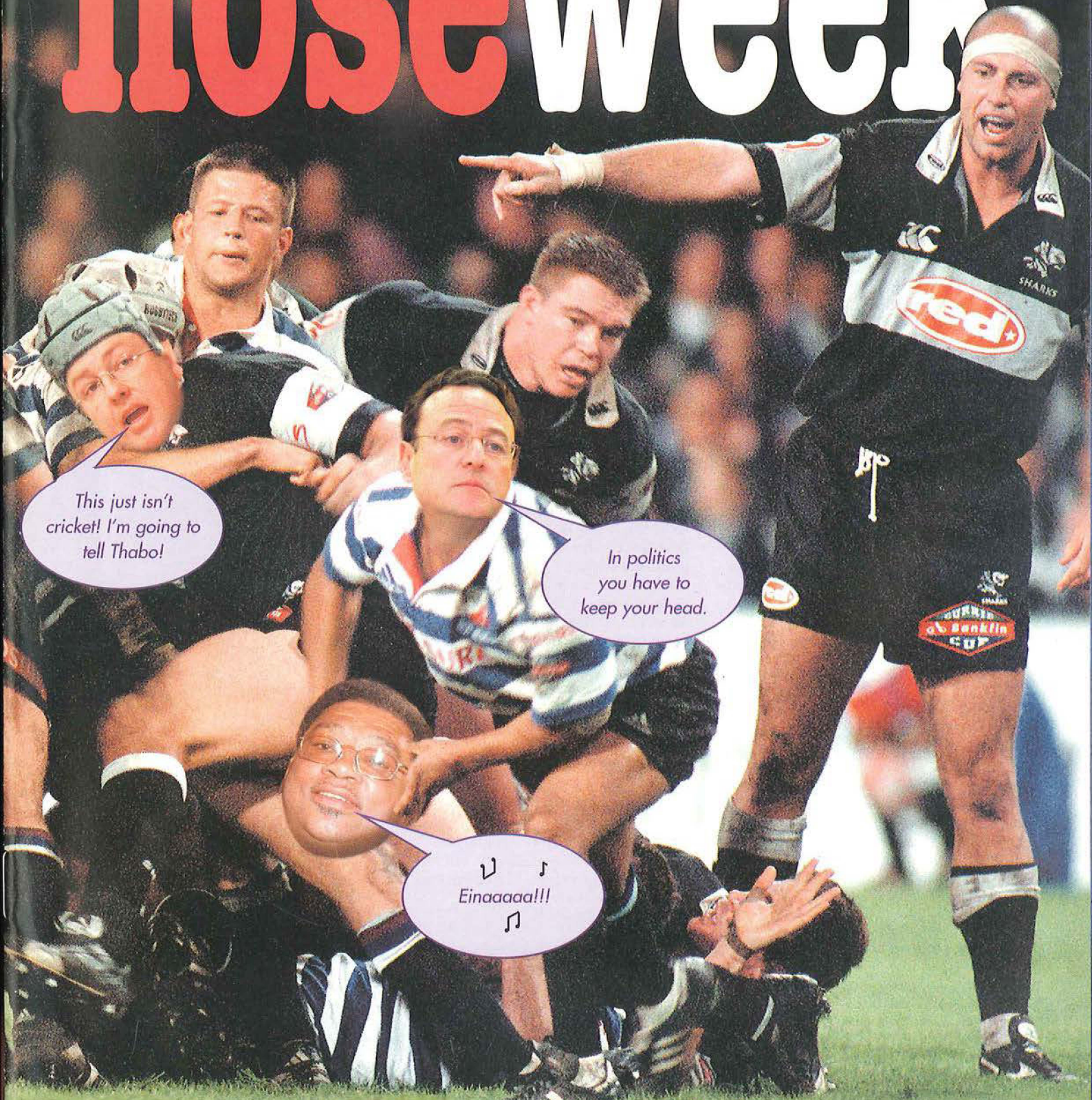


news you're not supposed to know

noseweek



This just isn't cricket! I'm going to tell Thabo!

In politics you have to keep your head.

♪ ♪
Einaaaaa!!!
♪

Whetstone: the lawyer in the woodpile **Naftoc: all the dirt**
Rupert vs Wiese contd. Arms deal: who'll be sacrificed, who'll be saved?

November 2001 / Issue 37 / R19.80 incl vat

dear reader

First the really good news. The Attorneys' Fidelity Fund has finally decided to do the right thing. Two and a half years ago we went to court to protect the rights of poor and mostly illiterate road accident victims who had been defrauded of a large part of the awards made to them by the Road Accident Fund. Ever since then we've been battling to persuade the Law Societies and the Fidelity Fund – which ultimately must stand in for losses resulting from attorneys' misdeeds – to assist these struggling victims.

It got so bad that last month we and many of the victims threatened to stage a sit-in at the Fidelity Fund's luxurious offices in Cape Town. Two days later the Fund's trustees informed us that they had decided most graciously to come to the assistance of the 100-odd victims of attorneys Mahomed & Associates who are plaintiffs in our case. The Fidelity Fund will immediately pay each of these victims a large part of his or her claim, to spare them hardship while the case winds its way through the courts. The fund will pay nearly R1.5m to our attorneys for this purpose. The balance will be settled once judgement is obtained in the case. Which seems fair.

Whether the retirement of Anglovaal chairman Basil Hersov and Old Mutual executive chairman Mike Levett is as good news, we haven't quite decided. Hersov gets to leave without ever having been called to account for his dubious role in the liquidation of mining engineering company KPL-Etsa (which saw scores of small businesses destroyed for Anglovaal and FNB's benefit) and the scandalous collapse of Crusader Life. Lest we forget.

And how about Old Mutual boss Mike Levett, who is reportedly to be paid R150m over the next two years? The chief feature of Levett's tenure was OM's descent into a culture of venality. He's still to be seen at all the "right" parties.

The Press have had little to say about Hersov and Levett, but have gleefully reported every rash and ill-advised move and utterance made by Abram Molose McCaps Motimele, chair of the council of Unisa (and there are many), from paying himself and his council unprecedented fees, to accusing Kader Asmal of being an apartheid-style minister.

Why the distinction, we wonder?

The Editor

contents

LAWYER IN THE WOODPILE/PAGE 6

Whetstone was a listed company with an exciting portfolio of products – including a patent that experts said could be worth billions. But then, it appears, Craig Delpont, attorney to the founder and director Simon Ferguson, hatched a bizarre plot to take over the company, a scheme which entailed destroying Ferguson's reputation and seizing his shares. In the process Delpont destroyed the company too. The battle is not over yet.

NAFCOC/PAGE 8

Themba Pasiwe, Nafcoc's national treasurer, has been trying unsuccessfully, since his election in August last year, to get his hands on the books. He has seen some bank statements however, that reflect unsettling transactions, including a huge transfer from Sacob, the white chamber of business with which Nafcoc is in delicate negotiations.

THABO'S BOYS VS VULA'S BOYS/PAGE 10

ANC politics and business can still be divided roughly into two opposing camps.

WIESE VS RUPERT, PART 2/PAGE 12

I was only trying to help my old pal of twenty-five years, says the Archangel Christo Wiese. Aikona, he was trying to greenmail me, says an angry Johann Rupert.

STOP THE ARMS DEAL!/PAGE 14

Sarah Ruden suggests South Africans consider the American experience with defence spending. When Pres Eisenhower left office he warned against the military-industrial complex he had been unable to tame. Time has shown his fears were justified.

"OUR MAN IN AFGHANISTAN" GETS DIVERTED/PAGE 15

Andy Hackland photographs glacial landscapes in the mountains of Kyrgyzstan, and almost gets buried in an avalanche while scaling the towering peak of Khan Tengri.

HOW TO GET AHEAD IN GOVERNMENT?/PAGE 17

PORTRAIT OF A NATION – YOUNG, DRUNK, VIOLENT, DEAD/PAGE 18

The NIMSS report reveals that in a single year, 2000, more South Africans died unnatural deaths than the total number of US casualties during the 12-year Vietnam war.

CAN AMERICANS FACE UP TO REALITY/PAGE 19

James Sanders reacts to "Why America checked out of Durban" by Sarah Ruden (nose36).

"KING CON" NO TALL STORY/PAGE 19

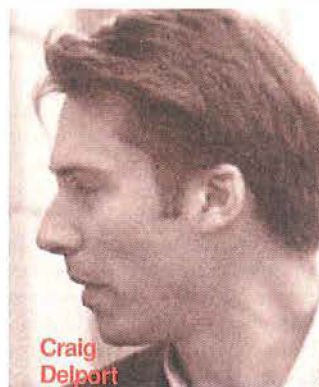
We respond to criticism from Dr Mangosuthu Buthelezi (see letters page 2) of our article on the recent biography of Laurens van der Post – *Storyteller: The Secret Lives of Laurens van der Post*.

HIGH-TECH REAR ADMIRAL STEAMS TO THE RESCUE/PAGE 20

A wealth of interesting material emerged from evidence to Selby Baqwa's bumbling arms-deal hearings by Richard Young and Rear Admiral Johnny Kamerman.

AERODYNAMICOPHOBIA

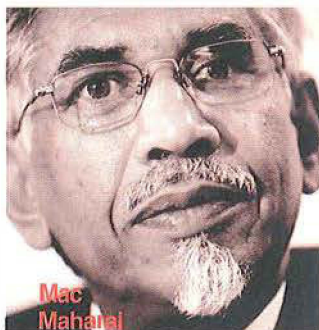
Harold Strachan and Eric the labourer are party to wrecking a collection of abstract paintings they're taking to a Durban gallery. Their attempts at reconstructing the wreckage have a surprising outcome.



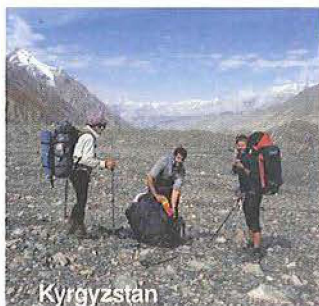
Craig Delpont



Simon Mathysen



Mac Maharaj

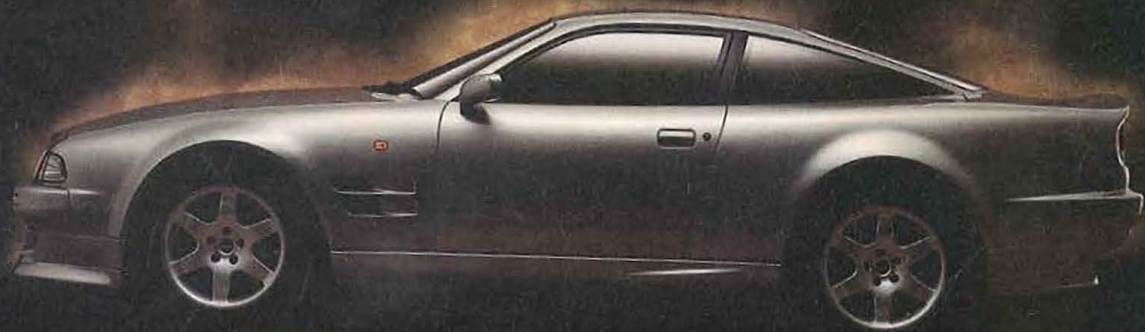


Kyrgyzstan

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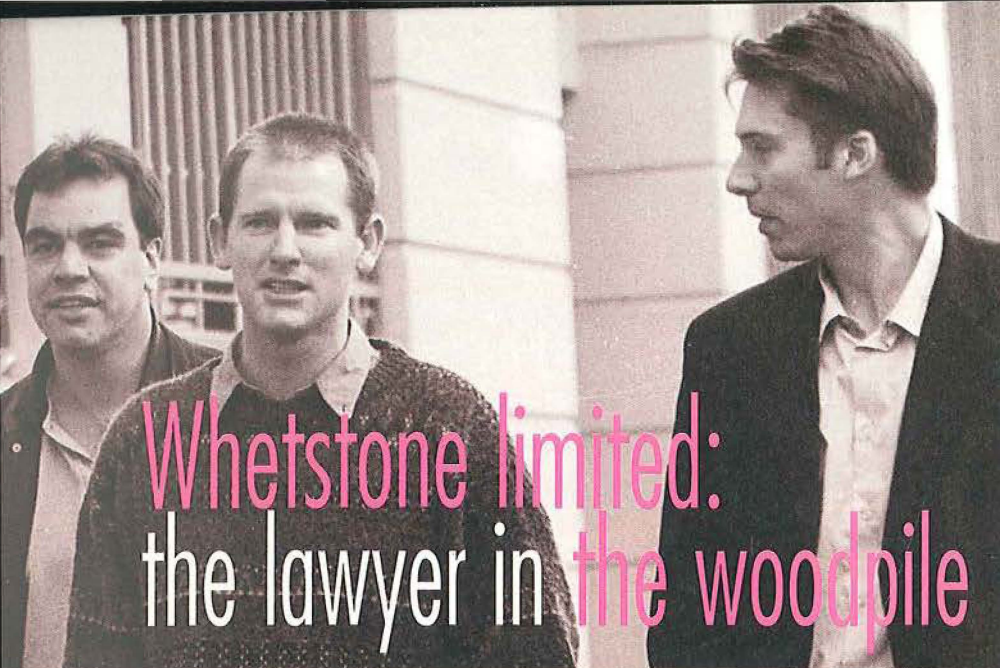


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NOT FOR SALE TO PERSONS UNDER THE AGE OF 21



Whetstone limited: the lawyer in the woodpile

Patents for miracle fuel additives and extenders are the stuff that fortunes – and disasters – are made of on the venture capital market. One such patent – for an emulsifier called Aquasolve, which would allow you to run your car more cheaply, cleanly and efficiently on a diesel-and-water mixture – saw a British company, Hemingway plc, bubble briefly in 1996 and burst in 1997.

