, the Kabimba faction led by *The Post* publisher and editor Fred M'membe, is yet to identify

a candidate. The possibility of a Kabimba comeback is touted, but his camp is unnerved by Lungu's appeal, which also extends to both opposition parties.

Whoever it may be, the PF candidate is expected to win the January election, riding on the popularity the party gained from the huge infrastructure programme, as well as the sympathy vote for Sata.

Cynics say the opposition likes Lungu because it has low expectations of him. "Eighteen months is enough for Lungu to mess things up and then come 2016, it will be an easy race," one opposition politician said.

As for the opposition parties, they remain fragmented and are largely expected to play second fiddle in the January polls. Former President Rupiah Banda is likely to step into the race and some activists want him to lead an opposition alliance. The president of the United Party for National Development, Hakainde Hichilema, would probably be opposed to Banda's leading such a pact but talks continue.

Banda is in an awkward position. After losing the election to Sata in 2011, he did not imagine he would have another chance so soon and therefore allowed Nevers Mumba to take over the leadership of the Movement for Multi-party Democracy. Now, though, Banda is anxious to win the MMD's nomination and has the money to run a serious campaign to wrest it from Mumba.

Banda could, however, have his work cut out: he is 77 years old and, having lost two presidents in their 70s while they were in office, Zambians may well not wish to tempt providence. ■

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Oz odds. Mixed swag

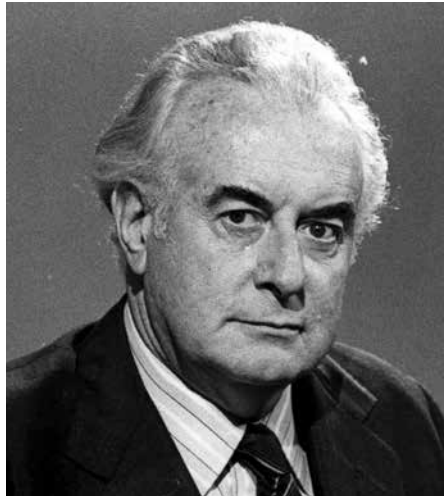
ALL OF SYDNEY (AND AUSTRALIA) was relieved when 11-year-old Michelle Levy, who had disappeared from her Bondi home in a white party dress, returned two nights later. While thousands had combed the streets, she had spent most of the time reading on the sofa of a benevolent 50-something stranger, and gone shopping with him too.

The questions that raged afterwards: Should an 11-year-old have known better after her fight with her dad over a chocolate bar? Should “the brat” be punished, and somehow be made to pay back every dollar of the money she cost the emergency services? Is running away a cry for attention? Should she be made to do community service to understand how lucky she was? And if she had been from Sydney’s much poorer west, would she have made front page news for days?

Back home again, Michelle tidied her room after the mess the police had made, ate dinner and chatted about the man she said had helped her.

- Why exactly a lawyer would secretly film himself asking a more junior employee for sex 78 times in one hour is incomprehensible, but a Melbourne solicitor who was found guilty of professional misconduct – and who claimed his behaviour was a function of Asperger’s Syndrome – did just that. Having paid \$100,000 (R974,000) after a harassment suit, his ban from practice was reduced on appeal to two months, with the tribunal rejecting his Asperger’s claim and commenting that while he was “seen as a highly competent, respected, intelligent and outgoing solicitor and friend with impeccable credentials”, his behaviour was that of “a persistent sexual predator capable of considerable cunning, humiliating behaviour and deceit”.

- Richard Flanagan, who won the Booker Prize with *The Narrow Road to the Deep North*, his historical fiction novel about Australian World War II prisoners working and dying on the



The late Gough Whitlam former prime minister of Australia

Thai-Burma railway, told a BBC interviewer asking about the government’s environmental and energy policies that he was “ashamed to be Australian when you bring this up”.

- The president of the Australian Conservation Foundation, millionaire businessman and a consultant to an earlier incarnation of the Liberal Government for ten years, Geoff Cousins, says the Direct Action Plan that was introduced on 30 October after the scrapping of the Labor Government’s carbon tax is “Mickey Mouse” and stitched up with the leader of a mining company. (It was passed with the backing of Clive Palmer, mining magnate and leader of the Palmer United Party.)

