

news you're not supposed to know

# nose week

Dec 2002 - Jan 2003

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## THE ARMS DEAL

Trevor Manuel  
and Shauket Fakie  
spin out of control



De Beers's carat and stick ■ FirstRand's ill wind ■ SAB pours on  
its foul brew ■ Why the rural poor do need land ■ Johnnic bosses  
head for Bunker Hills ■ Cola wars ■ Dugard left dangling



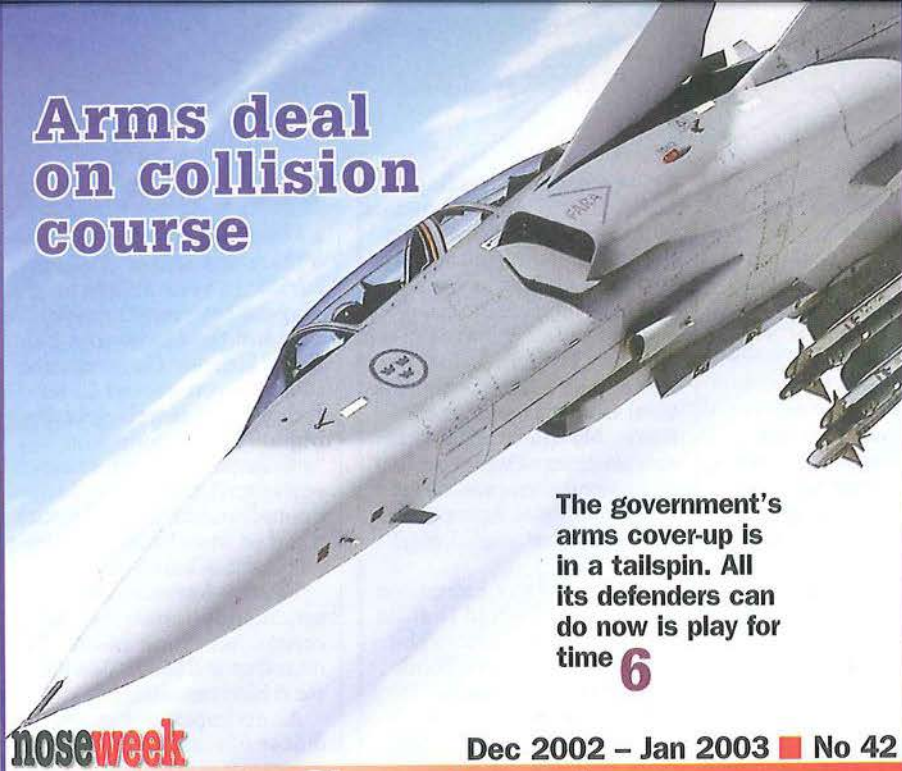
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# Arms deal on collision course



The government's arms cover-up is in a tailspin. All its defenders can do now is play for time **6**

**noseweek**

Dec 2002 – Jan 2003 ■ No 42

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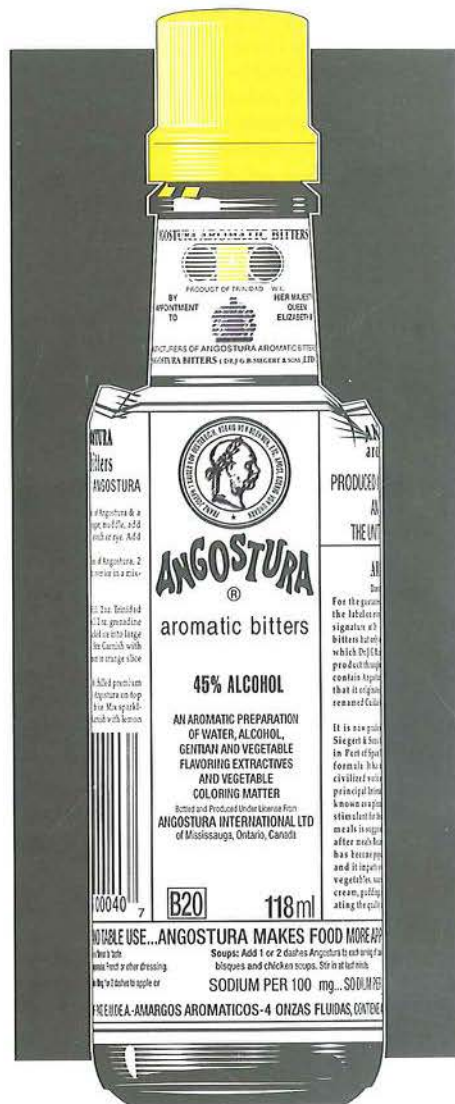
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Cover pic: Harold Strachan

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## Paul's pile

As a business leader I appreciate we are game for the media – that's part of the price of accepting the challenge of leading large South African organisations.

Your article "Some choice cuts for Johnnic" (*nose41*) surprised me, though, for the following reasons:

1. Your reference to "R1.2m lavished on improvements to the old colonialist's Zim bolthole" is wrong. I don't own property in Zim. Your source is confused as I know nothing about any Bunker Hill.

2. I was employed in 1999 as CEO of Johnnic Holdings. Having largely completed the restructuring of the Johnnic group, I spent the last year as CEO of MTN.

3. My salary was paid out of Johnnic Group Services, as Johnnic Holdings ceased to employ staff and became a pure holdings company. My salary was paid out of Johnnic Group Services until Nov 2001, even though I had moved to M-Cell/MTN in July 2001, and was recovered from MTN. Hence my salary, which related to my work as CEO of Johnnic Holdings and then CEO of M-Cell/MTN, was recorded in the JohnCom annual report. Although I was chairman of JohnCom, I resigned in June 2001 and thereafter had little day-to-day involvement in JohnCom.

4. On the housing issue, the annual report high-lighted that I was the beneficiary of an executive housing scheme approved by the board of JohnHold. This is not unusual for an expatriate coming to SA. After my transfer to M-Cell/MTN, I settled it in full.

I hope this clarifies the matter. I would appreciate your running a correction to put the record straight.

**Paul Edwards**  
Johannesburg

*From the first paragraph, your letter makes clear you are a Pasha, a Lynchpin of the Economy, a Hero of the Struggle – and a pompous*

*arse. But what all the flummery is about concerning who paid your salary in which month, we still don't know. Was MTN short of cash to meet your salary demands in those first few months? Or was there some more interesting and lucrative reason for this bothersome bit of bookkeeping? You say the annual report "highlighted" your executive housing scheme. If so, it must have been done in invisible ink. We've been unable to find any reference to an "executive housing scheme" in our copy. Apropos your description of your housing loan as "not unusual for an expatriate coming to SA": we disagree, but if true, what does this say about the similar loans to your three co-directors who are native South Africans?*

*On the subject of your non-ownership of property in Zimbabwe, we are duly corrected. Our sincere apologies to Mrs Mugabe for falsely raising her hopes.*

*Now turn to page 7 for more about Bunker Hills. – Ed.*

■ Following on your article on the Johnnic directors' perks, I wish to quote from a certain publication:

*Denel turned a marginal profit into a R363m net loss last year. The state-appointed board of directors celebrated with an average 89% pay rise and a performance bonus of nearly R1m.*

The publication? Johnnic's *Financial Mail* of August 23! Is the journalist who wrote that report perhaps due for retrenchment?

**David P Kramer**  
Bedfordview

## Saambokked

I wrote to the *FM*, *Finance Week* and *Business Day* in February, raising questions about Saambou. None published my letter.

In it I pointed out various inconsistencies in the explanations given by the Reserve Bank and the curator for the collapse. Perhaps the most glaring remains the one about the alleged "run" on the bank on the Thursday and

Friday prior to its collapse, in the course of which investors supposedly withdrew R1bn from Saambou. But nobody saw long queues at branches on those days. Most observers conclude it must have been a few very large investors (who had access to inside information) who withdrew their funds. My question: isn't it extraordinary Saambou had R1bn (or R5bn – we still don't have an official figure) ready on call on that day? I don't believe it.

It is especially incredible now that we're told that on the Thursday – before the "run" – the Reserve Bank turned down a request to bail out Saambou.

Everything suggests the bank was in trouble long before that – possibly when several directors, including the MD, Johan Myburgh, sold large numbers of shares.

So what did cause the collapse of the bank? The suggestion put out that Saambou's micro-lending division, Thuthukani, had been "a bit of a problem" appears to have been a red herring. Senior bank officials confirm that adequate provision was made for this.

While the curatorship hurriedly secured by the Reserve Bank has taken Saambou's top executives out of the public eye, one hopes the Scorpions are keeping an eye on ports. The investing public should not expect their money back. So many lies suggest there is nothing left to hand out – certainly not once the KPMG curator has been paid. His assignment was to have culminated very quickly – in February – in an announcement about what had actually happened. A mere 36 hours later it was slipped into the press that it would take a further six to eight weeks for him to make sense of the mess.