Simon Ferguson, professional cricketer and historian turned entrepreneur, could never have predicted where his interest in Hemingway was to take him.

Ferguson and several eminent businessmen, including former Shell executive and then head of the English Rugby Football Union, Sir Peter Yarrington, had been persuaded to invest in Hemingway, set up to develop and market a then unique fuel additive called Aquasolve. Ferguson was delegated to negotiate with scientists at City University in London who were believed to hold the patent.

When negotiations collapsed after 13 weeks, Ferguson abandoned the project, resigned as a director of Hemingway and, in Oct. 1996, came to SA to play cricket for Claremont Cricket Club.

Not long after, he learned that another British company, called Lifeline, had succeeded in acquiring the Aquasolve patent from City University and were prepared to sell him the SA licence.

In a complex deal that remains the subject of controversy, Ferguson acquired a licence under the patent for a newly-formed company in South Africa.

A SA cosmetics manufacturer to whom Ferguson had shown the product, Justin Clohessy, immediately saw the potential for improving on the British patent, and 18 months later he was able to patent a fuel additive which was more durable and more versatile than its British predecessor. Clohessy named it Olpex. Ferguson acquired the patent for his company and

cancelled his deal with the British owner of the Aquasolve patent. He then went on the acquisition trail to establish a group with sufficient critical mass to sustain the lengthy and costly development process he anticipated Olpex would require.

The group came to include well-known courier company Expressit and various cosmetic manufacturing companies.

When Whetstone, the holding company, was listed in Nov. 1998, it was heralded with the words “a market favourite” (*Business Report*), “a winner” (*Finance Week*), “good growth potential” and “stable with solid affiliates” (*Die Burger*).

In the prospectus Craig Delport was listed as the group’s attorney. Like many of the other recruits to Whetstone, Mr Delport was a cricketer.

The Whetstone listing was delayed for a month at the insistence of the JSE listings committee, which required proof that Whetstone’s flagship product, Olpex, wasn’t just another version of Aquasolve. Stellenbosch’s Engineering Faculty confirmed that it was not. In July ’98 the listings committee instructed D M Kisch Inc, well-known patent attorneys, to assess and calculate the value of the Olpex patent as at 31 July 1998. Kisch reported that “due to the early stage of their exploitation, we believe that the patent applications and underlying technology ... can conservatively be valued at ... a minimum of R21.5 million”.



Simon Ferguson

Peter Willig, Whetstone managing director, Steve Paltramann, company secretary, and Craig Delport, company attorney and director – at court for liquidation of the firm.

Nine months later Kisch upped their valuation of the patent, based on their assessment and calculations for a 15-year period, to US\$226m – in north and central America alone! They estimated that the market would absorb as much as 117m metric tons of Olpex, generating a turnover of \$159b in 15 years – on which the licensor could expect to collect a royalty of \$260m (R2.6b today).

Whetstone’s attorney Delport was, of course, aware of all this.

The listing proceeded and was very successful. At its height, with its share price at R4.20, Whetstone’s market capitalisation reached R675 million.

Simon Ferguson and his family trusts remained the largest shareholders. But he remained vulnerable on at least one front: SA’s immigration laws. He was in the country on a businessman’s visa which allowed him to invest and look after his own interests, but not to take paid employment. This was awkward because the company increasingly relied upon his experience and expertise.

The company sought advice from an immigration lawyer who devised a scheme whereby an off-shore company that employed Ferguson provided consultancy services to Whetstone for a fee. The structure was set up and the contracts were drawn by attorney Delport.

Early in 1999 a curious thing happened: Ferguson was warned by both Whetstone’s auditor, Godfrey Shev of Kessel Feinstein, and Dante Parisi, a director of stockbrokers Lowenthal’s, to “be cautious of Delport”, who they believed was “up to something”. Delport had in the meantime been appointed a director of Whetstone in addition to being attorney to the company and to Ferguson personally. Ferguson dismissed the warnings – he regarded Delport as a friend and confidant.

The messengers of doom were right. Shortly before the scheduled Board meeting on July 14, 1999, Delport approached Ferguson, put an arm around his shoulder and said, “Howzit, boet?” He then shoved a document at Ferguson saying, “Have a look at this!”

It accused Ferguson of various misdemeanours and demanded his immediate resignation and the return of most of his shares in the company. The most serious accusation raised in the letter concerned his visa status. Delport now alleged that Ferguson had contravened

his visa conditions and pointed out that if the authorities were told he could be deported within 24 hours. "Delport didn't mince his words," says Ferguson. "He told me: Remember you've got a wife who is pregnant. Don't think you can fight this. Your feet won't touch the floor - I'll have you deported tonight."

An hour later Delport was writing out Ferguson's resignation on a hotel napkin. Once it was signed, Delport collected all copies of his letter of ultimatum and had them shredded. Today he denies having threatened Ferguson in any way. Within no time Whetstone started falling apart.

The share price dropped from R4.20 to just 2 cents when the company was suspended from the JSE in June 2000.

Only days ago Ferguson's R4m-plus house in Constantia was being auctioned by the liquidator of his insolvent company's estate. Ferguson himself was sequestered earlier in the year.

What happened? If we are to believe Craig Delport it was all Ferguson's fault. Delport has been at pains to suggest Ferguson is a conman and rogue who "makes Jurgen Harksen look like an amateur". According to Delport, Ferguson owes the company millions. But what if things aren't quite as they seem? What if the real rogue of the piece is the sanctimonious Delport himself? The company attorney is relentlessly charming and extremely persuasive when he describes Ferguson's alleged misdemeanours. Only in retrospect does one register how incautious he is for a lawyer.

Delport launches with the claim that Ferguson skipped bail in the UK when he came to SA, and that it had to do with "a scam he tried to pull in the UK - a scam on the same lines as Whetstone, called Hemingway". The 5% truth in Delport's story serves to obscure the 95% that is false. Ferguson and the 20 other employees, not of Hemingway, but of a firm of solicitors in London, were arrested by the Metropolitan Police and taken in for questioning in 1995 in connection with an investigation into the firm. He was immediately released on so-called police or free bail. Three months later police advised him his presence was no longer required.

It transpires that when Delport made similar allegations in 1999, official enquiries were made of the Metropolitan Police in London, who advised that "Mr Ferguson is not a defendant to any proceedings in the UK; is not indicted with any charge, nor is he in breach of any bail condition". It is true that an application was made last year to have Ferguson extradited to the UK to face 12 charges relating to the collapse of Hemingway. But the extradition was set aside by the

Cape High Court. Also worth noting is that the UK proceedings were prompted by a complaint lodged with the British police - by none other than Mr Delport!

Delport was equally incautious in discussing Whetstone's patent for Olpex. "It's the same formula they used in Hemingway, which was stolen from the inventors," he assured us. "Ferguson arrived in SA with the formula - he must have stolen it because he didn't own it."

Which is odd considering that Delport is perfectly aware of the valuations and reports by Kisch Inc and Stellenbosch University referred to above, which prove his accusations false.

"The company that Ferguson claimed owned the UK patent was a dummy corporation that did not even have a bank account," was Delport's next shocking revelation. "It has been proved in a subsequent court case that it had no connection to the patent."



Ferguson modeled for Vogue in 1981.

We have established that these allegations were made in an affidavit by a certain Kent Kihl - an affidavit used by Delport to found his application for the sequestration of Ferguson's family trust, the Richmond Trust. (This trust was the largest single shareholder in Whetstone.) Only one of the seven paragraphs in Kihl's affidavit is true - the one in which he gives his name and declares himself to be an adult male. The remaining six damning paragraphs on which the court then based its sequestration order can now be proven to be false. All six of them! All the documents which prove these falsehoods had been in Delport's possession for at least two years. (We might add that Mr Kihl has served a prison term in Sweden for fraud.)

Interviewed for this article, Delport still insisted that Olpex was a fraud and "exactly the same as Aquasolve". He described the inventor, Justin Clohessy, as "a cosmetics

pedlar with no expertise". Delport appeared to be relying on us not to check the facts: Clohessy is in fact acknowledged not only in the South African but also in the international patent as the inventor of Olpex. The latter can be found under reference no: C10L 1/32, B01F 17/00.

So much for Delport's version of what happened to Whetstone.

Ferguson's version - which checks out somewhat better - is that Delport, driven by ambition and greed, deliberately set out to destroy him so that he could get control of the company. Delport's plot involved falsified loan account entries, an attempt to frame Ferguson for fraud and the attempt to get Ferguson deported.

As Ferguson's attorney, Delport had control of all his documentation. He contrived to withhold vital documents from Ferguson for long enough to ensure that the dishonesty of his applications for the sequestration of Ferguson and his trusts could not be proven in court. It amounted to the grossest abuse of an attorney's relationship of trust with his client. He also made a fool of the judge who, in ordering the sequestration of the Richmond Trust, found Ferguson to be an unreliable witness. The judge could not conceivably have made this finding had he been presented with the documents, which noseweek has now seen.

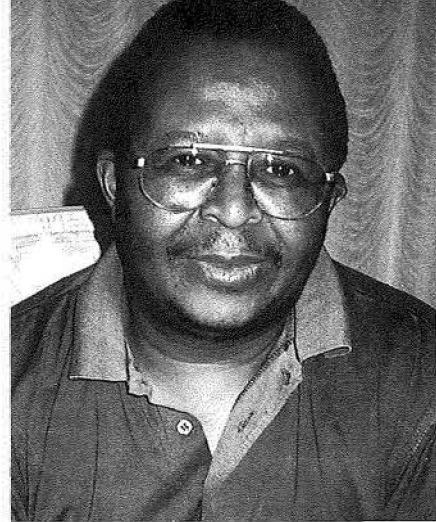
Delport derived substantial financial benefit from his fraud, both in legal fees and from complex machinations related to a share incentive scheme and shady "restraint of trade" payments - this despite having destroyed the company by discrediting its major asset, its patent. Whether all the other share and patent deals in Whetstone's history were wise or kosher we would not dare say. What we do know, however, is that the lawyer was up to no good.

The battle is not over yet. A multi-million-dollar American company is about to announce an offer of compromise to the liquidators of Whetstone. They want to acquire Whetstone and its patent prior to their own listing on the NYSE.

In January this year a group of Whetstone shareholders petitioned the Minister of Trade and Industry, Alec Erwin, to appoint an inspector to investigate Whetstone's demise and, in particular, Delport's role in it.

"Yes, I have lost a great deal of money - to the extent that I cannot afford to take the court rulings on appeal," Ferguson told noseweek. "But the greater loss has been suffered by my family - the humiliation of having your home auctioned off, the gossip. Delport set out to destroy us and nearly succeeded. But he won't silence us. I'll be back."

Nafcoc: all the dirt!



When Themba Pasiwe was elected national treasurer of the National African Federated Chamber of Commerce last year, he presumed he would gain access to the books of Nafcoc. But he learned nothing about the dodgy financial affairs of this influential black organisation.

"I've been prevented from working with the books," said Pasiwe, who is a commercial financial accountant. They locked me out of the offices at Nafcoc, so I couldn't gain access to the accounting records. I've tried to put controls in place by taking all the cheque books from the Johannesburg offices. But Nafcoc president Simon Mathysen and others just went to the bank and got new ones before my [return] flight had even landed in Cape Town."

At his home-based offices in Bishops Court Pasiwe (who is President of Nafcoc's Western Cape chamber) showed noseweek Nafcoc bank statements, leaked to him, reflecting large withdrawals and deposits which he wants accounted for. These include R180 000 transferred in August from the account of the white South African Chamber of Business. Sacob is working at a merger with Nafcoc, despite opposition from two thirds of Nafcoc's membership.

Pasiwe wanted a due diligence exercise to be conducted on both chambers before formation in September of the new

transitional body, the SA Federated Chamber of Commerce and Industry (Safcoc). But there would have been problems even if Sacob had asked to see the black chamber's books. These bear no trace of audited financial statements over the past three years, said Pasiwe, who has been prevented from working on any figures since his election as national treasurer in August last year.

A memorandum of understanding and articles of association with Sacob have already been signed, but a majority of the Nafcoc national council have declared the merger null and void and filed a motion of no confidence in their executive

Patrice Motsepe, executive chairman of African Rainbow Minerals, has been elected interim president of Nafcoc, and the powerful Black Management Forum has heaped scorn on the troubled merger, calling it a cheap bid to redeem the image of organised white business.

Protracted legal battles are in the air.