Its centrepiece is a AU\$2.55 billion financial incentives emissions reduction scheme whereby the government essentially will pay polluters not to pollute as much, or to increase their energy efficiency. It is voluntary and there will be no penalties for those who continue business as usual. As one letter writer to *The Sydney Morning Herald* said, “When are we going to start paying people 50c eve-

ry time they stop at a red light, or \$10 when they don’t speed or even \$100 for not robbing a house this week?”

- In the meantime, Australia had its hottest October on record, going back to 1911 – in New South Wales, a full four degrees higher than the norm, according to the Bureau of Meteorology. Two other states, Western Australia and South Australia, maxed out too.

- Gough Whitlam, a towering figure in Australian politics, has died.

Whitlam a former Labor prime minister whose 1975 sacking by the Queen’s representative in Australia, then Governor General Sir John Kerr, brought the country to a standstill (and apparently the closest to civil war it has ever come, but, in the Australian way, this soon blew over) was responsible for free higher education (now overturned) and many other landmark reforms including no-fault divorce.

Funding for his reform programmes ran into difficulty, in part as a result of the first oil crisis, which led to a constitutional crisis with threats to “block supply” in the opposition-controlled senate.

Colluding with Kerr was Liberal leader Malcolm Fraser, who became PM after Whitlam’s dismissal and who Whitlam at the time famously labelled “Kerr’s cur”. But last month Fraser helped lead the tributes for his former political nemesis.

Other bon mots: On the campaign trail, Whitlam was once persistently hectoring by a man demanding to know his opinion on abortion: “Let me make quite clear that I am for abortion and, in your case, Sir, we should make it retrospective!”

On a more serious note, as we lurch ever backwards: “A conservative government survives essentially by dampening expectations and subduing hopes. Conservatism is basically pessimistic, reformism is basically optimistic.” There it is, in a nutshell, as apt today as it was in Whitlam’s heyday. ■



L-word. A passion play

LOVE, LOVE, LOVE, LOVE, LOVE! – THE long-ago song was barked by Charlie Chaplin in a manic banjo recording. One word. No hearts and flowers. The great tragic clown knew that, while choirs of poets and besotted swains will labour forever to define the L-word, additional lyrics are actually superfluous. Love defies definition.

In *The Children Act*, Ian McEwan has wrought an elegant, wickedly observant, dramatic conflict between high intellectual endeavour and helpless passion. And what better setting than the high court, where learned judges seek to impose rationality on emotional babblers. He has chosen a particularly explosive battlefield: the wars over child custody.

Wisdom on the bench is all very well, but it takes a strong judicial stomach to bear with the torrents of rage and bitterness that tend to dominate disputes over the destiny of vulnerable children. While divorced parents, so-

THE CHILDREN ACT
by Ian McEwan
(Jonathan Cape)

cial workers and an expensive cast of lawyers dance their way around the law, family life is damaged or destroyed.

The decent senior judge in this case is a woman of subtly attractive mind and kindly intelligence. No longer in her first youth, Milady Fiona Maye is nevertheless accounted both competent and beautiful, an adornment in the loftiest sphere of British jurisprudence. Her childless marriage has been pleasantly steady for long years, which comfort has supported her judgments in and out of court.

But then wisdom and tolerance are sorely tested. Her loving husband makes an outrageous suggestion involving an attractive young woman. He wants a last fling. Milady is displeased. Not mildly either.

The situation is complicated by the necessity of concentrating on a particularly demanding Children Act case. A terminally ill 17-year-old youth, member of a devout Jehovah's Witness family, refuses a vital blood transfusion. His equally staunch parents are distraught, but proud of their son's determination to adhere to the tenets of their faith.

The boy is bright, good-looking and has flourished at school. His age is a major factor. In three months' time, he will be 18 and then be deemed adult, legally capable of making his own decision whether to accept or refuse transfusion. In the interim, the judge is empowered to make the immediate life-or-death ruling on his behalf. Expert witnesses say medication is critical within 24 hours if the patient is to survive in reasonable health, or survive at all.