After nine months' "curating" at Saambou, KPMG's John Louw emerges, miraculously transformed into Saambou's "receiver" – without one of my questions having been answered!

**Justine Nofal**  
Oudtshoorn

*See page 10 - Ed.*

## Sea Point saga

I am officially appointed as a marriage officer of South Africa. In your article on the dispute between the Beth Din and the Green and Sea Point Hebrew Congregation (*nose41*) you quoted Chief Rabbi Cyril Harris describing me as someone who "officiates at reform same-sex marriages". If correctly quoted, Rabbi Harris's statement is wrong, defamatory of me and libelous.

Firstly, I am not an ordained Reform rabbi, so cannot, and have never officiated at a Reform Jewish marriage ceremony.

As an appointed marriage officer of South Africa, where same-sex marriages are not legal, I have never violated my mandate.

I demand an immediate retraction of both statements. That you publish statements as fact without verification is a poor reflection on your journalists.

**Dr Azila Reisenberger**  
Camps Bay

*We accurately quoted an official letter from the Orthodox Chief Rabbi of South Africa to the management committee of the Sea Point congregation. It transpires even chief rabbis can be misinformed and misguided. We're happy to correct the record and tender our sincere apologies. We gather Rabbi Harris has done the same. – Ed.*

■ In post-1994 SA who cares about tensions in the Sea Point Jewish community?

**N J Coetzee**  
Pretoria

*We do. – Ed.*

■ *nose41* was great – best-selling mag in Sea Point this week! The comments on bias and balance are generally favourable. And the rest of the mag is interesting too!

**Barbara Fisher**  
Sea Point

■ Your article about issues in the Orthodox Jewish community was good. Now you've have done such a brilliant job of the Jewish Orthodox community, let's

## Arms and the debt trap

see you delve, as only you can, into the goings on in the Catholic and Muslim worlds!

Moshe  
Cape Town

Come on! This is a family newspaper, remember! – Ed.

### Jet twin-set

I'd like to congratulate President Mbeki for his thrift in buying only one presidential Boeing. He could have splurged on two. By not doing so there has been a massive saving in maintenance costs of about R13.6m a year.

To put this sacrifice into perspective: at about R2 300 a ton, he could have bought over 2.6-million kg of maize for R600m. In addition the annual running costs of the *Fish Eagle* are equivalent to another 5.5-million kg of maize – enough to feed a lot of hungry people. Makes you think!

Whenever the poor and hungry see the *Inkwazi* in the sky, they will be eternally grateful that there is only one.

Peter Sutton  
Richmond

### Apostrophe cop

I'm the "apostrophe police"! May I refer you to *nose41*, page 9, middle column, line 7? (And may the late Miss Tyfield know that I actually did listen during her English lessons!).

Rhona Wolpert  
Camps Bay

We know what you've been reading! Anyway, we confessed to being habitual offenders – not members – of the Society. – Ed.



Can

“... and do you, Candice, accept Gary with all his baggage? ...”

In April 1980, when Robert Mugabe became its president, Zimbabwe had a foreign debt of only US\$300 million.

At the Lancaster House independence talks, the UK and US promised US\$2bn for the development of a fairytale Zimbabwe.

Today Zimbabwe is in social and economic chaos with foreign debt of nearly US\$8bn! What happened to the fairytale?

It's not difficult to suggest an answer. Mugabe's two closest allies, General Rex Nkhomo (head of Zanla) and Edgar Tekere, Zanu's secretary general, emerged from the Mozambique bush penniless.

“Nkhomo” reverted to his real name, Solomon Mujuru, and became defence minister. Instead of using its new supply of foreign funds for housing, education and economic development, Zimbabwe decided on an arms procurement programme. It bought weapons (mostly obsolete) from Brazil and Britain.

The first minister of finance was Zanu treasurer Enos Nkala. After 10 years in prison he bravely preached reconciliation. The IMF persuaded him to lift exchange controls (as a condition for more loans). In no time, Lonrho, Anglo American and Old Mutual had withdrawn most of their capital from Zimbabwe, funding their operations with locally borrowed money instead. A year later a humiliated Nkala was forced to reintroduce exchange controls and was transferred to become minister of police.

Bernard Chidzero, a Canadian citizen and former IMF employee, became finance minister. In 1983 he launched the first Five Year Plan with IMF money. Most was spent on arms. By 1985 Defence Minister Mujuru (Nkhomo) owned several huge farms and had other assets worth Z\$7m.

Not unexpectedly he featured prominently in Willowgate, an exposé of bribery and corruption at the Willowvale car plant.

His friend Tekere, who was a drunk, but not corrupt, remained poor. He earned his exit visa from Mugabe's circle in 1988 when at a cabinet meeting he threw his briefcase across the table at his colleagues, shouting “who are all these corrupt people?”

By this stage payments on foreign debt were exceeding foreign earnings. To meet the resulting shortfalls, the IMF required Zimbabwe to go in for “structural adjustments” such as a wage freeze, cuts in educa-

tion subsidies, and even a cut in food subsidies. (Maize used to be subsidised). The poverty that followed led to food riots.

Zimbabwean farmers were encouraged to abandon growing staple food crops and to cultivate luxury cash crops for export to earn the foreign currency needed to repay the foreign debt and interest. Cheap maize was imported from the US.

Next the IMF insisted Zimbabwe lift import restrictions, destroying local industries such as the once flourishing textile industry in Harare.

By 1997 the country was bankrupt and could not service its foreign debt. In a final splurge to save his party from armed rebellion, Mugabe paid the “war veterans” US\$2500 each, plus US\$100 a month. The Zim dollar collapsed, interest rates shot up to 45% and inflation rocketed. On the streets the slogan became “When will independence be over so we can have shoes again?”

Now Mugabe started talking about “African socialism” – which had little to do with socialism, but much to do with the survival of his corrupt political elite, who have moved on to better things, as a recent UN report on criminal networks in the Democratic Republic of Congo reveals.

Never have there been so many luxury 4x4s on Harare's roads, so many booming restaurants, so much ostentatious wealth. All paid for with the elite's ill-gotten gains from the Congo.

The rest of the population is starving. As a distraction, Mugabe feeds Shona nationalism with yet another programme of genocide in Matabeleland.

Now you know why we have strong views on our arms programme. It is a betrayal of the people. Now you know why we think Maria Ramos should take the job she was offered at the IMF – and that Trevor should do the honourable thing and follow her there.

And why, in the New Year we intend telling you the exact terms of the foreign loans he arranged to fund the deal (and so desperately wants to keep secret). We are confident we'll be able to demonstrate the public interest in that to any judge.

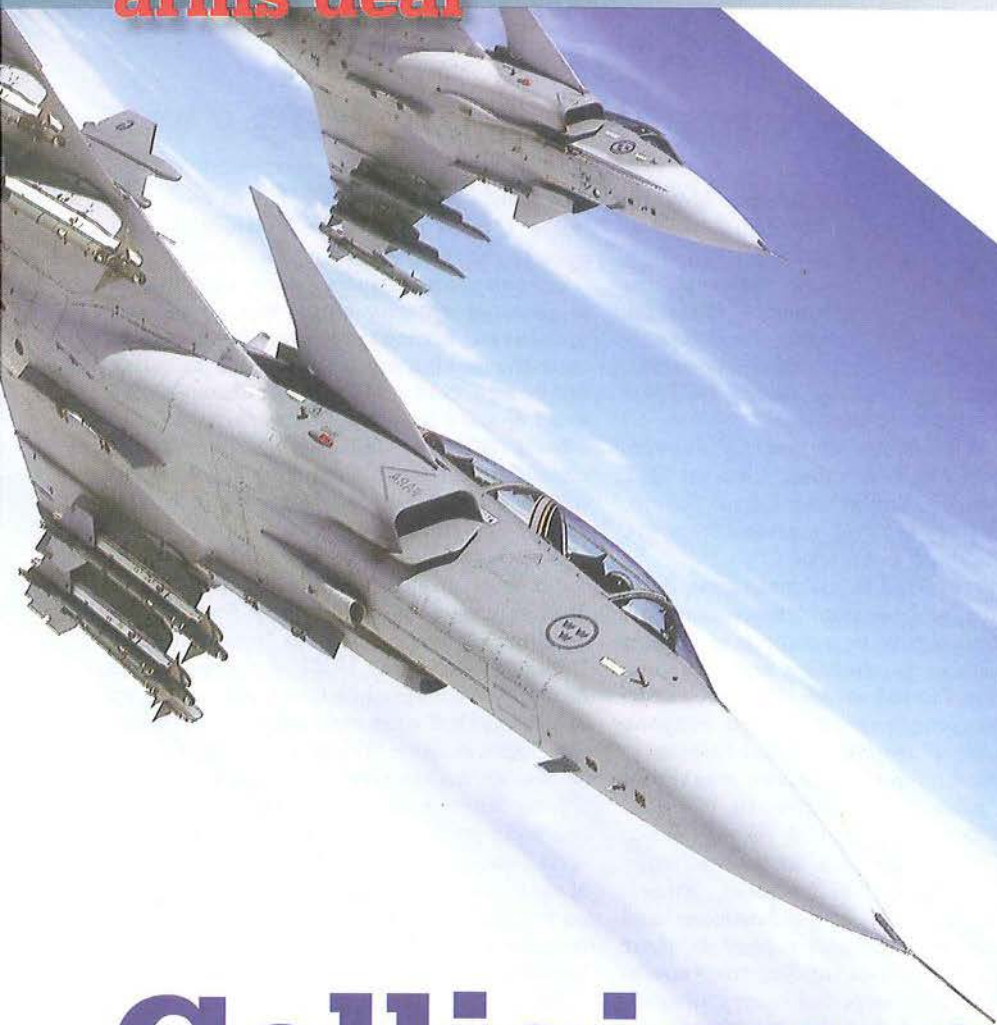
Meantime, over the holidays fire a cracker and imagine it's under Manuel's arse. Then join us in a good rest. – The Editor