Kevin Wakeford, Sacob CEO and chief negotiator in the merger process, said Sacob was getting into a marriage with the organisation, not the individuals. Sacob still recognises Mathysen as Nafcoc President, and believes he enjoys a huge support base. Wakeford said "the

the
treasurer
barred
from the
books

dissidents" had no legal standing and dismissed their vote of no confidence in the executive: "You can't just hold a Mickey-Mouse council meeting at the Holiday Inn without consulting provincial structures."

Mathysen has threatened Pasiwe with suspension and accuses him of bringing Nafcoc into disrepute. Pasiwe regards his suspension as invalid because it has not been endorsed by council:

"That letter ... is as good as toilet paper. He has no constitutional right to make a move like that."

Pasiwe described Mathysen as "an uneducated person who was being misled" into going against the sentiments of the organisation.

He also questions Mathysen's motives: "There must be a paymaster somewhere. Who is that paymaster? Is it Sacob?"

The new body, Safcoc, has undertaken to spend R800 000 over the next two years on a due diligence exercise, before a merger. Pasiwe believes the merger is now being rushed through to promote Sacob's political credibility. He is determined to heal the rifts in Nafcoc and will not quit. "Our forefathers built up this

*Hear no evil, speak no evil, see no evil?
From left to right: Simon Mathysen, displaced Nafcoc President; Christoph Köpke, Sacob President and Daimler-Benz CEO; Kevin Wakeford, Sacob CEO.*



organisation at a bad time. When Nafcoc was formed in 1964, we had limited trading rights. We've built ourselves up." But Nafcoc's objectives still had to be fulfilled: "The wealth of the country is still in the hands of a few."

Pasiwe still hopes to gain access to the books. A non-profit organisation, Nafcoc is believed to have an annual budget of R3m, and can count on donations from local business. Many of Nafcoc's provincial chambers handle their own affairs, and financial irregularities have surfaced in some provinces.

Mining giant Billiton donated R70 000 towards facilitating a Nafcoc conference which never materialised. The disappearance of the money is under investigation. According to inside sources, Nafcoc is also investigating "success fees" in Mpumalanga casino deals which found their way into members' pockets.

Yet Nafcoc's chief negotiator in the unity process, Sabelo Macingwane, former CEO of Nafcoc and CEO of the newly-formed Safcoc, remains unconcerned about the financial plight of the organisation. He told noseweek he couldn't believe there had been no audited report for years, although he admitted to knowing there had been

complaints. Macingwane has a short memory. At a recent council meeting, concerned members mandated Mathysen to supply an audited financial report, but this has not materialised.

Macingwane hit back at Pasiwe, pointing out that he featured among the executive members who had received luxury Mercedes Benz vehicles from DaimlerChrysler earlier this year.

Pasiwe confirms he participated in the DaimlerChrysler scheme. But he insists he is paying for the silver vehicle in his driveway, and queries whether other Nafcoc members have paid for the Mercs they are driving.

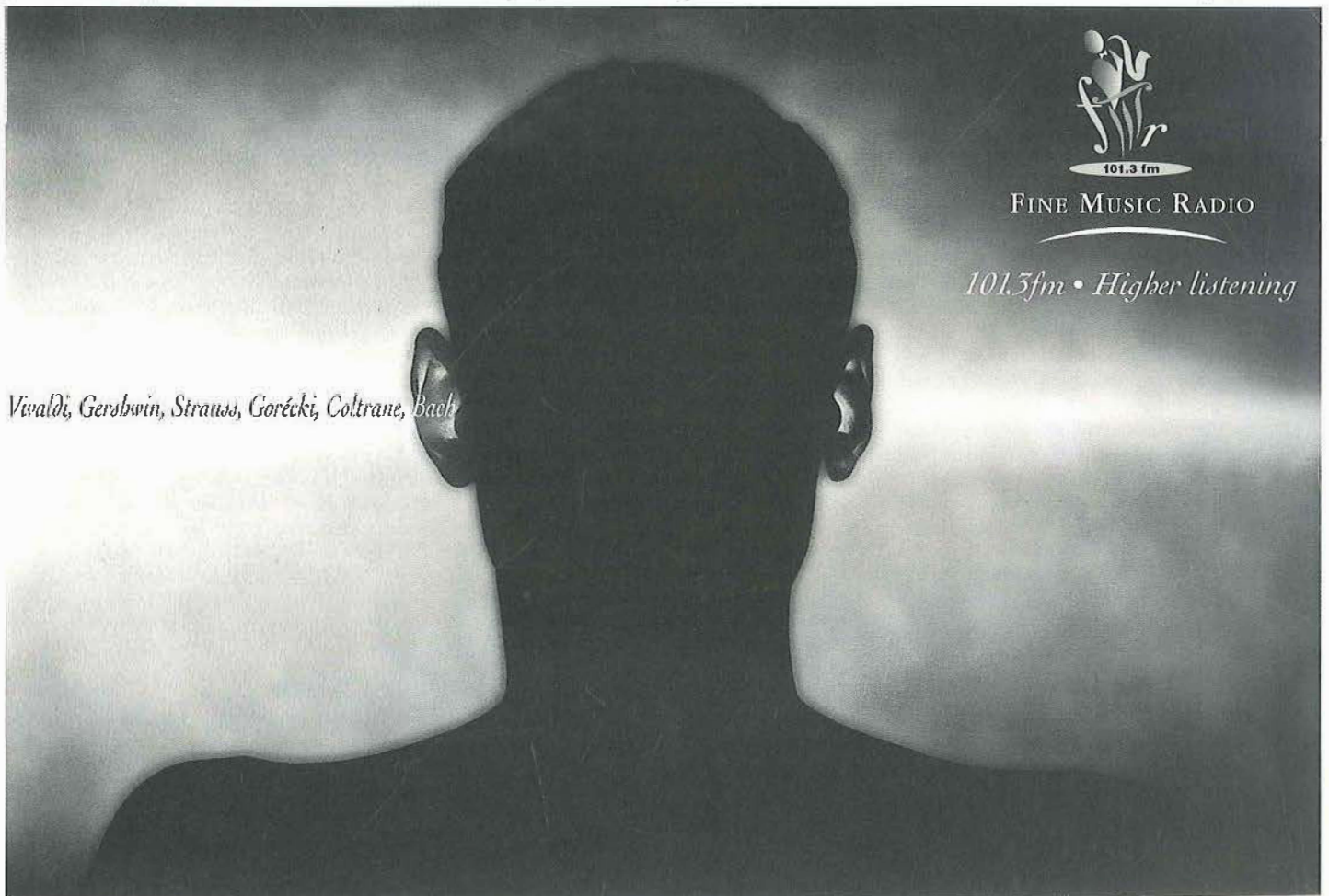
Christoph Köpke, DaimlerChrysler's local chairman and Sacob's president, reportedly denied knowledge of the special deal to supply Nafcoc members with Mercs. But minutes of a Sacob national council meeting held last year showed otherwise. Up to 28 second-hand Mercs were made available. Months later, some Nafcoc members were still driving their vehicles around without having been asked for deposits or instalments. Then in July the scandal broke over an ML320 obtained by ANC chief whip Tony Yengeni from Eads, a multi-national company which incorporated Daimler-

Chrysler's aerospace division in 1999, and German prosecutors declared themselves interested in any underhand dealings that might have surrounded the European arms deal with South Africa. Many of the vehicles being driven around by Nafcoc members were suddenly taken back by DaimlerChrysler, with DC insisting there was no bribery involved in distribution of cars to Nafcoc members. The fact that Nafcoc members had not paid for their vehicles several months after receiving them was attributed to an "administrative glitch".

Many Nafcoc execs are still driving their flashy cars. Macingwane owns a second-hand luxury Mercedes Benz S500 which he obtained from DaimlerChrysler. He won't reveal payment details. "Am I failing to be transparent because I don't want to tell what I paid for my second-hand car?" he said to noseweek.

Generally, members of Nafcoc had received plenty of discounts, said Macingwane, adding that executive members had also received free air tickets. He declined to go into detail about the free air travel (Pasiwe said he knew nothing about it). Macingwane said Avis

continued on page 16



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Arms deal investigations are exposing the links between business and politics within the ANC. Politics has become a means to wealth and business deals a source of political influence and power. ANC politics and business can still be divided roughly into two opposing camps.

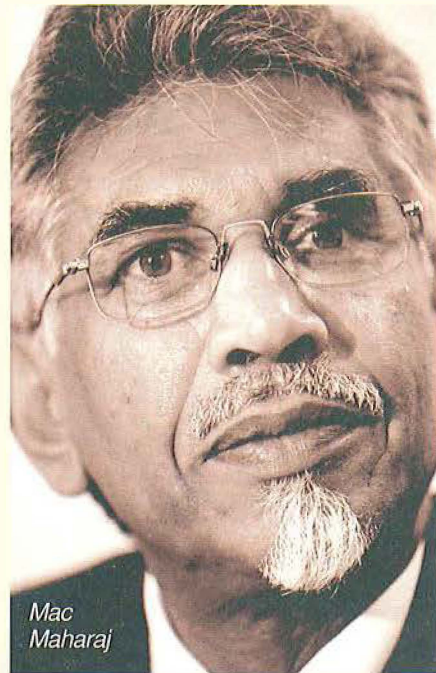


Thabo Mbeki

Thabo's Boys

VS

Vula's Boys



Mac Maharaj

What are we to make of the arrest of Tony Yengeni, Parliament's former defence committee chairman, and the police raids on the home and offices of Shabir Shaik, MD of armaments company ADS and brother of South Africa's arms procurement chief, Chippy Shaik? What are the prospects that the official investigations of alleged irregularities in the government's (now R60 billion-plus) arms procurement programme will "go all the way"?

The current situation regarding SA's arms purchases is eerily echoed in a 1998 report by *Washington Post* correspondent David Ignatius about a similar arms scandal that raged in France and continues to haunt French politics [page 21].

"A large bomb is ticking away in the midst of French political life – a scandal that could explode with tremendous force or, as is often the case in France, be quietly defused and buried"

In 1998 a corruption investigation of judge Eva Joly turned really nasty when she found evidence that French defence giant Thomson-CSF had acquired former foreign minister Dumas' mistress's services as a lobbyist – just when the company needed government approval for a \$2.5b deal to supply frigates to Taiwan. Dumas had been a key opponent

of the deal, but within a year it was approved – without any explanation.

"Chirac must decide soon," wrote Ignatius, "whether to encourage an escalation of the judicial probe [to include the frigate deal] – and, figuratively speaking, bring down the pillars of the temple – or instead try to contain the investigation."

Will President Thabo Mbeki allow the investigation to go the whole way, risking bringing down the pillars of the temple, or will he seek to limit the enquiry to small-time corruption involving secondary contracts only? As we ask it, we know it's a foolish question.

But let's have a closer look anyway at the situation, both current and historical, and see if our suspicions are correct.

Arms-deals investigators will quickly have discovered that those within the ANC most interested in the deals can be divided roughly into two competing groups: the Vula Boys and Thabo's Boys.

While both are equally anxious to maintain their grip on power and their cut of the arms deal profits, the difference between them could just influence who will be sacrificed and who will be saved in the arms-deal investigations.

The Vula Boys are the collection of communists and (mostly Natal) ANC intelligence operatives who set up

Operation Vula, the secret pre-1990 programme to develop the leadership and financial networks inside SA needed to launch a violent revolution.

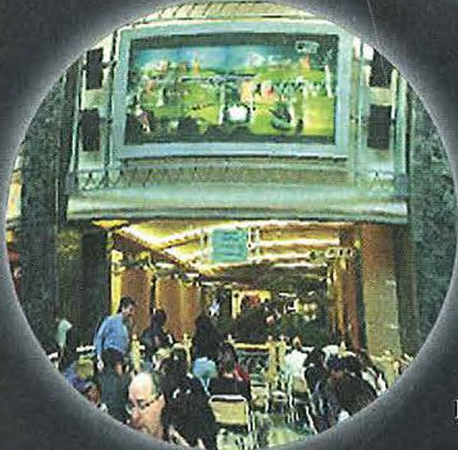
Vula was controversial because it was secret even inside the ANC: the wider ANC leadership – including Thabo Mbeki – knew nothing about it. (Treason? The Vula Boys would later claim their scheme had been sanctioned by party president Oliver Thambo, which sounds convenient, because, by then, he was too ill to confirm or deny this.) That gap between the groups appears to have persisted.

Vula was led by Mac Maharaj (later made Minister of Transport by Mandela – but fired by Mbeki). It included Sphiwe Nyanda (now Defence Force Chief), Ronnie Kasrils (moved by Mbeki from Defence to Water Affairs), Mo Shaik (demoted from national intelligence co-ordinator to ambassador in Morocco), and Shaik's brother Shabir (who, recent events suggest, has lost the protection he once might have expected). Deputy President Jacob Zuma (then still ANC intelligence chief) was apparently also within the Vula network and is widely perceived to be the closest the group has to a protector in government. (Shabir

continued on page 23

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Greenmail — it's all in the game!

In June 1999 Johann Rupert and Trans Hex, a diamond mining company 50% owned by Rembrandt, lost their bid to take over Ocean Diamond Mining Holdings (ODM). In September that year ODM was bought by the Namibian Minerals Corporation (Namco). The Rembrandt team accused Christo Wiese, Pepkor boss and all-round wheeler-dealer, of having acted in concert with Alistair Holberton, the MD of Namco, enabling Namco to win the bitter corporate battle. The accusations culminated in an in-camera hearing before the Securities Regulation Panel (SRP). In our last issue we reported on the earlier part of the hearings. We continue with Wiese's testimony, given in Feb 2000.