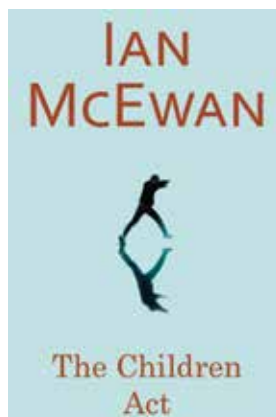
Private life becomes secondary to the medical drama. Justice Maye takes comfort in the civilised familiarity of London's gracious Inns of Court, her home and place of work. There is also the collegial support from fellow amateur musicians of the legal persuasion.

McEwan renders perfectly the stress in maintaining high-minded calm amid the chaos of personal drama. The tension builds powerfully as the characters (and the reader) await the decisions of the court – and of the individual.

Chaplin's enigmatic love song comes to mind as events unfold. Does it hurt? Only when you laugh. ■



Ian McEwan





Home boy. House proud

MS SISULU, AS PUBLISHER OF A community newspaper in my little municipality of Umjindi – Barberton being its seat of government, thus the name of the newspaper, *The Umjindi Guardian* – I was over the moon at your announcement that your department will no longer give free houses to anyone under 40 unless they are disabled or the child head of the household.

But, I must admit, it was not only the statement itself I found pleasing but also its perfect fit as a relevant front page story. *The Umjindi Guardian* takes great pride in its editorial content: no stories to be seen about gogos receiving food parcels but rather, what has led to Gogo being in a position to need a food parcel.

But hey, the front page story will certainly help get your message across. While seeking reaction from the community to the important news, we found that many had no knowledge of the announcement. I had to highlight it to the buggers. Boy! Talk about a society that appallingly does not keep up with current affairs! Add to that our municipality's dismal failure to communicate with the people, and what do you have? Yes, so-called "service delivery protests".

Its okay, don't thank me for disseminating the information. But do just get your department to place adverts in local community newspapers that reach the affected people, instead of the Sunday national papers, which are not – repeat, not – bought, let alone read, by the sector of the population that Human Settlements serves.

Be that as it may, I think you will be happy to know that your decision has received overwhelming support from those I sought reaction from in the community. I will spare you the rehashing of the many problems the RDP scheme has encountered. I would hate to insult your intelligence by doing so since one can deduce from the announcement that you are fully aware of them.

However, I could not help but ponder



Housebound: Umjindi ANC council speaker Vusi Mkhathshwa

two important questions:

(1) Was the statement not premature? According to Umjindi's mayor Lazaras Mashaba the municipality is yet to receive any directive on the implementation of this policy. Surely there are long waiting lists as well as town planning decisions already taken that focus on low-cost housing etc that will need to be dealt with?

(2) I could not help thinking that the statement, or policy, might be a bit short-sighted since it makes no mention of stands. You will agree that the free stands allocation has gone hand in hand with free housing (RDP) allocations.

I am concerned about the reaction that my lead story – your announcement – might elicit from those on the waiting list, under-40s of course, of which there are many. And what about Umjindi's planned low cost housing township development that was hastily decided upon after a land invasion?

Early this year a sizeable number of Umjindi community members and opportunists undertook a land invasion claiming that the municipality was

taking too long even to allocate them stands, never mind RDP houses.

Now the stands question: the municipality's response was to purchase land and allocate plots to some – a good number – of the invaders. Now, they built shacks on their respective portions but few, if any, are living in them. Because they regard them as *mkhukhu* (an RDP house still pending) and are waiting for the RDPs to which they are entitled. Oh yes, that's Mzansi's culture of entitlement for you.

Oh by the way, many of the land invaders who were allocated these stands are living at home while they wait for their RDPs. And when I covered one of their land invasion meetings they all, yes all, appeared to be younger than 40. Much younger. Not to mention that some were not even Umjindi residents but taxied in from places like Nelspruit to take part in the land (stands) grab.

I would like to offer a word to the wise. When the directive about implementation is finally sent out to the provinces and local municipalities, don't forget the stands matter. But more importantly, you will need to insist and implore that the local municipalities must communicate this policy properly to the community and to do so without fear.