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*The arms procurement cover-up is in a tailspin. Now the government plans to drag out the enquiries till it's too late to cancel the deals*

## Collision course

**T**he cover-up of the corruption and lies surrounding South Africa's arms procurement programme is unravelling on all fronts.

The question now is whether enough will become public in time to force the cancellation of the weapons purchases that are otherwise set to cut deeply into budgets for social services and poverty alleviation for decades to come.

It seems government strategy is already being directed at stalling, rather than preventing disclosure, which has clearly become unstoppable.

The intention appears to be to delay disclosure for long enough to enable the supply of arms to have

progressed beyond the "point of no return". Defenders of the arms purchases can then go to court and argue "on the balance of convenience" that, whatever corruption and other irregularities may have taken place, it would not be reasonable at that late stage to reverse the process.

The battle for disclosure is raging on three fronts:

■ Military software supplier Richard Young, MD of CCH Systems, and an unsuccessful bidder in the arms deals, who is claiming R150m from the government – damages he says he suffered because of shady dealing in the arms programme – has won the first round. The Pretoria high court has ordered the auditor general, Shauket Fakie, the director of public

prosecutions, Bulelani Ngcuka, the then public protector, Selby Baqwa, and Minister of Defence Mosiuoa Lekota to give Young access to thousands of documents and records which the government had clearly hoped to keep secret.

■ In the Cape high court Finance Minister Trevor Manuel is shaping up for a similar fate at the hands of former banker Terry Crawford-Browne, who is suing for cancellation of the arms deal on behalf of the poor of South Africa and on behalf of Economists Allied for Arms Reduction, a body which internationally has several Nobel Prize winners as patrons. Government lawyers have taken every technical point possible in their attempts to delay or derail

the case. But already, in papers filed on behalf of Manuel, what appear to be serious discrepancies are emerging. (In fact Manuel authorised his beloved, the director general of the National Treasury, Maria da Conceicao das Neves Calha Ramos – you didn't know that was her name, did you! – to testify on his behalf.)

Apparently, assuming nobody could get access to the contracts (he has refused Crawford-Browne's request to see them), Manuel denied that the loans he had concluded to fund the arms deals were government to government contracts, or that they were an intrinsic part of the arms package (which would have required parliament's approval).

"In the considered view of the second respondent [Manuel] and the National Treasury [Ramos], production of the [loan] documents would be contrary to the public interest," declared Ramos. "The transactions are part of the financial business carried on by the government and

the terms and conditions upon which it does so ought not to fall within the public domain."

Unfortunately for Manuel, *noseweek* (and Crawford-Browne) have already

**The intention appears to be to delay disclosure for long enough to enable the supply of arms to have progressed beyond the point of no return**

seen the contract – not marked "secret" or even just "confidential" – and he is being misleading on both counts.

One of the signatories to the main loan contract is "Her Britannic Majesty's Secretary of State acting by the

Exports Guarantee Department."

There are also some provisions in the agreements with serious political implications for the future – matters the public undoubtedly has a right to know.

■ And now, in the *Mail & Guardian*, it emerges that all in government and its investigative agencies have known for a year or more that Deputy President Jacob Zuma has been implicated by witnesses in a bribe that was allegedly being brokered with French arms supplier Thompsons – but have failed to mention it in their reports to parliament. In fact there is reason to suspect the investigation may have been put on indefinite "hold".

In Young's case, many of the documents he now has access to are likely to prove extremely compromising to the government. In the course of the court application itself, Young surprised Fakie with one of the documents the auditor general had already under oath denied existed,

## Czech police investigate Gripen tender

PRAGUE, 7 Nov 2002 – The anti-corruption squad of the Czech police, on the instigation of a senator, have started to investigate the suspicion of corruption concerning the planned purchase of supersonic Gripen fighters from the British-Swedish consortium BAe System, Jiri Vokus from the Police Presidium told the Czech news agency CTK today.

Outgoing senator Michael Zantovsky (Civic Democratic Alliance, ODA), the head of the Senate's defence committee, said he welcomed the police's interest in the Gripen case. However, he did not confirm that it was he who had initiated the investigation. "I have told the law enforcement bodies all information or facts I know about the case," Zantovsky said. – *CTK news agency, Prague/Transparency International*

## IT TURNS OUT THEY'RE ALL AT IT

British Aerospace, a leading player in South Africa's controversial arms procurement programme, has recently featured elsewhere on the world stage

## Blair sold jets at peace talks

Tony Blair used a meeting with his Indian counterpart to push the sale of British Hawk jets while urging peace with Pakistan

UK Prime Minister Blair used a private meeting with his Indian counterpart to push the sale of British Hawk jets while urging peace with Pakistan, it has been confirmed.

Blair raised the deal – estimated to be worth £1bn – with Atal Behari Vajpayee at a meeting at his country residence, Chequers, as hundreds of thousands of troops remained at a stand-off in the disputed region of Kashmir.

Downing Street and the Foreign Office stressed the Hawks, made by Britain's biggest defence manufacturer BAE Systems, were training jets. But they can easily be converted for combat, as has happened in Indonesia.

Blair's intervention is likely to revive Labour unease over arms sales.

Officials stressed any deal would be subject to the usual "rigorous" controls.

But two thirds of the jets would be built in India by the state-run Hindustan Aeronautics company, according to *The Guardian* newspaper.

A Downing Street spokeswoman said: "We make no apology for supporting a legitimate defence industry."

Kashmir, India's only Muslim majority state, has been a flashpoint of hostility between India and Pakistan for five decades.

Since 1947, the states have fought two of their three wars over the disputed Himalayan territory – the first in 1947-8, the second in 1965. Tensions have been rising again since December last year when India blamed Pakistan-based militants for an attack on the parliament in Delhi – a charge Pakistan has denied. – *BBC News World Service*



Finance Minister  
Trevor Manuel

so proving that Fakie cannot be trusted to tell the truth on matters relating to the arms deal.

Fakie, Ngcuka and Baqwa constituted the Joint Investigation Team set up in November 1999 (Judge Heath having been excluded at the last minute), ostensibly to investigate the arms deals.

Young suspects that the team's final report, published in February 2001, was significantly watered down as a result of behind-the-scenes intervention by government ministers and officials.

What concerns Young are changes that may have been made to that section of the report dealing with the "de-selection" of his company in favour of Thompson CSF, the French company whose involvement in the arms deals remains highly controversial. (Most recently with regard to the alleged negotiation of a bribe to Zuma. The deputy president has denied all knowledge of the matter.)

The court judgement is a dramatic demonstration of what the constitution means to citizens faced with oppressive government action, but the case also demonstrated how long hostile officials can delay matters. Young first applied to Fakie for access to documents in November last year. Fakie aggressively refused all cooperation and invited Young to take him to court if he wasn't satisfied with his decision. It has taken Young a full year to get his court order – and the order gives Fakie another 40 days to comply, with lots of opportunities for still more argument and delay.

The judge ordered the state to pay the R400 000 in legal costs incurred by Young in making the application. For the government, the delay apparently comes cheap at the price.

Besides the draft versions of the

Joint Investigators' report, Young has asked to see all correspondence concerning the arms deals between Fakie and the Department of Defence between January 1 1998 and November 20 2001, all documents relating to the arms deals between Fakie and Baqwa's office, and all Fakie's audit files between those dates concerning the arms deals.

In January Fakie turned down the application in its entirety, saying that it involved too many documents.

In court he added – unwisely as it turned out – something extra. As far as copies of the correspondence Young had asked for were concerned, he told the court, there had not been any such correspondence.

Unfortunately for Fakie, Young already had some copies of just such letters.