Wiese: "I believe Mr Slabber (Tinus Slabber, attorney for Namco) made a comment about — he didn't say bloody Afrikaners, he said the Afrikaners — what we get up to when we're having a drink or at a braaivleis. Mr Slabber is an Afrikaner himself, so that's fine. But what must Mr Holberton think? Here are the two most prominent businessmen in Cape Town, Afrikaner businessmen. Is this the way they operate? The one [Rupert] hears a story from a deep-throat and he immediately tries to shaft a friend of twenty-five years [Wiese]; which friend had only tried to make it easy for him in the death, offered it [ODM] to him first."

"Only tried to make it easy" was a curious interpretation by the Archangel Christo of the way he had tried to put the squeeze on his old pal Rupert, a few days before the shareholders of ODM were due to vote on Rupert's plan to merge Trans Hex and ODM.

Wiese and his investment consortium, had accumulated a large shareholding in

ODM in spite of, or perhaps because of, his old pal's plans. Now he held the key to the proposed merger. When Rupert rebuffed him — balking at the price he was asking for his ODM shares and accusing him of greenmail — Wiese immediately sold his shares to Holberton of Namco, who he knew had designs of his own on ODM. The Trans Hex merger was duly voted down at the shareholders' meeting on June 11 1999.

Why the men at Rembrandt hadn't acted at an earlier stage to head Wiese off is not certain. Now, belatedly, Trans Hex started to accumulate shares in ODM in the open market. Holberton's Namco too was a buyer. Both stopped buying when their holdings reached 34%, because in terms of SRP rules the purchaser of 35% or more shares of a company must make a purchase offer to all minority shareholders, at a price not less than the highest price paid in the previous three months.

When Namco and Trans Hex paused, Wiese saw what he thought was a golden opportunity. "This time round I'll really nail them" he told friends. So he started buying ODM shares again, too, paying nearly R80m for 17% — enough to give control of the company to whichever of the main players bought from him. Then he sat back to wait for the phone calls.

But none came.

Wiese: "[So] I talked to Holberton. I said, Look Alistair, I've got the 17%. Obviously I'm not a long-term player, I want out. He said, Will you go and see Investec, they are acting for me?"

"I went along to Investec and Andy Leith, whom I've known for years, hit me with the brutal truth: Holberton did not have the money to buy my shares or to make an offer. Because if he had bought

my shares he had to make an offer [to all the ODM shareholders]. I realised I was in a bit of a fix.

"Sorry, I've skipped something. Prior to that meeting, sensing that there was something wrong, I said to a broker, Johan Schoeman, I said, Johan, these guys in Stellenbosch — I mean by now they were so cross, I mean it was really bad. You go to them and tell them that Christo has 17%, why don't you bid him for the shares? My feedback was that they were very derogatory in their reaction. In fact somebody alleged that [Trans Hex MD] Mr Hoogenhout's ringing words were: Wiese knows where he can stick those shares."

Having laid out R80m to buy ODM shares at an average price of around R9 each, Wiese and his consortium were facing a serious financial kick in the pants.

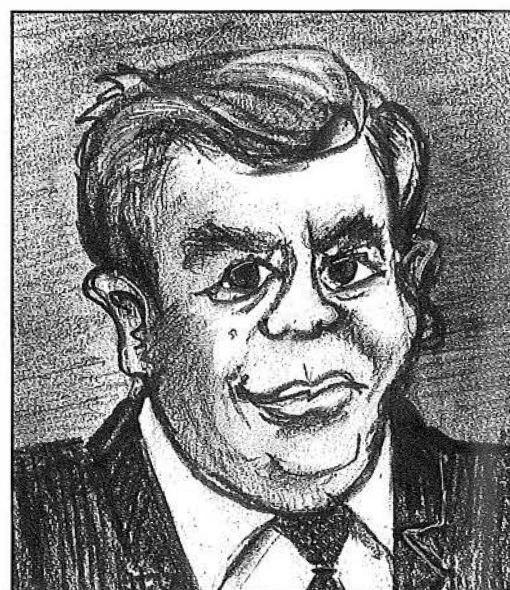
In the meantime, Rupert and Thys Visser, MD of Rembrandt, had complained to Richard Connellan, executive director of the Securities Regulation Panel, that Wiese and Holberton had acted in concert in arranging the sale of Wiese's shares.

Wiese had written a letter to Connellan denying that he and Holberton had acted in concert, and felt that that should have been the end of it.

Nevertheless, a SRP hearing was held in Cape Town in August. Asked to substantiate his accusations, Johann Rupert claimed that a "well-placed mutual friend" had telephoned him to say

"I said to him: Johann, what is this all about? I mean we're friends, why don't you talk to me, what is this all about?"

Johann Rupert, left, and Christo Wiese: friends for 25 years — until now!



Johann Rupert vs Christo Wiese PART 2

that Wiese and Holberton had been acting in concert.

Wiese was incensed. "I said to him: Johann, what is this all about?" he told the panel. "I mean, we're friends, why don't you talk to me, what is this all about? He had this deep-throat phone call, he says, it's a man you and I both know very well. And I said, Johann, that man is a liar and a coward, let him make an affidavit and let him bring his proof. I said, look who you are insulting. You are insulting me, because I told you I'm not acting in concert."

Rupert refused to identify the mystery caller and withdrew his claim unconditionally. Connellan duly ruled that Wiese and Namco hadn't acted in concert.

Rupert could happily abandon the mystery phone call because new, much more substantial, information had come to light during the first hearing that seemed to provide clear evidence that Wiese and Holberton were indeed now – if not previously – acting in concert.

Late in July, Wiese had gone to old pal Andy Leith, head of corporate banking at Investec (as Holberton reportedly suggested he should do).

Following their discussion Investec had arranged for Namco to buy an option from Wiese to buy his 17% stake in ODM. The option would cost only R1.75 per share, and the strike price, should Holberton choose to exercise it, would be R8.25 per share. The option would be valid for three months.



For Wiese the option was not an ideal solution, because it was not an outright sale of his holding, but it did reduce his risk and offered a way out of a dangerous predicament. And, if all went according to plan, he would get his R10.00 per share.

As he told the panel: "When both my prospective buyers seemed unwilling or unable, I had to do the best deal that was on the table. I mean, quite frankly, if on that day Mr Holberton had offered me R8.50 I would have sold because where were the other buyers? But he didn't know that. Obviously he didn't know that, because I said to him, 'there are other buyers in the wings' ... which I really believed. In fact I put the pressure on him. You will see that I insisted that that document be entered into by midnight on that day. I said that's it, if it's not done then, there's no deal."

In early September, a month after the option agreement was signed, Namco found itself able to make a general offer to the ODM shareholders of R8.25 per share, having borrowed some \$25m from Investec Bank Mauritius Ltd. The offer was accepted by shareholders, and Namco became the owner of ODM.

Rembrandt again complained to the SRP that Wiese and Namco had been acting in concert. According to the *Financial Mail*, Richard Loubser, JSE President, said the option agreement in itself was evidence they had been acting in concert. Loubser sat on the panel for the SRP appeal into the matter – over Wiese's objections – and the panel duly found they had been acting in concert and ruled that the price paid to ODM shareholders be raised to R10.00, since this was the effective price paid to Wiese.

Wiese and Holberton appealed the decision and yet another hearing of the SRP was scheduled for February 2000, this time before a full panel under the chairmanship of Cyril Jaffe.

At the appeal hearing Wiese summed up his version of the whole saga.

"My case to me looks as follows: That I did at all times what I thought was the right thing. The right thing in terms of the law, the right thing in terms of the rules and the right thing in terms of ethics. That's my view and I'm quite happy to debate it. If you put all the facts together," he continued, "it looks to me

that they [Rembrandt] realised on June 11, when their scheme was voted down, that they had made a serious mistake in not buying my block. They are now cross with themselves, they've got egg on their faces and now somebody has to be blamed for this disaster. Who better to blame than Wiese, the profiteer, the greenmailer, let's stick it to him because then we've got a way out."

The reason Rupert had refused to buy Wiese's block of shares at Wiese's price was, as he made clear, because he believed he was being greenmailed. Wiese maintains that he had started buying ODM shares before he learned of Rembrandt's interest, and that he had been interested in the company regardless of Rembrandt's involvement.

Either way, Wiese's serene idea of "the right thing in terms of ethics" certainly included exploiting the situation to make a quick profit of a few tens of millions without bringing anything to the business in added value.

In the event, the full SRP panel decided, by majority vote, to overturn the earlier decision, and ruled finally that Wiese and Holberton had not acted in concert. The purchase price of ODM was raised by 35 cents as a control premium.

Incredibly, just eighteen months after buying ODM, Namco applied to put ODM into provisional liquidation, citing unexpected capital expenditures and "severe disruption of the income producing activities" of the company. Namco itself, having been valued at more than \$350m in mid-2000, sold 31% to Israel's Leviev Group for a capital injection of only \$15m.

Remember: the original Trans Hex merger proposal valued ODM at R3.09 per share. Not long after, following discussions between Wiese and old pal Andy Leith, Investec was prepared to lend Namco enough money to buy ODM at R8.25 per share. Leviev's bail-out was fortunate for Investec in that it guaranteed the repayment of what was left of the bank's loan to Namco, at that stage still some \$11 million.

Thank goodness. One suspects that otherwise the Archangel Christo might have had another unfortunate falling-out on his hands. n

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SARAH RUDEN with
more advice from America:

Stop the arms deal!

I wouldn't blame South Africans for being sick of advice from Americans, but you can think of us as the crazy relatives. Anything megalomaniac or messianic or merely odd that you want to try you can probably check against an analogous project in America, to see whether there's any hope of success, or any point. I particularly recommend the US experience with "defence" spending for your consideration.

Many thoughtful South Africans are taking comfort in the uselessness of the arms deal and the probability that the motivation was large-scale bribes and not military ambitions on the part of this regime. But this discounts military procurement's tendency to take on a life of its own and snack on civil society, making war more likely even if that wasn't the original intention. The US is example *numero uno*.

It is hard for a government to make huge transactions, such as the US began with WWII procurement, without them becoming embedded in the political system. Too many self-perpetuating institutions get created. President Eisenhower, in his farewell address in 1960, warned of the "military-industrial complex" he himself, a lionized retired general, had been unable to contain: his government, led on by distorted military-intelligence estimates of communist threats, had tripled or quadrupled military spending during the period of the US's greatest security.

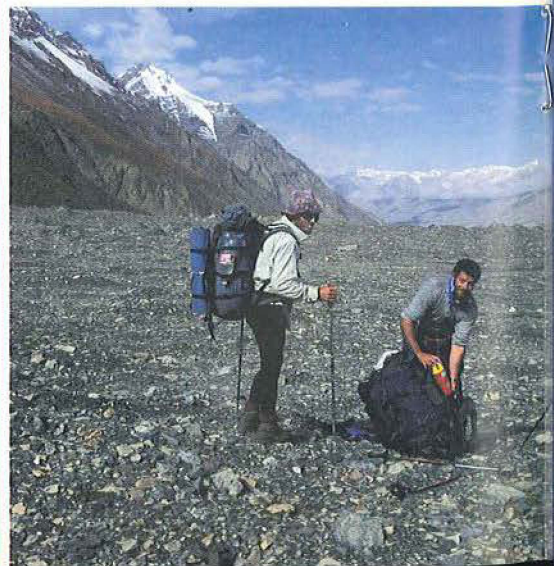
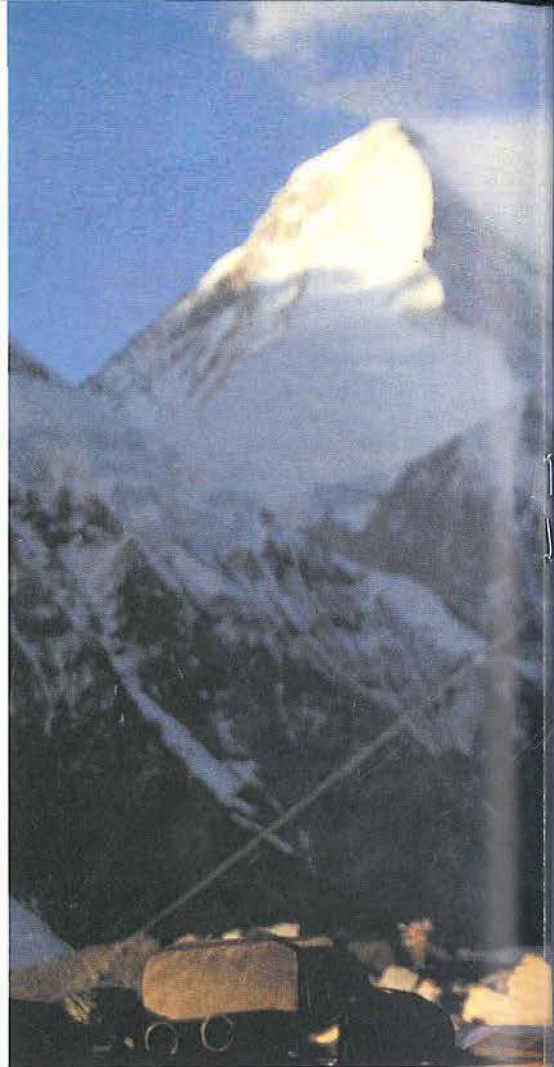
Since the mid-fifties at the latest, such spending has been the axe-murderer in the US polity, driven by inner voices so strong that the outward, geopolitical situation and even the Defence Department's own estimates of its needs became irrelevant. Defence industries employ 2% of the civilian workforce and yield the single richest and most powerful set of political cronies. The military between 1978 and 1998 requested five Lockheed Martin C-130 transport planes. Congress