And lastly, Minister, while your announcement highlighted the government's displeasure at recipients of free housing who sell or rent them out, well, here is another problem that I trust you must be aware of: the demolition of the original RDP structure as the recipient develops the stand in years to come. A good many people object so vehemently to the practice that my *Guardian* was flooded with angry complaints when Umjindi's ANC council speaker Vusi Mkhathshwa inherited an RDP house from his mother and immediately tore it down to build his "middle class" dream house.

Oh, by the way, our good speaker touts himself as the local upholder of ANC values! But his example highlights the free-stands matter and will simply render the housing policy short-sighted. ■



Corn flakes. Plane peculiar

IN FLYING TRAINING THE FIRST THING you are taught is that the ground is your enemy. And if you're unlucky or stupid enough to fly into something like a house, or even just a brick wall, your aircraft will be transformed into that which in the Air Force was known as "corn flakes". The only heavy steel things which may go through house or wall are the engines and maybe some undercarriage parts, everything else is shaped sheets of lightest aluminium alloy or titanium. They must be so for the thing to fly. The fuel tanks are lined with stuff to stop leaks, but not to take any heavy impact, in which case all these shaped sheets and tanks would be ripped to small small bits. Your aircraft is carefully engineered to take a lot of variable air pressures, but no shock, capisco amico?

This wisdom was proven to me just after WWII, 1945, when a twin-engined B25 bomber in low stratus cloud conditions got in amongst the skyscrapers of Manhattan; the Empire State Building had its head in the cloud and the B25 struck at the 79th floor. The building was of the highest 1920s technology, famously so, steel girders and concrete, but one of the engines went right through and fell on the street opposite the impact. The other engine fell down an elevator shaft. The rest of the aircraft was corn flaked. Its fuel tanks burst, some of the burning fuel going through an impact hole 6m by 7m and incinerating an office, whilst most showered down this side of the building with the wreckage to the street below. The integrity of the building was not affected.

Right. So now it's 9/11, on the telly appears the hit on tower #2. Lo and behold an aircraft disappears into the side of the tower like some sort of ghost: wings

with dainty tips, elegant tail surfaces, fuselage, the lot. Tutti. An outline of the plane is left on the concrete surface. And blow me down, the fuel tanks haven't burst on impact but curiously found their way through an impenetrable web of steel and concrete and blast out of the other side of the tower in a hideous great ball of flame. No, come on, think I, this is absurd! But, as I watch, repeat footage of hit #1 is shown, and here too the plane just disappears into the steel



and concrete, all of it, with but a puff of smoke, and burns inside the building. Now, if the Empire State was of 1920s highest tech, believe me these towers were of technology 50 years advanced on that; at the opening ceremony in 1973 both top architect and top engineer declared no disaster whatever could bring them down, no steel building has ever been destroyed by fire and the WTC core structures are of the highest-tensile steel.

You see, dear readers, I've been be-

wildered by all the brouhaha and sanctimony that has followed 9/11. I mean things just haven't hung together logically. But now it seems certain highly qualified persons have sedulously gathered evidence that 9/11 was set up, part of the now-recognised conspiracy to justify a war on Iraq. Of course there are those in the US who choose to place all conspiracy allegations along with that loony Roswell theory which declares the US government is hiding evidence that extra-terrestrials with huge heads and skinny little necks had tried to invade Earth.

But here on the internet is Susan Landauer, 9/11 ranking CIA operative, now blowing the whistle. Here is the WTC security chief explaining that shortly before the disaster there was a power outage and the place was shut down while certain maintenance crews moved in. Here are senior level-headed policemen asserting that they heard explosions inside the collapsing building. Here are hardnosed no-bullshit firemen explaining that jet fuel burns at 1,800 degrees and no way can melt steel at 2,500. Only thermite can. It burns with great clouds of white smoke, and here is such smoke, great clouds of it in video clips of the burning towers.

But conclusive for me is that when they come to clear the rubble of the destroyed towers, there beneath it all they find that at ground level the fundamental steel supports of both structures have been melted. Underneath all that mess the thermite had continued burning, since it has its own oxygen supply. Molten steel had mixed and solidified with shattered concrete.

Look it up on the internet. There's much much more than this. I'd like to know what you think of it all. ■

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