Fakie was clearly stung by this unexpected turn of events. He accused Young of having tried to trap him, and claimed he had simply

## Unfortunately for Fakie, Young already had copies of just such letters

forgotten the letters and that they contained nothing he might have wished to hide.

Young, in fact, found the correspondence very useful.

One letter is from Chippy Shaikh, the man at the centre of the scandal, recommending a few changes he would like to see in the wording of the Auditor General's original Special Review of the Arms Deals.

Another is a letter from the acting secretary of defence, M Netsianda, thanking the Auditor General for his attendance at a meeting on October 21 to decide the setting up of a committee to "steer" his audit of the arms deal. (And who emerged as a member of that "steering" committee? None other than Chippy Shaikh, whose role in the arms programme should

have been top of the committee's agenda! The letters are addressed to senior officials or cabinet ministers about a highly controversial matter and are not easily forgotten.

Finally, contended the auditor general, "inasmuch as it appears that the applicant intends embarking upon a private investigation, any such suggestion is quite untenable."

But the primary objective of the Access to Information Act is to facilitate such investigations. The auditor general may legitimately be expected to assist with such enquiries, not oppose them.

The judge reminded Fakie that the purpose of the Act is to give right of access to information held by the state in as "swift, inexpensive and effortless a way as is reasonably possible".

In court The Open Democracy Advice Centre (a branch of the Institute for Democracy in South Africa) supported Young's application and castigated the respondents for not advancing open democracy.

Finally, Judge Willem Hartzenberg summed up:

"If regard is had to the media coverage which this matter enjoyed and the prominence of the members of the joint commission this is certainly a case where maximum access is necessary to dispel any suspicion of a cover-up. It is not good enough to hide behind generalities . . . the applicant [Young] alludes to conflict of interest and political pressure. If at all feasible such suspicions must be put to rest."

If the attitude of the auditor general is anything to go by, many suspicions stand to be confirmed. For diggers there is gold in them thar hills! ▣



Auditor General  
Shauket Fakie



## WHAT'S A COMBAT SUITE? (AND WHY SHOULD WE CARE?)

**A**ssume an enemy missile is fired at one of SA's new corvette patrol ships. The corvette's first line of defence will be its missile detection radar that picks up the incoming missile and instructs the tracking radar to continue tracking it. As the missile approaches, the tracking radar guides the ship's own missiles and guns to lock onto the enemy missile. All of this is constantly being adjusted for the pitch and roll of the sea by another bit of programming.

Now make that four missiles coming at the corvette – from different directions. Typically the corvette's defence systems will have 10 to 15 seconds to destroy them.

This is one of the functions of the ship's computerised combat suite. And without an effective system to coordinate the computers that perform these various functions, the ship is almost defenceless. "Without a top-notch data distribution system the ship is dead", says Richard Young.

Young's information management system for the corvette combat suites, developed in close cooperation with the SA Navy since 1992, has been phenomenally successful around the world. Recently it was selected by the US Navy for use in its most modern surface combat systems.

Yet it was "de-selected" by the SA Navy for its new corvette fleet at the last minute in favour of the obsolete French Detexis system offered by African Defence Systems (ADS), the local subsidiary of notorious French arms supplier, Thomson-CSF. Another shareholder in ADS is Nkobi Holdings, a mysterious local company named after a former treasurer of the ANC. Both ADS and Nkobi are headed by Schabir Shaikh, who is controversial for his roles as a former fundraiser for the ANC, as manager of deputy president Jacob Zuma's financial affairs and – what

luck! – as brother of Chippy Shaikh, the civil servant who directed the entire arms procurement programme (see *noses30&31*).

Whatever the government's reason for rejecting Young's system, it wasn't because his wasn't the best available. In June 1999 the SA Navy did a comparative review of Young's system and Detexis. Detexis representatives were in attendance. Young was not even informed of the review.

Even so, a secret report by naval officers and Armscor officials after the review makes it clear that Young's system was far superior to the Detexis system. The report lists no less than 15 performance-based reasons why Young's system should be preferred. It also details how Young's system complies with SA Navy's User Requirement Specification, whereas the Detexis system doesn't come close.

Young's system had other advantages: it was locally developed and would be maintained and supported locally; and cost only R44m against R49m for the Detexis system. (After Young had tendered his quote, a R50m "risk premium" was arbitrarily added to his price by ADS – acting as overall project co-ordinator for the corvettes – which, fortuitously for ADS, made it much more expensive than the Detexis system being offered by ADS itself.)

Chippy Shaikh was closely involved in all stages of the deliberations. He even attended a cabinet sub-committee meeting on 26 May 1999, chaired by then Deputy President Thabo Mbeki. Despite having previously declared to the cabinet his conflict of interest involving the corvette combat suite, he continued to take an active part in the proceedings as secretary of the meeting.

All this, and other riveting detail, forms part of a R150m damages case instituted by Young's company against the SA government and

ADS in August.

Nobody reading Young's particulars of claim in the case, can be in any doubt that the arms deals were fundamentally corrupt. And Young's claim was drawn up at a stage when he had still not gained access to the damning government documents he is now finally allowed to see after a six-month battle in the Pretoria high court ☐



**SHAIKHDOWN:** To add to his reputation for controversy, ADS director Schabir Shaikh (above) was arrested earlier this year and is scheduled to go on trial for allegedly being in unlawful possession of classified government documents relating to the arms deal.

Most recently it has emerged that he is also alleged to have been involved in brokering a R500 000 a year bribe package for Deputy President Jacob Zuma with Thompsons. Zuma has denied the allegations. Shaikh has declared (to the *Mail & Guardian*): 'The truth about this matter must come out in court.'

Is that perhaps a hint to the government about what might happen should the authorities persist in bringing him to court?

# Dangling Dugard

**O**n Monday 21 October 2002 John Dugard failed to become the first South African judge on the International Court of Justice, when he received only 20% of the votes in the General Assembly and Security Council of the UN. This ended a bizarre campaign by the eminent former Wits law professor and represented a missed opportunity for SA to have a presence on the ICJ.



John Dugard

The International Court of Justice, which sits in The Hague, is the world's principal judicial organ, which hears disputes between states. Its 15 judges represent the main regions of the world. Elections for five judges are held every three years. Judges are elected in a highly politicised vote in the UN General Assembly and Security Council, after extensive campaigning by governments. Their nomination, however, is intended to be non-political insofar as it is left to a committee in each state, comprising judges and senior lawyers.

On February 19 SA's committee, headed by Chief Justice Arthur Chaskalson, nominated Dugard and on May 23 the nomination was deposited with the UN. He was then co-nominated by the committees of Australia, the Netherlands and Sweden.

Dugard is an international jurist of high standing. He is highly regarded as a proponent and defender of human rights. He serves, in his second term, with enormous distinction as the duly elected SA representative, on the International Law Commission. To have him elected to the ICJ would have proved a significant addition to SA's international representation.

But from the outset it was clear the government was unenthusiastic about him. It delayed announcement of his nomination for two months, then stalled over the deposit of the nomination with the UN. Meantime Dugard's main opponent, Abdul Karoma of Sierra Leone, was already campaigning in the UN for the October elections.

In early July the African Union met in Durban. Aware Karoma would seek

endorsement by the union of his candidature, Dugard sought to have his own name put forward by SA. His approaches to Deputy Minister Aziz Pahad and acting director general of the Department of Foreign Affairs, Abdul Minty, to attend the meeting to secure support were refused.

He waited in vain for the SA mission in New York to send out notices to missions in the UN that he was SA's candidate and to start campaigning on his behalf (as is the practice when a candidate has been nominated). So, Dugard started his own campaign. He faxed letters to all missions at regular intervals from August to October.

In a press statement on October 1, an unnamed spokesperson for the DFA announced in *Business Day* that SA would vote for Dugard and Karoma. In theory this was possible, but in practice it would mean that one vote would cancel the other in an election for a single African candidate.

Anticipating government support, Dugard went to New York a week before elections to campaign. The SA mission was unable to help him as it "had not received instructions to do so". Appeals to President Mbeki, Minister of Foreign Affairs Nkosazana Zuma, as well as Pahad and Minty for support went unanswered.

In South Africa, politicians and supporters rallied to Dugard's defence but were met by a wall of government silence and Zuma's increasing irritation. Dugard was compelled to campaign as an individual in a system geared to governmental campaigning. Sierra Leone waged an effective and vigorous campaign on behalf of Karoma.

Given the circumstances, it is surprising that Dugard received as many votes as he did: 43 to Karoma's 134.

But the question remains: Why was Dugard not told he was to be left dangling? He could have withdrawn with some dignity if someone in the DFA had had the balls to tell him so **□**

# Saambou frauds continue

**M**inister of Finance, Trevor Manuel, his colleague in crime, Minister of Trade and Industry, Alec Erwin, and the Reserve Bank have decided simply to ignore charges that they have connived at defrauding thousands of Saambou clients of as much as R1-billion.