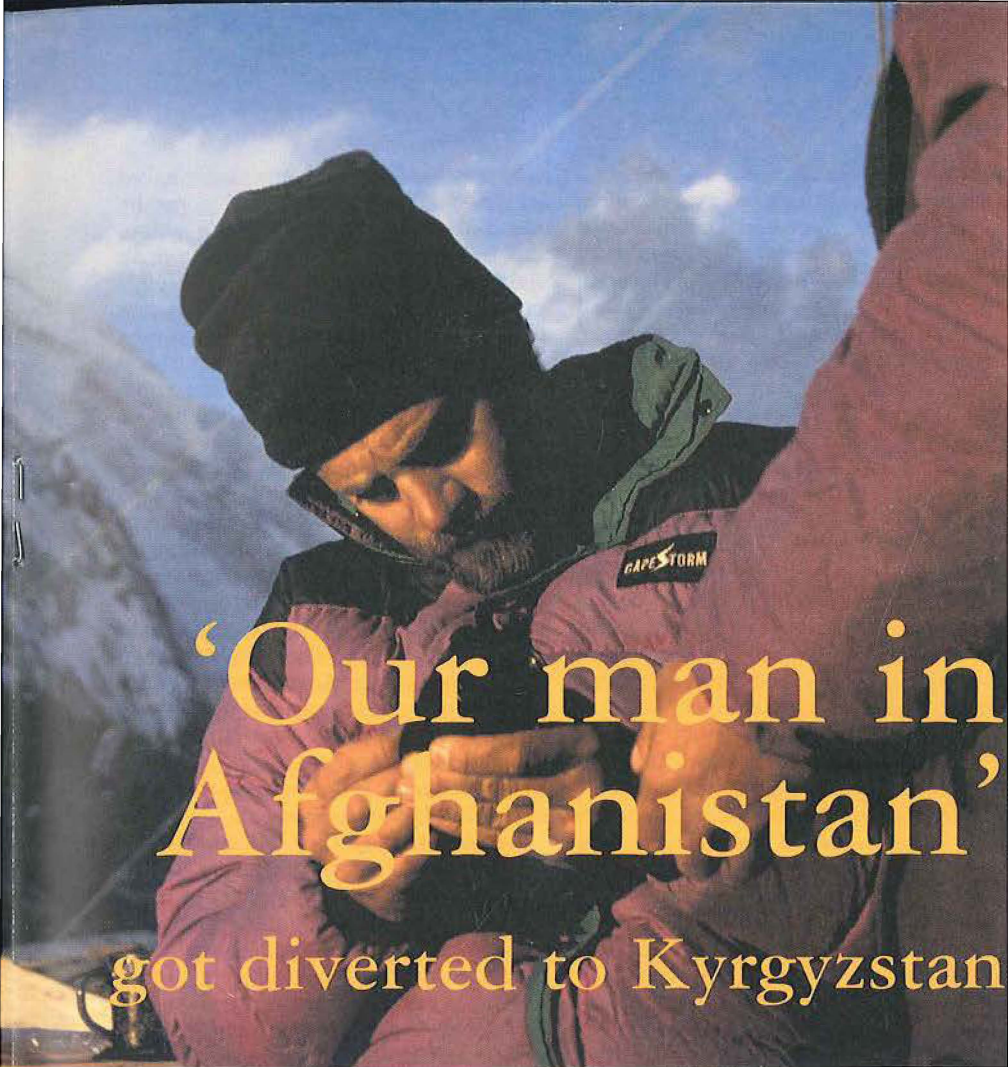
voted funds for 256. (Outraged at a few spare Gripens and corvettes? Wimps!) Arms companies used news footage of the Gulf War to advertise their products, as if the war had been an experiment or a promotion staged by and for themselves. They export almost wherever they please - to the poorest and most unstable countries, to both sides of conflicts, to countries that turn the weapons back on the United States within a few years - appropriating and perverting foreign policy. It would be better for economic benefits of SA's arms deal never to appear, given what they would do to decision-making in the long term.

Unlike any other industry except to a certain extent medicine, defence dictates what the public needs, without reference to public opinion. And unlike any other industry but intelligence, which is closely allied to it, defence claims the right to deliberate both in secrecy and in near symbiosis with the state. In the US, players prance between the military and electoral politics and defence industry lobbying and consulting: it's always the same people in highly classified cahoots. No wonder defence spending increases in times of war and peace, tension and calm. Aside from interest on the national debt, it is the only major sacred cow in the budget, in a country with pockets of scandalous poverty. When conventional forces are reduced (as is happening in SA), the savings are more than counter-balanced by high-tech weapons development, which centralizes power and obscures planning even more.

A large arms trade takes away from citizens the option of going to war or not, by building up circumstances that make war inevitable. If 15 years ago Americans had been asked, "Would you like to make war on Afghanistan?" we would have said: "Gosh, no! That's for the Soviets - bunch of psychopaths." But we were already committed by the arming of the Mujahadin, whom we were told were striving for religious freedom and national self-determination just like our own colonial ancestors. Without our help, the Taliban couldn't have achieved hegemony over similar wild-eyed hordes and aspired to world conquest. Given the condition of Africa, how much more easily applicable are the basic principles behind America's present embroilment. Armaments are no fun unless you do something with them. Then you can get more!

Do anything to prevent this arms deal from going through. Support Terry Crawford-Browne's lawsuit. Moon the next official who says you need these weapons. Threaten to elect another government. It's that important. //

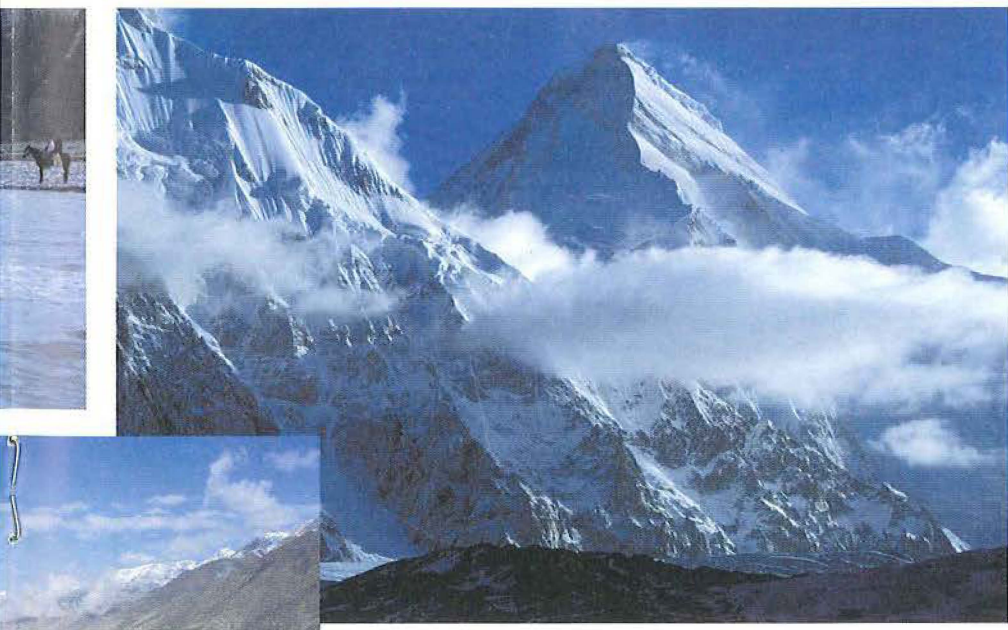




'Our man in Afghanistan' got diverted to Kyrgyzstan

We too, like every other news organisation, it seems, felt the need to get our own man into Afghanistan. Unfortunately, like e-TV's Debora Patta, our intrepid correspondent got diverted. Instead of pictures of Osama Bin Laden, all that was transmitted home via the noseweek satellite were these pictures taken in the mountains of neighbouring Kyrgyzstan. We also received voluminous reports about the virtues of a Kyrgyz-style diet of vodka and red peppers.

Our reporter-photographer Andy Hackland did nearly get buried in an



avalanche while scaling the towering peak of Khan Tengri, in a bid to see into Afghanistan. The "Taliban mosque" he photographed turns out to be an ancient wooden Coptic church in the town of Karakol. It is pretty, you'll admit!

If you'd like to include Kyrgyzstan on the itinerary for your next holiday, the capital Bishkek, with its statue of Lenin intact, can be reached on Turkish Airlines from Istanbul.

Pictures by ANDY HACKLAND



had gifted executive members with free mileage. Members had also received perks from Telkom and Eskom.

"This is not something we want to hide. Nafcoc survived and is where it is today because of big white companies," said Macingwane. "My main priority is to see my people accessing the opportunities and wealth they deserve."

Wakeford said Sacob had been trying to merge with Nafcoc since 1994. "We are not rubbing shoulders, not communicating. To grow the quality of goods and services in this country, we need to bring large volumes of black people into the mainstream." Sacob has around 40 000 members, while Nafcoc, in the absence of a database, estimates its membership at around 200 000 members. Wakeford dismisses those opposed to the merger as snipers who have been expelled, ousted or suspended from Nafcoc.

"We have a lot to learn from the black market. And Nafcoc, in turn, has to learn a lot about corporate governance."

Wakeford has a warning for dissenters.

"If we continue as we are, with established wealth living in peaceful co-existence with a crony elite, we are destined for social upheaval that will make Zimbabwe look like a Sunday school picnic."

Meanwhile Simon Mathysen has been kept busy denouncing the rebels and denying allegations that he paid his friends to vote for him. He is furious with all the "lies and crap" that have been circulating and stresses that SA should speak with one economic voice. The existence of separate chambers in South Africa militated against unity.

Mathysen insists salaries for the members of the interim council of Safcoc have not been discussed and dismisses claims that he and others would be earning R30 000 a month, plus perks. "We know nothing about salaries. It's all rubbish. We still don't know what we are going to get." Pasiwe has a leaked document, however, which reflects that annual salaries for transitional council members will amount to more than R4m.

Of his own Mercedes Benz S500, which he received from the DaimlerChrysler Nafcoc scheme, Mathysen said he was still paying it off. "I am not that sick to be bribed. I cannot be bought to get these chambers to merge. All that these people are saying is crap." He drove around in his S500 for three, maybe two and a half months before his credit was approved and he began paying instalments.

Steve Skosana, former Nafcoc president, opposes the merger in its current form. While Nafcoc members had initially backed the merger, said Skosana, agreed strategies had not been followed by Mathysen. "I don't think the team at Nafcoc is capable of handling negotiations. Even if it does go through, they'll lose half of Nafcoc's members."

Skosana admits that there are rumours of bribes, one example being DaimlerChrysler Mercs given to Nafcoc members. "There was no transparency. We don't even know who authorised the vehicles. The discounts were negotiated in private at the offices of Köpke. I never wanted to be part of that deal. I just smelt a rat. I was not happy with a lot of things, which was the reason I resigned as president and just stayed on as an ordinary member."

Skosana said he had repeatedly asked for financial statements before he resigned in 1999, but failed to obtain them. Macingwane disputed Skosana's claims, insisting that the former Nafcoc president was expelled following a motion of no confidence. He said Skosana was accused of poor corporate governance and bringing the organisation into disrepute. Skosana insists he resigned because he was dissatisfied.

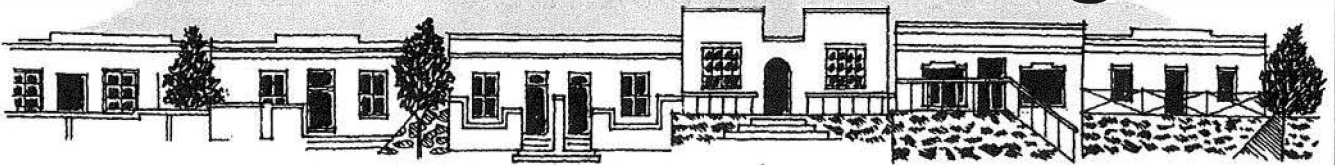
Chicco Mofolo, Nafcoc First Vice-President, said Mathysen had failed to act on instructions, issued during a recent council meeting, that he arrange an audited financial report. Mofolo himself was earlier this year charged with stealing R20 000 of the organisation's money, but he said the sum of money, borrowed in terms of an agreement with the executive, had been paid back. "It was a loan. I borrowed the money after my shop burned down. I needed help to build up my business. It is now up to the police to decide whether to prosecute."

Mofolo charges that Mathysen was supposed to call a summit before signing any agreement on behalf of the council, but had failed to do so. While Nafcoc stood to gain through accessing capital from Sacob contacts, Sacob was trying to legitimise itself by presenting a black face within the business community, without seeking credibility, he said.

Mofolo himself has a discounted vehicle from DaimlerChrysler, which he drove around for two months before he was asked for any payment. "They said they were screening me to see if I qualified for financial assistance," he said.

His second-hand E320, he claims, wasn't given to him at a discount, but he isn't saying what he paid for the car.

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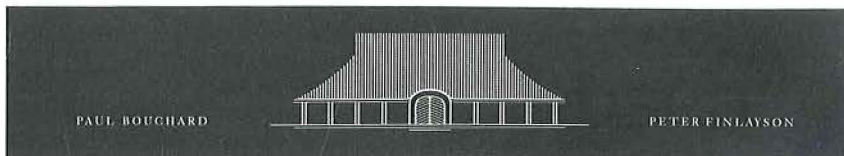
No amount of effort on the part of Safcoc secretary Tom Boya can shut up senior council member Vincent Paahla, the "expelled" Northern Province president of Nafcoc. While Boya has sought an interdict against Paahla and fellow ousted Nafcoc provincial council member Abram Molapo, to try to bar them from entering the chamber's premises or addressing the media on behalf of Nafcoc, Paahla was delighted to tell his side of the story. "I was not expelled. They called an unconstitutional meeting and even called in non-Nafcoc members to make a decision, purportedly calling it a council meeting. Nobody debated the issue and the branches were not represented. The whole process took three minutes."

Paahla does not believe all the executive Nafcoc members are paying for their Mercs. Even if they are paying instalments, he is sure the money is not coming out of their own pockets and said he never entertained the idea of buying a merc from DaimlerChrysler. "Even if you offered me the whole of Anglo-American, you could not bribe me."

Paahla is hoping merger issues can be resolved but hit out at Wakeford.

"He thinks he is still living in the old regime, where white people can tell black people what to do. I have never seen white institutions in so much of a rush. I can't understand it. They are miles ahead of us. I've been sitting on the Nafcoc council, yet I don't have a single document outlining details of the merger. Does that not strike you as odd?" n

Nose of the Week.



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How to get ahead in government?

Nearly three years ago the head of legal services in the Gauteng Provincial Government, one Mr Joseph Sedumedi, was dismissed as a result of an internal fraud investigation. Mr Sedumedi had a nice little scheme going: his partner in crime, one advocate Mike Mnisi, submitted invoices for fictitious consultations and opinions. Mr Sedumedi then authorised these for payment.

We understand that Mnisi confessed to internal investigators that he hadn't performed the work. Bank deposit slips obtained from Mnisi and Sedumedi's accounts allegedly revealed that the payments were split in half, and that Mnisi paid half directly into Sedumedi's account. Apparently a sum in the region of R30 000 was raked in before the cosy arrangement was exposed.

The Gauteng Government's response was exemplary. Sedumedi faced a disciplinary hearing and, when he did not pitch up, he was fired summarily. The provincial authorities also laid a charge of fraud against Sedumedi and Mnisi. So far, so good. However, Mr Sedumedi promptly got a job as a senior commissioner at the Johannesburg Commission for Conciliation, Mediation and Arbitration. He also launched a CCMA action to contest his dismissal!

Despite his employment at the CCMA, the SA Police Service fraud unit claimed Sedumedi could not be found and was possibly in Botswana.

It was left to outraged Gauteng Government staff to raise the matter of Mr

continued on page 24

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Portrait of a nation

Young drunk violent dead

Quite funny, really, how when women commit suicide, they do it in a way which suggests a longing to return to the womb: enclosed in a gas oven, submerged in water, floating in a consoling sleep induced by pills. But men do it in the same way they cook: with drama and a great deal of mess. Probably because they know they won't have to clean up afterwards.

That was the tart observation Afrikaans writer Marieta van der Vyfer made – in fiction – nearly ten years ago. Some would say it's that sort of sharp tongue which also explains why so many women get murdered by strangulation. Be that as it may, where fiction goes, fact is sure to follow.

Last month the Medical Research Council's latest statistical assessment of Aids-related deaths in South Africa was finally released to much fanfare and controversy. But another report on deaths in South Africa, also produced by the MRC and released two weeks earlier, went almost unnoticed.

Perhaps it's because the second annual report of the National Injury Mortality Surveillance System (NIMSS), a joint research project by the MRC, Unisa and the Council for Scientific and Industrial Research appears, at first, to echo President Thabo Mbeki's view that most of us will die of causes other than Aids. This report suggests that the chances are violence will take us before Aids can.

Or maybe it's just too ghastly to contemplate the fact that in a single year, more people (65 000 – 80 000) died unnaturally, i.e., not as a result of old age or disease, in this country than the total number of US casualties (58 000) during the 12-year war in Vietnam.

Unnatural deaths, says the NIMSS report, account for between 12 to 15% of the estimated half a million death yearly from all causes.

The NIMSS report offers us some sort of window, albeit one with a rather grim view, of the nature of non-Aids-related deaths in SA. The ongoing study aims at

tracking the nature and extent of violence, murder and mayhem in SA society. It will, it's hoped, help guide government interventions.

The current report, coordinated by Prof Mohammed Seedat, covers January 1 to December 31, 2000, using data registered at 15 mortuaries in five provinces. A study was made of 18 876 fatalities registered, which were between 24 and 29% of all non-natural deaths.

The bigger picture

Eighty per cent of the non-natural deaths were male. Most of the victims were young adults, with 37% of the cases



aged from 15 to 29 and 36% aged from 30 to 44.

Causes of death

Surprise, surprise, firearms were the cause of "a staggering" one third of all known non-natural deaths. Gunshot wounds overshadowed all other external causes of death in the country. The total of firearm deaths (5 201) was greater than the 4 314 deaths due to auto accidents. SA babies and toddlers are most likely to die of burn wounds while pedestrian-motor vehicle deaths are most common in the 5- to 14-year age group. For all age groups older than 14, firearms were the highest ranked.

Choose your weapons

Over half of the 8 395 murder victims died of gunshot wounds and a third of stab wounds. The totals for murder rise "abruptly" in the 15- to 19-year-old age group, peak at between 25 to 29, and remaining high right up into the mid 40s.

More men than women were killed this way with 6.8 males for every female. Women are strangled 13 times more often than men. *[Didn't we predict it?! – Ed.]*

Accidents, be they caused by transport,

burns, falls and drowning, accounted for only 6 503 of all fatal injuries – compared to the 8 395 homicides. Seventy-two per cent were transport-related and 12% due to burns.

More gender differences

Gunshots were the major cause of death for both sexes. However, the percentage of firearm deaths was twice that for any other cause for males, while it was more or less equal to vehicle deaths for females. The second and third causes of death for men were sharp objects and pedestrian vehicle crashes. Women were more likely to die of strangulation, burns or being hit with a blunt object (usually in their own homes).

Death by complexion

More black and coloured people are murdered than die in accidents.

More white and Asian South Africans die in accidents. Murder is the next most frequent cause. There were higher percentages of white and Asian than black and coloured suicides.

Death by own hand

Firearms and hanging were the most favoured methods of suicide in the country, followed by poison and gassing. More men than women killed themselves, and while most men chose hanging, most women chose poison. Whites and Asians chose firearms to take their own lives, while coloured and black South Africans hanged themselves. The private home seemed to be the most frequent site of suicide, followed by "residential institutions" and the open veld. Women seem invariably to take their suicides more seriously than men do. The report notes that "no female suicides were recorded in amusement parks or sports areas".

Choose your time

Homicides seemed to peak in April and December while suicides peaked in May. Firearm killings peaked in May 2000, accounting for 54.8%. When firearm use was low, the use of sharp objects was high. Bludgeonings with blunt objects, on the other hand, peaked around holidays.

Sunday was the worst day for male suicides while most women killed themselves on a Monday (washday?).

Choose your drug

Among those for whom blood-alcohol level was measured, almost 60% of murders were alcohol-related, while 54% of road-accident victims had elevated alcohol levels.

And so, while the NIMSS study makes an important contribution to understanding the nature of unnatural death in South Africa, it holds no surprises and confirms what most South Africans

continued on page 24

Can Americans face up to reality?

Response to "Why America checked out of Durban" (nose36 by Sarah Ruden, PhD Harvard), from James Sanders, who has a PhD in African history from London University and is our occasional London correspondent.

The inability of Americans to understand why the "colonised" should resent the imperial power of the United States is one of the mysteries of our age.

Take, for example, the terrorism of 11 September 2001. For days after the horrific incident, the American press was full of commentators asking who and how – but not why. Is it because facing up to the reality is too difficult to bear?

And so it is that I am prompted to respond to Sarah Ruden's list of "major misconceptions" which, she believes, the rest of the world has of America.

1. Americans are stupid. I don't think anybody would judge an entire people in such terms. It would however be accurate to state that many Americans know little of the world outside the borders of the US. President Bush had traveled abroad three times before his election last year. Only 11% of Americans possess a passport. American network news stations ignore foreign news. Consider the post-11 September panic within the CIA as the agency attempted to find somebody, anybody who speaks Arabic.

2. Americans are cruel. It would be harder to find a country in history that has been more vindictive to its enemies, especially those who gave the US a bloody nose. Think of Vietnam, Cuba, Libya, Iraq, North Korea. It's more than 40 years since the Cuban revolution and it's still illegal to import Havana cigars into the US. In terms of covert activities, consider Guatemala, Chile, Nicaragua, Angola ... the list goes on.

3. Americans are all-powerful. It's a fact that since 1989 there has been only one superpower: the US. For 12 years, America has had all the economic benefits of the new imperial age at minimal cost. During the Cold War, the world was divided by ideology and ironically the American and Russian superpowers had to finance many client states to sustain the balance of power.

Since 1989, a number of countries have begun to disintegrate under the pressures of the "free market". Superpowers always support free trade: free for them, expensive for everyone else. America's refusal to act as an honest broker on the issue of Israel-Palestine threatens the security of the Middle East.

America walked out of the Durban conference because the Bush administration (pre-11 September) wasn't prepared to do what the Clinton administration would've done: empathise, commiserate, pontificate and finally avoid the issue. Post 11 September Bush now knows the importance of allies: he's spent the last

few weeks making concessions to them in a desperate bid to keep their allegiance. Asking for reparations for slavery is just another way of asking for assistance. A globalised world where the Western democracies represent a new upper class and the mass of the world's population are the new working class is a dangerous place to inhabit. It might feel easier blaming the poor for being poor. It might feel easier imagining that the US is, in the words of an American writer, "a virtuous empire", but history teaches that there is always a reckoning. All empires eventually buckle under the pressure of their internal contradictions. *n*

'King Con' no tall story

Dr Mangosuthu Buthelezi's letter to noseweek (page 2) suggests our article "King Con" and the book which inspired it, JDF Jones's *Storyteller: The Many Lives of Laurens van der Post* [published this month], employ "untruths" and "exaggerations".

In particular, Buthelezi claims Van der Post didn't help facilitate donations to the IFP worth £1m; didn't urge Zulu secession; didn't encourage the Prince of Wales to "come out for the IFP"; the British and American governments didn't abandon Buthelezi; and to cap it all, Buthelezi granted an interview, which Jones "chose to cancel".

Jones's book is an "authorised" biography: the authorisation (by the trustees of the Van der Post estate) permitted Jones access to Laurens van der Post's archive of correspondence and other documents.

Walter Felgate, who over the two decades until 1997 was an adviser and speech-writer for Buthelezi, told Jones's researcher that Van der Post's friends John Aspinall, Sir Jimmy Goldsmith and Kerry Packer had donated R4m (£1m) to the IFP before the 1994 election. The money was paid in two tranches: one for R1m and one for R3m. Interviewed by Jones in '99, the late John Aspinall confirmed his donations.

Jones cites a number of letters from Van der Post to Buthelezi in which the former appears to urge Zulu secession. Remember that during constitutional negotiations, Buthelezi and the IFP consistently argued for a federalist constitution for a new SA. In December 1993, when negotiations on this point had reached an impasse, various "self-defence units" emerged to cast their

shadows across the Zulu hills, and Buthelezi was refusing to enter the 1994 election, Laurens van der Post wrote to advise Buthelezi: "You must prepare, as I'm certain you've already started to prepare, for the period in which you have to go it alone and take what you can of Natal with you." This certainly resembles a secession call.

The fact that any public statement by Prince Charles favouring the IFP would have led to a constitutional crisis in Britain did not, according to Walter Felgate, stop Van der Post and the IFP from trying to engineer such an intervention. General Constand Viljoen told JDF Jones: "I have no doubt that the value of Laurens van der Post to Buthelezi ... was his contacts with the British Royal Family." On 12 March 1996, Van der Post wrote to Buthelezi: "Your host in the country [*Prince Charles*] ... is doing quite a remarkable intervention with people in the right places who might help your cause."

The suggestion that the British and American governments abandoned Chief Buthelezi in the autumn of 1992 was an historical assessment made in the noseweek article, not in Jones's book. On further reflection, it might be more apposite to wonder whether the British and American administrations ever really supported Buthelezi, beyond a little light flirting.