The fraud was revealed in *nose40* in August. The victims are generally small bondholders and small borrowers from the micro-loans division of the bank.

Many may already have lost their homes or been blacklisted when they were unable to pay the inflated debts.

Thousands of inflated bond accounts have now been transferred by the curator of Saambou to FirstRand Bank, who will continue to collect the inflated loan balances.

In the process, FirstRand has struck a deal with the ministers and the Reserve Bank in terms of which ignorant Saambou clients are likely to lose their right to recover the amounts they've been overcharged. This "scheme of arrangement" has been approved by the Johannesburg high court, but the court was not informed about the fraud and of the victims' probable claims.

Manuel and Erwin's departments have known about the fraud for years and chose to do nothing about it. In terms of the deal, they may no longer be sued for damages arising from the fraud.

On 29 October we faxed a request for comment to Erwin, the director general of his department, Alistair Ruiters and to Ed Grondel, head of FirstRand's home loans division. A month later, not even an acknowledgement from Erwin and Ruiters. Grondel has responded – with a reply designed to sound absolutely reasonable while avoiding answering the charge entirely.

Watch this space **□**

## Regal Treasury Private Bank puts the con back in consultancy

**W**e have it on good authority that the few people still employed at Regal Treasury Private Bank are treating it as just that: their own regal treasury. They're running up huge salary bills as consultants for not much work. This when the unfortunate shareholders and depositors of the officially bust bank are having to get used to the idea that they will recover little or no money.

Curator Tim Store (from Deloitte) was obviously moved with pity for Regal's ex-chairman Derek Cohen: he has hired Cohen as a "consultant", for which Cohen is getting around R100 000 a month. (No doubt this seems reasonable to Store, since Deloitte has collected R5m in fees from his curatorship since June last year.)

No wonder nobody involved in the curatorship is in a rush to move to final liquidation! When Regal's old auditors Ernst & Young recently proposed liquidation, their proposal was rejected by Store – on advice from Cohen. Meanwhile Cohen is very busy at his Regal office, as corporate advisor on the Crux Technologies deal – nothing to do with Regal.

Some other Regal notables who used to earn less than R15 000 a month (plus the option of some worthless shares), are also back in their offices as consultants – taking home R50 000 or more a month, by billing the curator for 10-hour days. What they are doing in all those hours we can only guess.

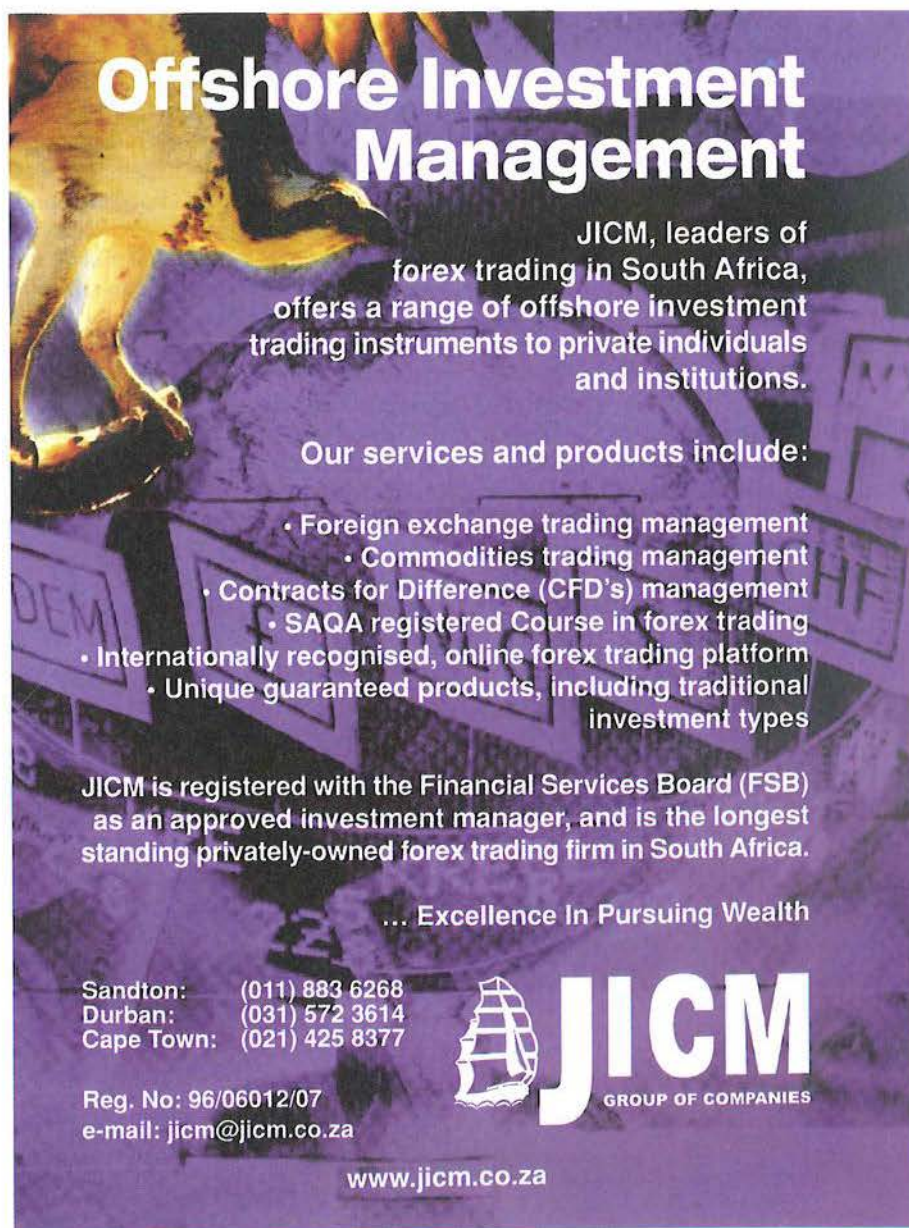
Former buildings manager, Mark Zlotnick used to take home R12 000 a month. Now, in addition to his generous consultancy fees, he has been paid R800 000 in commission for assisting in the sale of the Regal building to Old Mutual for R80m.

We do have some clue about how former Regal legal advisor Anthony Kaplan is filling his hours of consulting. Besides being Store's consultant, he is also the sole partner in a firm of attorneys, A Kaplan & Associates. Kaplan & Ass has no offices of its own. Its letterhead has only Anthony's cell number – and Regal's fax number.

An interesting aside: Cohen's former deputy (and mate from their days at Mercantile Bank) Jeff Levenstein, moved on to selling Jaguars, until Jaguar objected as he didn't have a franchise. Then he opened a kosher delicatessen in Glenhazel, which hasn't done well, because too many in the local community lost money in Regal. Now rumour has it he's about to go back into the financial sector with a

company called Dublin Guarantees. It is said that others at the new company are – or will be – Jeff's brother Brian (ex lawyer, worked for Regal until he was booted out two years ago) and Frank O'Neill (who is ex Mercantile, Ex-Regal and ex deli). O'Neill is said to be the owner-director; the other two "just work there".

Who ever heard of an Irishman running a kosher brokerage? **W**



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## Who's king of the colas?

Pepsi Cola's decision to be a sponsor of the ICC Cricket World Cup in South Africa in 2003 raises some interesting questions. Cricket is hardly played in the US and Pepsi has no real market visibility in SA, so why pay an obscene amount of money for attaching their name to this event?

Two reasons. Firstly, cricket has a massive following on the Indian sub-continent and Pepsi has a strong following there too.

The second, rumoured, reason is more interesting. It is said that Pepsi is about to make its 5th re-entry into the South African market. They've been building up stocks on the Namibian border for a while now.

The contestants still face one or two hurdles on the final straight of the cola nationals. Whilst Pepsi has the official rights to the World Cup and will, therefore, presumably have exclusive vending rights at the stadiums, Coke still "owns" the "pouring rights" in all the major venues.

The South African advertising industry will be gleefully watching this space ... ☐



# Laughing all the way to the Bunker

To corporate buccaneer Paul Edwards, who while chairman of Johnnic Communications received a less-than-transparent company loan of R4m to buy a sumptuous residence in Joburg's Sandhurst, we owe an apology.

We said (*nose41*) that he had received an additional loan of R1.2m to buy a holiday home in Zimbabwe. Not so, says Edwards (see Letters p4).

When businessmen seek to conceal the trimmings they dole out to themselves it's sometimes hard to penetrate the smokescreen. The R4m for the Jo'burg pad went to Edwards via the company 51 Harrow Road Sandhurst (Pty) Ltd. The R1.2m went to whoever via a company described in the 2001 JohnCom annual report as Bunker Hills Investment (Pty) Ltd.

"I know nothing about any Bunker Hill [sic]," claims Edwards in his letter seeking a correction.

Which raises some questions, the most pertinent being: why as executive director did he not know about it, and who did benefit from the R1.2m handout?