Commenting on Buthelezi's alleged offer of an interview, Jones told noseweek: "I made various attempts to interview Mangosuthu Buthelezi, who on one occasion signalled his agreement – in principle – to such a meeting. I then received messages from mutual friends that Buthelezi was concerned about what might be found in the Van der Post archive. Despite the offer in principle and my best efforts, no interview was forthcoming, either in South Africa or Britain." *n*



Rear Admiral Kamerman, resplendent in naval uniform, dazzled Selby Baqwa's hearings with his evidence. Here he's flanked by recently-retired Chief of the Navy Vice Admiral R Simpson-Anderson,

Hi-tech Rear Admiral steams to the rescue

Predictably, by the time the only critical witness testified at Selby Baqwa's bumbling arms deal hearings, the mainstream media had come to the end of their short attention span. A pity! A wealth of interesting material emerged from Richard Young's evidence.

Dear, oh, dear! It all happened as we predicted in nose34. Vice-Admiral Robert Simpson-Anderson, the dapper, recently retired chief of the navy, found himself in rather stormy weather at the arms deal hearings and emerged with his mainsail in tatters over arms acquisition chief Chippy Shaik's recusal.

Just to remind you: at his first appearance the vice-admiral testified that Shaik had disclosed his connection (via his brother Schabir) with one of the parties (ADS) tendering for the corvette (and submarine) combat suites.

"He proposed to recuse himself, [and] it was agreed that whenever the combat suites were discussed, I would take over the chair and he wouldn't take part in discussions or decisions ... This process was followed throughout the period."

But noseweek and Richard Young had seen confidential documents the navy never dreamed would be revealed – Project Control Board minutes which

showed that on at least one occasion Mr Shaik had remained in the chair and contributed to the discussion and decision-making on the combat suites.

During his evidence, Young quoted extensively from this document and others, much to the anger of the authorities. Several times counsel for the Department of Defence, Michael Kuper SC, tried to probe Young on how he had got access to these classified documents.

Rather than being concerned at the evidence of irregularities the authorities, want to strangle the whistle-blowers.

After the hearing, the project officer of the corvette programme, Rear Admiral Johnny Kamerman, threatened an investigation that would endanger the secret-level security clearance held by Young and his company, CCH Systems, as contractors of the Defence Force and Armscor.

Without such a clearance, which Kamerman claimed had been called into

question by Young's evidence, the company will not be allowed to compete for contracts.

But nevertheless the navy clearly felt it had to trundle Simpson-Anderson back onto the stand to respond. The Admiral struggled manfully to revise his definition of recusal. This didn't mean Shaik had to leave the room – although, mysteriously, on several occasions when he recused himself, he did in fact depart. It didn't mean he didn't contribute to the discussion. His contribution was merely "of an informative nature". It meant he was not part of the "decision-making processes", whatever that meant. In any case, the admiral argued, coming up for air, Mr Shaik had great integrity and his conflict of interest was more apparent than real.

This led to the following exchange with Young's counsel, Owen Rogers SC, in one of the small windows of cross-examination granted him by Baqwa.

Rogers: Now if we can put Mr Shaik to one side for the moment and speak to you as a man of integrity who would value fairness. If you were involved, as you were, in a procurement process of this kind and you had a brother who was involved – as a shareholder and director in a potential supplier of equipment to the navy – would you think it fair and proper that you should be involved in decision-making relating to that company in which your brother was involved?

Simpson-Anderson: No! I think it would not have been proper.

And later:

Rogers: [Mr Shaik] was then very much the linchpin in communication between all the relevant role players?

Simpson-Anderson: Yes.

Rogers: Accordingly the person conveying to the Project Control Board the view of a particular body such as the Minister's Council, was a person who had this conflict or potential conflict of interest?

Simpson-Anderson: Yes.

Rogers: And the person conveying the views of the Project Control Board to the Minister's Council or other bodies with whom he liaised was this same person?

Simpson-Anderson: Mmh, yes.

Rogers: It therefore appears to me – I put

continued on page 24

Quelle scandale!

A large bomb is ticking away in the midst of French political life—a scandal that could explode with tremendous force or, as is often the case in France, be quietly defused and buried.

Just how weird and spooky is this? Political insiders are speculating privately whether a key witness and a judge who's been investigating for the past two years may wind up dead. At times, the Parisian political gossip has sounded closer to what you might hear in Beirut and Damascus than in a European capital.

What's motivating this elite anxiety is that the French system of political payoffs is coming unstuck. The system has been gossiped about for years—envelopes of cash passed to government ministers, fixers who launder commissions totalling hundreds of millions of dollars, networks of operatives in the French Government who are loyal to various political patrons. But this is the first hard evidence substantiating the rumours...

Here's a brief tourist guide to what the French call *L'affaire Elf*.

Two years ago, crusading judge Eva Joly began investigating corruption at the state-owned Elf Acquitaine oil company from 1989 to 1993. Joly gradually gathered evidence of secret Swiss bank accounts, payoffs to political leaders in Germany and Africa and—most damaging of all—kickbacks to prominent French politicians.

Central to the scandal is Roland Dumas, former foreign minister and intimate friend of President François Mitterrand.

Dumas, now head of France's constitutional court, is a Parisian intellectual of the Left with a

network of stylish friends, a distinguished law practice and a famous collection of modern art. (He was Pablo Picasso's lawyer.)

But evidence gathered by Joly depicts him as a cartel kingpin who benefited from multi-million-dollar payoffs to his mistress.

In 1989 Christine Deviers-Joncour, Dumas' "close companion", was hired by Elf's Swiss subsidiary as a lobbyist. A 1990 contract specified that this *femme fatale*, 25 years his junior, would be paid 50 000 francs a month (about R75 000), and given a credit card (on which she was to charge roughly FFr200 000 a month, around R300 000). One notorious use of that card was to buy Dumas a R16 000 pair of handmade boots from a Paris boutique. Her paymaster was the head of Elf's Swiss subsidiary, a shadowy figure named Alfred Sirven.

All this might have garnered no more than a Gallic shrug. What made it a *scandale* was the allegation that Sirven in 1990 offered her services to state-owned defence giant Thomson-CSF, which needed French Government approval of a \$2.5b deal to sell frigates to Taiwan. Her *cheer ami*, Dumas, was at that time a key opponent of the frigate deal, arguing it would harm French relations with Beijing. But it was approved in 1991—without explanation.

As Joly and her investigators dug into the maze of Elf's Swiss accounts, they found payments to Deviers-Joncour that totalled more than R90m. Her loot included a R25m apartment on the fashionable Rue de Lille near St Germain des Prés and a R600 000 Flemish tapestry.

Investigators were also curious about nearly

FFr17m (R20m) that moved into Dumas' bank account between 1991 and 1992. (The former foreign minister says he sold some of his art collection.)

But in defending himself, Dumas has all but confirmed the practice of "retro-commissions", as the kickbacks are known.

He issued a statement saying commissions paid on the *Taiwan* frigate deal totalled an amazing \$500m (about 25% of the purchase price), and said he'd seen a list of the recipients.

The ticking-bomb aspect of the scandal is whether it will stop with Dumas. It could widen to include other prominent political figures, such as associates of the former interior minister, Charles Pasqua.

The possible involvement of Pasqua's associates—several of whom were allegedly on the payroll of Elf's Swiss subsidiary, along with Deviers-Joncour—is especially sensitive. He is France's version of Italy's former prime minister Giulio Andreotti—the man who knows all the secrets.

Though Pasqua is no longer interior minister, he is said to maintain a network of loyal confidants in the French intelligence services, the police and other key agencies.

President Chirac has tried to reduce corruption since taking office in '95. Soon after moving into the Elysée Palace, he sent emissaries to leading French companies and ordered them to stop paying large commissions overseas—and to stop kickbacks of these funds to France.

Chirac must decide soon whether to encourage an escalation of the judicial probe—and, figuratively speaking, bring down the pillars of the temple—or instead try to contain Joly's investigation.

Based on a report by David Ignatius in *The Washington Post*, Aug 2, '98

● *Postscript: Thomson CSF is also at the centre of SA's arms controversy. The French trial took place earlier this year. By the event the case was restricted to the Elf affair. Dumas was charged with receiving benefits worth FFr5m he knew to have been illegally obtained from Elf, including the handmade boots bought for him by his mistress. He was sentenced to 30 months imprisonment, of which 24 months were suspended. Madame Deviers-Joncour, who wrote a book about her experiences entitled *The Whore of the Republic*, was sentenced to three years in jail (of which half was suspended) and a FFr1.5m fine. The heaviest sentence was reserved for Elf's Geneva fixer, Alfred Sirven, who had fled to the Philippines but was caught and extradited to France in February in time for the trial. He swallowed the memory chip of his mobile phone as he was arrested and at the trial refused to speak in his defence—although he once boasted that he knew enough to "blow up the republic (of France) 20 times over". At the trial he insisted that the sensitive matter of the Taiwan frigates was central to his case and could not be separated from the charges against him relating to Elf (see cutting alongside). He was found guilty on charges relating to his dealings with Elf and sentenced to four years in jail and a FFr2m fine.*

Fifth mystery death in frigate scandal

Another party involved in the scandal surrounding Taiwan's purchase of six French-made Lafayette-class frigates mysteriously died last month, the French newspaper *Le Monde* reported.

Jacques Morisson, a former French Thomson-CSF representative in Taipei, reportedly fell out of the window of his apartment on June 4.

Although the police claimed that it was simply an accident, Morisson's death looks extremely suspicious, as he was the fifth French person involved in the Lafayette case who has died in an odd fashion.

Last October, Thierry Imbot—the son of a former French intelligence chief—who was in Taipei from 1989-94 as a "special officer" of the French Institute in Taipei, died after he fell from a building in Paris. His death, too, was said to be an accident. Last March,

Thomson Japan's general manager Jean-Claude Albessard also passed away under mysterious circumstances, dying from "sudden cancer."

Christine Deviers-Joncour, ex-mistress to former French foreign minister Roland Dumas, said two other parties responsible for money laundering in the Lafayette case were killed in a mysterious car accident in South Africa.

The Lafayette frigate case was linked to the French electronics firm Thomson-CSF after investigators had discovered that Thomson Taiwan's office manager, Andrew Wang Chuan-pu, Imbot, and Albessard had all left Taiwan immediately following navy captain Yin Ching-feng's as yet unexplained murder on December 8, 1993.

From the *Taipei Times*, July 1, 2001



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Shaik is said still to handle his personal financial affairs.)

Operation Vula militated against another initiative within the ANC, the Mbeki-led efforts at dialogue with the apartheid state. Vula continued its secret operations following the ANC's unbanning in 1990, leading to increasing conflict between Vula operatives and the ANC leadership about strategy and the direction of negotiations. "The views of the Vula comrades were largely ignored," the group's former communications man Tim Jenkin wrote in a 1995.

The level of conflict was such that in February 1990 Maharaj quit the ANC.

Mandela – just released from prison – persuaded him to retract his resignation, but in June 1990 Vula's cover was blown following the arrest in Natal of two of its operatives, Charles Ndaba and Mbuso Shabalala – both later murdered by security police, purportedly to prevent the exposure of Ndaba as a police agent.

In the midst of negotiations, Mbeki was confronted by the Nationalist negotiators with evidence of a secret ANC unit of which he had been unaware. FW de Klerk sanctimoniously charged the ANC with secretly plotting insurrection while negotiating a settlement.

Some sources believe Mbeki was so angry that, in effect, he allowed the Vula network to be hung out to dry. Maharaj and others were arrested and released on bail only after the Pretoria agreement with De Klerk had already been signed. Mbeki allowed these key hawks within the ANC to be side-lined. In mid-December 1990 Maharaj again "retired" from the ANC. Again Mandela brought him back – into the Cabinet.

Where are the Vula Boys now? They are positioned strategically throughout state structures. The Shaik brothers' mentor, that stalwart communist academic Pravin Gordhan, like Maharaj, was unlikely to be welcomed into Mbeki's political structures; instead he heads the SA Revenue Service, where he has been joined by old comrades Vuso Shabalala (Customs), Ivan Pillay (Special Investigations) and Sirish Soni. [It is said expouchers make great game-keepers! – Ed.]

Solly Shoke is now mission director for the SANDF, Raymond Lalla is a senior official in police intelligence and Mpho Scott is an MP who appears to be somewhere at the centre of just about every major empowerment deal – including the arms deal.

The repeated surfacing of Vula members in alleged plots is no co-

incidence. Remember the report which the ill-fated Georg Meiring (then SANDF head) presented to President Mandela in which it was alleged that Meiring's 2IC (Siphiwe Nyanda) was plotting with ANC radicals against the government? Whatever Meiring and friends' interest in its telling, there could've been something to the story – only the plot is more likely to have been against Mbeki than Mandela.

Maharaj's name was floated by ANC sources in connection with last year's bizarre Mbeki plot allegations.

There are clearly ideological issues involved in the conflict. Maharaj, Gordhan and company are associated with the ANC's left wing, which includes much of the white left, and is seen as sympathetic to ex-trade unionist Cyril Ramaphosa. At least two of the Shaik brothers have privately expressed concern at the "crude Africanism" espoused by some of Mbeki's acolytes.

It is said that, in the course of their arms-deal inquiry, the Scorpions have taken an interest in the relationship between Maharaj, Gordhan, Zuma and the Shaiks. (Ronnie Kasrils is suing several newspapers for suggesting that the Scorpions were at one stage investigating him.)