Easy, you might say. Look up Bunker Hills at the Registrar of Companies. Not so simple: there are no less than 477 "shelf" companies bearing the name, followed by a number.

Diligence being our hallmark, we scanned the lot. Our critical eye first paused at Bunker Hills Investments 370, sole director Phuthuma Freedom Nhleko. Nhleko is CEO of M-Cell and has been a non-executive director of Johnnic Holdings since November 1997. Bunker Hills 370 was registered in May 2000, which would have been around the time the five sparsely-explained loans totalling R13.9m were made. Apart from Edwards's R4m, other beneficiaries were then-



Paul Edwards

JohnCom directors Irene Charnley (R3.9m) and Jacob Modise (R4.8m).

Yes, said Nhleko, Bunker Hills 370 is his, but no, it's not had any loans, handouts or investments from any Johncom company.

Bunker Hills 329 was our next option. Its sole director is Russel Jackson. He is only an

alternate director. But he is head of Johncom's property division.

Bingo! Yes, says company secretary, Mike Boyns, Jackson got the R1.2m.

In the annual accounts these amounts are not reflected as loans, but as "preference shares in unlisted companies", a nifty way of hiding the perk of an effectively interest-free homeloan (with no monthly repayments!) from the tax man.

Which might explain Edwards' somewhat blurry memory on the subject.

A note in the 2001 JohnCom annual report states that the annual financial statements on pages 30 to 78 were approved by the board and signed on its behalf by Jacob Modise and, yes, Paul Edwards.

And no doubt JohnCom's three-strong audit committee - and Deloitte - had satisfied themselves as to the nature of the "investments".

With regard to the R4m loan for his Sandhurst pad, in his letter to us Edwards points out that subsequent to his transfer to M-Cell/MTN last year "I settled the outstanding loan in full". Of course he did. Having received an emolument of R10.8m for the year to March 31 2002 (which included a bonus of R7.7m) this was no great strain on the maverick's pocket. The three others on the list did likewise, for similar reasons ☐

### A nifty way to hide a perk from the taxman

# Hu's on first?



*Celebrated US playwright Jim Sherman wrote this sketch (based on an old Abbott and Costello routine) after Hu Jintao was named the new chief of the Chinese Communist Party*

*(The scene: the Oval Office, Washington. George W is seated centre right. Curvaceous presidential security advisor Condoleezza Rice enters left.)*

**George:** Condi! Nice to see you. What's happening?

**Condi:** Sir, I have the report here about the new leader of China.

**George:** Great. Lay it on me.

**Condi:** Hu is the new leader of China.

**George:** That's what I want to know.

**Condi:** That's what I'm telling you.

**George:** That's what I'm asking you.

Who is the new leader of China?

**Condi:** Yes.

**George:** I mean the fellow's name.

**Condi:** Hu.

**George:** The guy in China.

**Condi:** Hu.

**George:** The new leader of China.

**Condi:** Hu.

**George:** The Chinaman!

**Condi:** Hu is leading China.

**George:** Now whaddya' asking me for?

**Condi:** I'm telling you Hu is leading China.

**George:** Well, I'm asking you. Who is leading China?

**Condi:** That's the man's name.

**George:** That's who's name?

**Condi:** Yes.

**George:** Will you or will you not tell me the name of the new leader of China?

**Condi:** Yes, sir.

**George:** Yassir? Yassir Arafat is in China? I thought he was in the Middle East.

**Condi:** That's correct.

**George:** Then who is in China?

**Condi:** Yes, sir.

**George:** Yassir is in China?

**Condi:** No, sir.

**George:** Then who is?

**Condi:** Yes, sir.

**George:** Yassir?

**Condi:** No, sir.

**George:** Look, Condi. I need to know the name of the new leader of China. Get me the Secretary General of the U.N. on the phone.

**Condi:** Kofi?

**George:** No thanks.

**Condi:** You want Kofi?

**George:** No.

**Condi:** You don't want Kofi.

**George:** No. But now that you mention it, I could use a glass of milk. And then get me the UN.

**Condi:** Yes, sir.

**George:** Not Yassir! The guy at the UN.

**Condi:** Kofi?

**George:** Milk! Will you please make the call?

**Condi:** And call who?

**George:** Who is the guy at the UN?

**Condi:** Hu is the guy in China.

**George:** Will you stay out of China?!

**Condi:** Yes, sir.

**George:** And stay out of the Middle East! Just get me the guy at the UN.

**Condi:** Kofi.

**George:** All right! With cream and two sugars. Now get on the phone. *(Condi picks up the phone.)*

**Condi:** Rice, here.

**George:** Rice? Good idea. And a couple of egg rolls, too. Maybe we should send some to the guy in China. And the Middle East. Can you get Chinese food in the Middle East? **[X]**

## In the pink

A couple attending an art exhibition at the National Gallery in London were staring at a painting that had them intrigued - and puzzled. It depicted three very black and totally naked men sitting on a park bench. Two of the figures had black penises, as you'd expect, but the one in the middle had a pink one.

The curator of the gallery stepped forward to offer his expert interpretation of the artwork. For nearly half an hour he explained how it depicted the sexual emasculation of Africans in a predominately white, patriarchal society. "In fact," he said, "some

serious critics believe that the pink penis also reflects the cultural and sociological oppression experienced by gay men in contemporary African society."

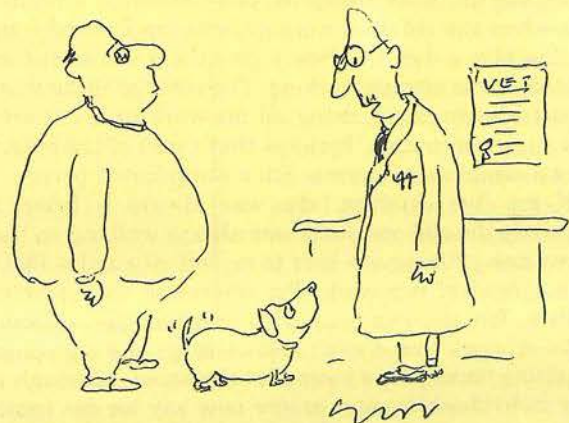
After the curator left, an old Welshman approached the couple and said, "Would you like to know what the painting is really about? I'm the guy who painted it."

The couple were all ears.

"In fact," said the painter, "there are no Africans depicted at all. They're just three Welsh coal-miners. The only difference is that the guy in the middle went home for lunch."

Retold by Chris Brewer in *Brewer's Droop*

**gus**



"He's too fat, you must take him for a run every morning."

THE FATHER

# Sampie Terreblanche



In the first of a series about meaningful relationships, I talk to Sampie Terreblanche, a professor at Stellenbosch University's political science department, and his daughter Christelle Terreblanche, a political commentator. I also talk to Anne Susskind about each of them.

**W**e are both rather independent. We are obstinate, kind of stubborn, inclined to hit our heads against a wall from time to time. At the University of Stellenbosch, where there's a high degree of academic freedom, it doesn't really matter. But in her case, in the journalistic world, you don't always have the luxury of speaking your mind. You sometimes have to be diplomatic and that's not in our nature. We say what we think and even if we don't, it's written on our foreheads.

I take responsibility for it: I brought her up like that. When she was an honours student, a very well known editor of *Die Burger* was the new professor of journalism and I and my wife were at a function and he asked my wife "why doesn't your daughter like me?" Her dislike was written on her forehead. When she likes someone, it's also obvious.

I was in the National Party, I wrote speeches for ministers and when I broke away in 1987, I took a quantum leap. Many old friends and colleagues, when they saw you coming in the street, would cross to the other side. I and some of my colleagues had talked for ages about breaking away and we had said that to break away would be like taking hold of someone's arm and ripping it off. It was long in coming, but the day it happened it was a bloody mess.

We got closer to each other then, Christelle and I. She was never as closely integrated into the Afrikaner establishment as I had been in what I call my ignoble past.

She was rebellious. From scratch she was a complicated child, a difficult one. She got all the attention for two-and-a-half years and then the attention was on the younger ones. I was appointed professor at only 34, and she was eight. I was struggling to make headway professionally. I realise now that when the children were growing up I – and I suppose my Ina also – did not always give them the attention they needed. I was always working. The strange thing was I was almost always home, doing all my work in my study. So it was a tense situation. Perhaps that's part of the reason why she's a complicated person. I'm a complicated person.