It would be no surprise if they were. While Maharaj was in charge, the Department of Transport got Shabir Shaik's company Nkobi Investments on its feet via a R4-billion tollroad contract on the N3 highway. (Nkobi has a small share of the consortium.) This was followed by a R400m contract for the production of credit card-type driver's licenses – Nkobi's first joint venture with French arms company Thomson-CSF and with Denel. The N3 toll consortium is worth a closer look. [Also see box.]

Among the major shareholders is Rand Merchant Bank, part of the FirstRand Group, where Comrade Maharaj has since become a director. (Two other group subsidiaries, Wesbank and FirstAuto, also each won R750m contracts while Maharaj was transport minister). Also on the RMB board is Ahmed Sa'ed Vahed (of the AM Moola group), whose daughter is married to Shabir Shaik.

And, thanks to *Rapport*, we now know that Pravin Gordhan, Commissioner of the SA Revenue Service, at the request of Shaik solved a tax problem for the AM Moola group. This personal service, explained a spokesman for SARS, was part of Revenue's open door policy.

Rapport also told us that Gordhan's brother-in-law works for Shabir. And that Shabir handles Jacob Zuma's finances. All one big happy family.

All this might lead one to suspect that the recent raids by the Scorpions on the offices of Nkobi Holdings and the home of Shabir Shaik might have been politically motivated. Not so, we are assured: the raids took place on the basis of specific information. Furthermore, judges in Paris and Mauritius – where raids took place on Thomson-CSF (now called Thales) offices – have to have been convinced that good grounds existed for those raids.

But that's not to say investigators are not under political pressure. They are.

Government is desperate to avoid any suggestion of corruption in the prime contracts, which would place them in jeopardy. Investigators have been told not to bother former Defence Minister Joe Modise, who is apparently dying of cancer. There are whispers that Jayendra Naidoo (who negotiated the final deals) has also been declared out of bounds to investigators. Ian Pierce, an accountant who is reputed to have several present and former cabinet ministers as clients, and who set up many of the empowerment companies involved, continues simply to defy a subpoena to hand over documents. And the focus on the Shaiks has diverted attention from Thabo's Boys' also having their snouts deep in the arms-deal trough. ■

[See the next issue of *noseweek* for Mbeki's *Patriotic Bourgeoisie*.]

More about the N3 toll consortium

Also once a director was Mohamed Enver Asmal (said to be related to Kader), whose company, Profour, won the tender to revamp Durban Airport. (Profour then promptly went bust, but that's another story.)

Yet another director was George Negota, possibly representing that firm with an impeccable *Hervormde* Broeder heritage, BKS engineering. (He is chair of Khuthule Projects, a BKS subsidiary that specialises in transport consultancy.)

BKS, which amassed a fortune on state projects under apartheid, is poised to build on that solid foundation with the new elite. (Joe Modise was recently appointed chair of BKS.) Its subsidiary, Tblink, has won contracts to run tolls on the N3 and N4. It is doing work for Coega. It's in on the Gauteng high-speed train project. It owns the rights to the technical information for the proposed La Mercy airport. So it goes.

Sedumedi with the CCMA and to complain to the Public Protector about the SAPS's tardiness. In April 2000, following the CCMA's discovery of his failure to disclose the details of his unhappy departure from Gauteng Legal Services, Mr Sedumedi resigned and disappeared again. noseweek has been unable to confirm rumours that he now holds a senior SAPS position in Northern Province. [Can anyone help? - Ed.]

His unfair dismissal case is still pending at the CCMA, although his attorney, Alan Jacobs, is coy about the present location of his client, claiming only to have a cell number. At this stage you should know that the gallant SAPS does not even have an identification number for Sedumedi. [Sigh! - Ed.]

Advocate Mnisi has been even more lucky. His little scheme with Sedumedi was brought to the attention of the Pretoria Bar, where he was a member.

We understand that he was found guilty (of exactly what, the Pretoria Bar won't say) following a disciplinary hearing, but that he is appealing. Nevertheless, Mnisi has landed on his feet. He is now a senior investigator with the Pretoria office of the Scorpions!

noseweek asked the Scorpions if he had declared this unfinished business when he went to work for them. They could find nothing in their files to suggest he had done so. We await further developments. In the meantime, we trust they don't let him near the tea money. n

Young, violent, drunk and dead continued from page 18

already know - that we are a violent, drunken lot.

But what, we ask ourselves, will the government make of it?

A suggestion: for a start it would be most comforting to the general public were someone to do something about arresting and punishing those responsible for all this murder and mayhem. n

Rear admiral to the rescue continued from page 20

this for your comment - that leaving aside any role he may or may not have had within the decision-making of the Project Control Board itself, it was this Mr Shaik with this conflict or potential conflict of interest who was colouring what came to the Project Control Board and what went out of it?

Simpson-Anderson: What do you mean by colouring? What is colouring?"

Rogers: What indeed?

Fortunately for the sinking Admiral, in addition to modern high-tech ships the navy is getting modern high-tech officers. One of these came steaming to the rescue in the form of Rear Admiral (Junior Grade) JEG "Johnny" Kamerman.

Believe us, and remember you read it here first: this man will be Chief of the Navy, white skin or not.

First, he established his credentials as a man of action such as most of us can only dream of being. He served at sea for 15 years and was the weapons officer who fired the first missile in the Southern Hemisphere. He also commanded an operational combat vessel for four years.

Currently director of corvette acquisition and overseer of the submarine programme being executed in Germany, Kamerman is SA's senior military officer stationed in Europe.

Next, he showed his deep respect and solicitude for Young and "his fine little company". He even referred to the fact that Young had in the past phoned him at home in the early hours of the morning (a detail Young denies) to beg for bridging funding from the navy when there was a lag in the formal allocation of project finance and that somehow they had made a plan to accommodate him.

Denying that Young had any legitimate expectation of the contract for the combat suites, Kamerman was a picture of manly sympathy: "So I can't counter the fact that Mr Young feels aggrieved and I can't give him any absolution except a shoulder to cry on but we never ever gave Mr Young the assurances that he is alluding to and I will come to that in our

evidence." Little of Kamerman's evidence was put to Young for his comment.

This situation wouldn't be allowed in court, but slips by in the Protector's hearings where Selby is empowered to make the rules.

Much of Kamerman's evidence, convincing as it was, had to do with technical interpretation and will have to await the test of a real court case (and discovery of all relevant documentation).

But some areas were noticeably thin, though apparently not thin enough for Baqwa's bedazzled panel to see through.

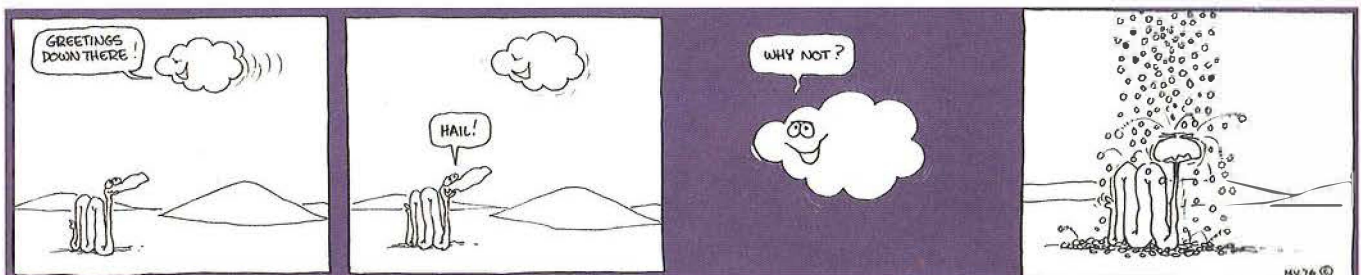
At the heart of the debt-disaster that is the corvette deal is a contract which Kamerman was apparently closely involved in authoring, and which the German contractors, together with their grasping French and SA partners, could drive a corvette through.

The contract directed that in quoting a price "allowance must also be made for prime contractor responsibility". In other words, in terms of the bid document, bidders were to quantify their perception of risk up-front. That was why they were given extremely detailed lists of the nominated SA suppliers. The responsibility then lay with the Germans to say, No, this is a risky South African product; we will have to build in a risk cost if you want us to use that. Instead, the question of risk was only raised after the Germans and ADS became preferred bidders.

How could they get away with this? There was another little clause which stated: "The final costs will only be apparent after negotiation with the preferred vessel contractor, in particular the integration and business-risk costs have to be determined." The contractors could therefore "determine" cost increases in cosy collaboration with those who could also benefit.

Young showed that the real cost increase of the arms package from November 1998, when the Cabinet announced the deal, to November 1999, when the final contracts were signed, was R1 503m. The price of the corvettes increased by R872m, mainly due to some R800m added to cost of the corvette combat suite.

That claim was never challenged. n



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Aerodynamicophobia

(otherwise known as COLEOPTEROPHILIA)

by HAROLD STRACHAN



So the Right Wing came and shot our tin house full of bullet holes, as was customary at the time, till it looked like a piece of Brussels lace, and our GP put me onto Valium, just getting customary at the time; not those ordinary old tranquilisers Americans used to eat like monkey-nuts when Sputnik was perceived flying over Washington, I mean *die ware Jakob* begone-dull-care *en-vok-die-res*-type medication. And about this time Doogie from old Scotland days phones me when I'm in this my daily Xanadu, and asks me to fetch with the family Rustmobile station-wagon his collection of abstract paintings in Umhlanga, please, and deliver them to a certain Durban gallery, for exhibition.

What are pals for, man? I reply. I collect Eric the labourer from his Group Areas unlawful habitat in the garbage lane back of the house, and off up the coast with ropes and bungees and styrofoam for packing, and stow half the paintings inside the Valiant and the other ten on the big flat aircraft-carrier roof, all securely strapped down shipshape and Bristol fashion.

We make our merry way back to Durbs. As we cross the viaduct over the Umgeni mouth I bust out in song

*Oh I do like to be beside the seaside,
Yes I do like to be beside the sea,
And I do like to sit beside the prom
prom prom
Where the brass bands play tiddely
on pom pom.*

Eric observes that something is awry with the slipstream of this vehicle and the roof stowage of its cargo, and when I look in my mirror, I there espy the entire vista behind us full of flying splinters and airborne abstractions, and a motorcyclist

with good reflexes desperately ducking about amongst all this wooden flak, whilst a man without any just ploughs through and over it all in a big Mercedes.

I haul the ossew up on the sidewalk of the bridge and we leap out and sort of kick all this artistic wreckage into the gutter before a fifty-ton Tongaat sugar rig comes blasting by really to mash it up, then I sit down on the curb there and think of further Valium whilst Eric flings all the debris into the hatch.

He sits down and makes a joint and hands it to me. Fucked up, he observes, by way of consolation. Ja, I reply.

Now you got to fix it, he states, by way of philosophy. Ja, I reply.

So I leave a message for telephone callers saying that I have contracted the mumps and if any male of about Doogie's age should call around impromptu he will catch it for sure and become sterile forever and his lineage will be at an end. Then I get to work with Eric in the little workshop I have in the back yard, and after a day and a half and two nights without sleep we have reconstructed Doogie's box frames and repainted them and not only retouched the shattered paintings but invented bits where the Mercedes had removed all pigment, Eric refuelling himself with *insangu* and cups of tea the while, and I myself with tea and Valium.

But we've done it! We stand there exhausted and smile, and after a bit Eric by way of mathematics observes, We're one short. I go ice-cold. See, here's the frame, he says, holding assorted bits of painted wood in a sort of a rectangle; the picture must have flown into the river, he declares. Jeezuz wept! I exclaim. What did it look like, man? Well, it had a sort of

beetroot thing at the bottom, he says, and white lines up this side, sort of ..., I think.

So without further ado I whip out the acrylics again and under Eric's direction replicate the Doogie original in an hour or so, and it's still only 3.30 pee em when we're done, and we're down to the gallery where the man himself is haggardly pacing about.

God! he cries, you're heer! Mon, he says, you look like shit. Sick, oh, sick, I say, but waste no time! So we get cracking and hang all the pictures for the opening tomorrow, and Doogie declares, What a pal, mon, and you so ill and all. And I'm just starting to say again, What are friends for, hey? when he says, Hang on. I mean. I mean theer's. I mean theer's ane. I mean theer's ane tae mony!

Eric and I fall silent, immobile and aghast. We have to sit down. Doogie paces about, but he can't identify the extra picture. You're hallucinating, I say, when I've got a bit of residual chutzpah together; there were twenty-one, and I get the distinct feeling that if it weren't for the fact of our being such good pals he would defy my arithmetic with some vehemence, because I know Doogie, but then there's the urgency of the exhibition, and he's scored an extra painting anyway, so what the hell. He lets it go; tomorrow's metaphysical problem.

But I must admit at that very moment it occurs to me that I might just one of these days paint a Pierneef. Under Eric's direction. And if the stock market stays *kreupel* and people want an idea for safe investment, I might just do it soon.

Put the word out, comrades; watch the Sotheby catalogue. Look around for a Vee-dubs Beetle in reasonable nick, too. One previous owner. Low kms. And a 1936 slipstream, please. #

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