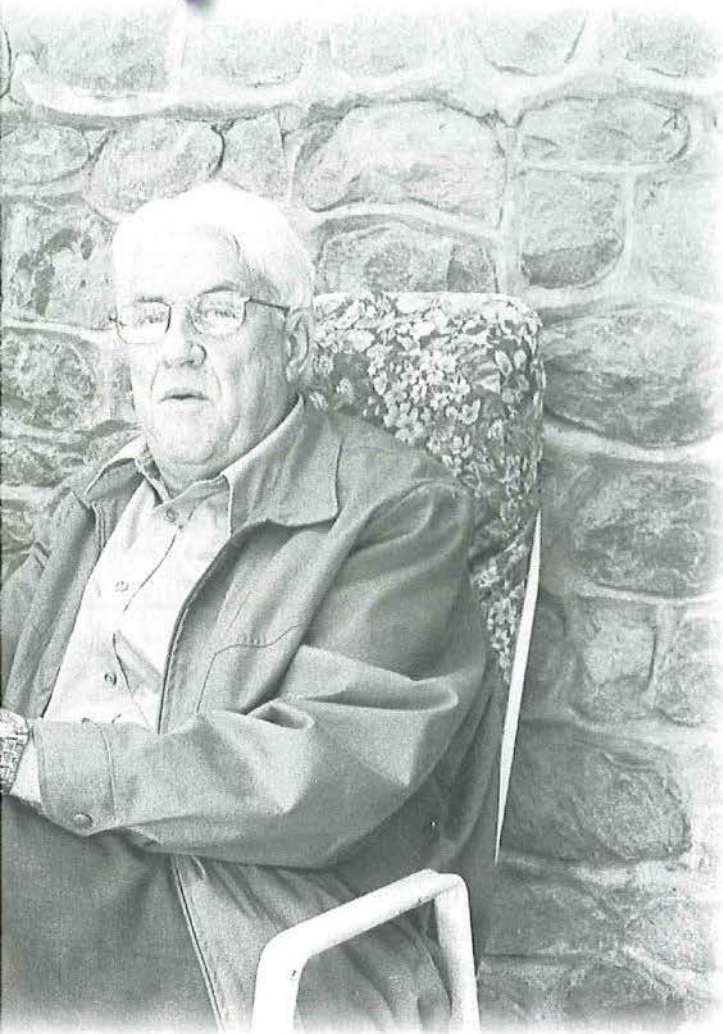
Of my five children, she was always a loner. I was definitely the odd one out. I was always walking on the farm on my own, talking out loud to myself. She's also like that.

I'm proud of her work. I'm interested in journalism, in politics. We are both busy with propaganda – a lecturer in social sciences that doesn't acknowledge he's a propagandist is talking nonsense; a journalist the same. Although we are very individualistic and people may say we are egotistical, we are serving the public. On a daily basis she's giving lectures in a newspaper. We are both in adult education.

I have a certain amount of empathy for her because she's

had quite a tough journey till now. She was at *Rapport*, which was so very, very National Party. She couldn't carry on there. For a time she was in Windhoek for *Vrye Weekblad*. Then it became bankrupt and she had to look for new work and eventually became involved in the TRC. That also came to an end, and for a time she was unemployed. She got a job at Punt Radio. Then Punt collapsed. She lost a lot of money there: her wages for six months. But she's a survivor. I must constantly ask myself the very difficult question: am I to blame that she sometimes runs into career problems and ends up penniless?

I admire her, what she can write in a day or two, and afterwards she is sometimes exhausted. She is a typical



Photograph: Sue Kramer

## THE DAUGHTER

# Christelle Terreblanche

**W**hen I was about 12, he was appointed to the Erika Theron commission into the Coloured community. I think that's when the real change came for him. They travelled the country, and he would come home in the evening and cry after what they'd seen. It was disconcerting because I was going through puberty and you have certain roles, but I realised he wouldn't cry if it wasn't very, very bad. People were going around saying, ooh, these people must just be given a bit of love and they can pull themselves up by their bootstraps, but he saw a systematic breakdown of people's culture and abilities, a structural trap.

He has exceptional loyalty. Even if he didn't agree with something he would stick to it. That's why he stayed so long in the National Party. He really did believe he could change it from inside. Also, he had five children and a wife to care for, and the family comes first.

It was dicey, but I think he was quite open about it. For the Nationalists, as long as you proved loyal and you didn't marry a Roman Catholic or a Jew, they did accommodate it up to a point. They drew the line when I started doing student protest. They would phone my father before I got home, he would get a bash over the knuckles: your daughter was seen walking out when Die Stem was playing! I think he kind of liked it, but he couldn't acknowledge that. He thought I might burn my fingers.

Of all the children, I'm the most political. We disagreed a lot during the 1980s, but there was not a white family in this country where people didn't disagree. But I'm very, very proud of him and feel that very few people, particularly Afrikaners, had this privilege of growing up with a free-thinking, questioning, an alternative, open and honest person.

I had an idea that sometimes he wished he was by himself during those difficult times, that he didn't have this huge family to support. I think a part of him really wanted to be a proper rebel. Even though he was very dependent on my mother, and I don't think things would have gone well for him without her, a part of him could have been a loner, thinker and even a revolutionary. I don't think he hid that.

But if he had decided to turn his back on it (earlier), he would have had to leave the country because he would not have had a job in Stellenbosch or anywhere else. The English wouldn't have come out hugging him.

He was already talking to the ANC before that. He was invited by a group of people sponsored by Goldfields, I think, who went to England a couple of times to talk to the ANC to search for common ground. It was quite hush-hush. When that became known, he left the Broederbond and National Party immediately. When I was little, he was [page 14](#)

## Relationships, Sampie Terreblanche, emeritus economics department and his correspondent at Independent Newspapers, her and their close relationship

journalist, like a bloodhound if she smells a story. She has an ability to work with people, to build personal relationships. I couldn't do it. I have the luxury of working in the world of ideas. She has to live among people.

We co-operate a lot. She can give me inside information and I can give her an interpretation. She read the manuscript of my book and her criticism was invaluable. We are in regular communication on political issues, sometimes daily, sometimes once or twice a week. We shape each other.

I was a member of the Erika Theron commission [Commission of Enquiry into Matters Relating to the Coloured Population Group in South Africa, 1976]. Christelle was 15 and from the start she was concerned with the posi- [page 14](#)

## Sampie Terreblanche

from previous page tion of the poor and very much against the Afrikaner and English establishments. Perhaps I've influenced her to look at the ugly side of power. So, we're always sailing against the wind.

What about my days in the National Party? I was always in favour of a radical redistribution of income, even then; trying to work from inside. I was labelled a socialist. In this country, if you are a bit left you're a socialist. I suppose people call her that too. There is another similarity between us. I am inclined to be a bit nervous and get easily excited. My mother was inclined at times to get a little bit derailed, me too. Christelle, perhaps a little more

than me, is an up-and-down person.

She was born at a controversial time. On December 31, we were in Bloemfontein expecting her and there was an unbelievable hail storm, between four and five inches [10-12cm] of rain and hail. A black woman working for us said our expected child should be called Mapula, meaning child of the storm. She was born on January 16 and on the 21st, the Coalbrook mine collapsed in the Free State; 470 miners remain buried there. On February 3, the British prime minister Harold Macmillan made his Winds of Change speech, eliciting a vehement reaction from [SA's prime minister] Dr Verwoerd. On March 21, the Sharpeville massacre took place, and the following week 30 000 blacks marched to Caledon

Square in Cape Town.

We came to Stellenbosch for the baptism on April 8. On the 9th, Verwoerd survived an attempted assassination. The day Christelle was baptised, my 27th birthday, she cried the whole day. On the May 31, there were festivities in Bloemfontein to celebrate the 50th anniversary of the Union of South Africa. At the end of his speech, Verwoerd has a white dove in his hand and throws it into the air – only to have it fall to the ground at his feet. What is the symbolism of that? I suppose he was excited and pressed all the blood out of the little creature.

You see, all these things happened in the first six months of Christelle's life. She really is Mapula, child of the storm ☐

## Christelle Terreblanche

from previous page still an oud-erling [elder in the Dutch Reformed Church]. He didn't discuss it, he just stopped going to church, which was the National Party at prayer.

It was hilarious when I was small. I'd come back from history classes, he would demand to see my books and he'd say "everything you've been taught is wrong – this thing about the Bantu problem and the Coloured problem and the Indian problem!". Sometimes I did badly because I couldn't remember which line I was supposed to know at school – his or the official one.

He could get very angry and was enormously strict if I didn't get good marks. He's the pater familias. I won't say an absolute dictator, but he's the head of the household. I'm not sure my mother was always comfortable with it. She was very much a housewife, but he also imbued me with strong feminist values. He wanted me to be equal to any man, and I don't think he can complain.

He's very alone politically. Even though he waited till very late to do what he did, he was rejected. I'm angry with the Stellenbosch establishment which should have taken him as a role model – which in some ways it initially did but then they went back to their comfort zone once they realised they could. Through the 1980s he was an adviser to the National Party and they took advantage of him. He wrote

speeches, left, right and centre. Nobody ever paid him, nobody ever thanked him. Nobody acknowledged it. He was writing speeches when they needed to make the right noises and it took him a while to realise he was being misused. It's the thing he bears the most grudges about.

I'm also angry because he's been marginalised by the new power hegemony. The ANC didn't welcome him. He was locked out. I think they're friendly with all kinds of liberals, whatever they carry on about and want to say about the left now.

He was not just a stooge. He was banned from the columns of *Die Burger* and from the SABC for years before he left the National Party. For a long time before he left he was persona non grata and they would say things like he's one of those useful idiots the revolutionaries use and then spit out. I wonder sometimes if that's not what's going through his mind now, because in a way they did use him, although he did it from his own beliefs, or whatever.

He's still fit and has very remarkable insights. I would like for him to be active as an adviser, a wise man, but he never gets asked. A lot of his colleagues throughout the 1980s and 1990s did consultancy for fees, but he remained dependent on his modest academic salary. He turns up his nose at people who are prepared to sell their souls. I'm a bit more of a whore.

His forthcoming book, "The History of Inequality in South Africa, 1652–

2002", will raise a number of questions. I think a lot of people will be very angry, including the ruling elite. He thinks that given structural inequalities, the government's policies are not tough enough – that they're moving the deckchairs on the *Titanic*.

He says there's a big need for adult education, particularly among the elite – black and white. One of his big worries is the new black elite. He's not disputing we should have one, but it's the black elitism, the philosophy or lack of values underpinning the particular form of elitism we're experiencing that he is worried about. It indicates they have just been co-opted by the white elite – along with all their lack of values, their culture of exploitation, of consumerism, of disloyalty – to act as a kind of front.

I think my work and the things I come across inspire his work. Sometimes when I'm stuck, he makes suggestions for more in-depth reading and gives new twists – wow, what a gift, a continuous gift!

From a young age he told me I wasn't marriage material, that I'm too difficult and too much of an individualist. I did resent it, it was hurtful, but now I see, I understand. I always had very bad taste in boyfriends. I don't think he ever liked a boyfriend of mine.

I've never met a man who could measure up to my father, his incredible loyalty, honesty and openness. He's got a pureness of values it's hard for any man to match ☐





# Bush Fires...

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# D DE BEERS

Diamond Jewellery Collections  
Flagship Store Opening End 2002



Hoarding outside the construction site of De Beers flagship store in London's Bond Street, featuring Iman, 'the face of De Beers' (above); and the one activists replaced it with in October (right).

## Carat and stick

**De Beers appears to be getting rattled by increasing pressure from activists in the UK who insist that the removal of Bushmen from their ancestral lands in Botswana's Kalahari desert and the presence of diamonds there are linked**

**P**ublic relations supremos at De Beers couldn't have been feeling too sparkly last month when super-model Iman, contracted for R15m to be the face of De Beers, snubbed the opening of their flagship store in London. The decision by Iman, wife of rock star David Bowie, is a PR setback for De Beers, who are fending off attacks by activists campaigning on behalf of Bushmen in Botswana. Readers may recall (*nose39*) that Bushmen in Botswana's Kalahari Game Reserve, where De Beers holds rights to diamond

deposits, have been removed from their traditional lands. The question on many minds, including Iman's, is whether De Beers's interest in the area's diamonds and the eviction of the Bushmen after 30 000 years – or so – are connected.

Survival International, a charity fighting for the displaced Gana and Gwi people to return to their ancestral lands, is convinced there is a link. De Beers counters that the evictions have nothing to do with them – they're the Botswana government's business.

In a letter in July to Survival, De

Beers point out that they would like the Bushman to stay. "We welcome the presence of local populations to whom we can offer employment," says the company. Good thinking: more convenient than migrant labour, with handy savings on food costs – and the average Bushman, being a pint-sized chap can also fit down smaller (and hence cheaper) mine shafts.

Survival argues that the links between De Beers and the Botswana government are extraordinarily close (Botswana's President Festus Mogae has likened the pair to "Siamese twins") that if De Beers wished it could use its influence on behalf of the Bushmen.

There has been a protracted exchange of letters between the two sides in which, according to Survival, De Beers has changed its story a number of times. In one of its more outlandish letters, the diamond conglomerate claims it has no policy on

## THE BUSHMEN AREN'T FOREVER



indigenous rights because to have one would lead back to apartheid, a policy it says it has always opposed.

Warming to its subject the letter continues: "Leading anthropologists such as Professors Ingold, Kuper, Wilmsen, and James Suzman of Cambridge University, oppose in principle the granting of any group special privileges or status on the basis of ethnic identity."

A surprised Professor Ingold told Survival: "No one from De Beers has been in contact with me ... I do not recognise as my own the views attributed to me – and others – in the De Beers statement." Oops.

The recognition of indigenous rights may not be as reactionary as De Beers claims, unless Rio Tinto is guilty of promoting apartheid in Australia, where the fellow mining company has said it will not go ahead with a proposed uranium mine on the land of the Mirrar Aborigines without their consent.

In South Africa the Northern Cape government seemed unbothered by the idea it was reintroducing apartheid when this year they acknowledged the land claims of the Khomani Bushmen and gave them 52 000 ha in and around the Kgalagadi

National Park.

In October the battle of De Beers took to the street. Bond Street, to be precise, where construction work was being completed on their new shop. A massive poster (above) on a hoarding outside the site featured Iman. During the night Survival replaced it with an image of a Bushman woman

**'No one from De Beers  
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statement'**

– Professor Tim Ingold

and text reading: "The Bushmen aren't forever."

Photographs of the two images were sent to the British media. Few newspapers published them (*The Sunday Times* was one exception). There were

rumours De Beers had used its advertising muscle to lean on the UK press. US fashion magazine *Women's Value* had its invite to the grand opening of the Bond Street shop withdrawn for publishing the picture. Either way, De Beers had had enough and on November 18, unleashed their solicitors, who wrote to Survival warning them that the "suggestion that De Beers is responsible for 'the evictions' ... is seriously defamatory."

Stephen Corry, director of Survival, responded: "We have [no] intention of betraying the responsibility which, for many years, so many Gana and Gwi Bushmen have asked us to shoulder."

Just when it looked like De Beers had its opponents against the ropes, Iman announced she wouldn't attend the De Beers opening bash last month.

According to a source quoted on the Lycos website: "This has come as a huge blow to De Beers. Iman was exactly what they wanted. She was chosen because she has African heritage."

Looks like this girl is no longer De Beers's best friend, and while this story may not be forever, it looks like it has some way to run **□**

# FirstRand's ill wind hits gale force

**A storm is brewing over the fishy operations of Ansbachers – the offshore arm of FNB. Are its South African clients at risk?**

**F**or the past few months FirstRand Bank has been quietly battening down the hatches in preparation for an offshore storm that could blow onshore any day now, causing great damage to the bank – and serious grief for many of its wealthiest clients.

*noseweek* readers might already have got wind of what's to come from our editorial in August (*nose40*). We drew attention to the protracted scandal – widely reported in the international press – surrounding the criminal activities in Ireland of Ansbachers, the group's offshore "private" bank. And to a mysterious case against the bank pending in the Johannesburg high court.

Since that editorial, the court file containing details of the applicant's claims and hundreds of supporting documents, together with FirstRand/Ansbacher's reply, has disappeared from the court registrar's records. Attorneys Deneys Reitz, acting for FirstRand and its insurers, are said to have taken the unusual step of removing the file "because of the substantial damage the bank would suffer were the file's contents to become public".

The applicant in the case, we can now reveal, is Barry Spitz, an internationally recognised expert on international banking, tax and currency laws, and the editor and author of various prestigious publications on those subjects. Spitz was retained by the bank as a special consultant with much fanfare – until last year, when his contract was quietly terminated.

Ansbachers operates in the Channel Islands, the Cayman Islands, the Bahamas and Switzerland – places where

the banking and trust secrecy laws make it possible (but not necessarily legal) for the world's rich and criminal to hide their loot from the tax authorities or police of their home countries. The "private" bank – a euphemism for "secret" – already had a "smelly" reputation when it was acquired by First National Bank (now FirstRand's banking division) in 1993.

***It was providing its services to clients embezzling money from governments, laundering money for American drug lords and supplying illegal passports to Al Qaeda***

It was known to be providing its "private" services to clients engaged in embezzling money from the Irish government, embezzling money from the Indian government, laundering money for American drug lords and supplying illegal passports to Al Qaeda – in addition to hundreds of clients operating run-of-the-mill tax frauds.

But this did not seem to trouble FNB. Or those of its South African clients who had been familiar with the services offered by Ansbachers (Cayman) and its associated trust management companies for years before that. (They would have learned about Ansbachers by introduction from certain of FNB's top management who, it is said, earned

a small but handy offshore commission for each introduction.)

At the time of our editorial in *nose40*, FirstRand succeeded in persuading the South African financial press that the Irish scandal involving Ansbachers was "largely pre-FNB's ownership" and of no consequence. So none of them reported it.

But now FirstRand's 2002 annual report – both what's in it and what's omitted from it – proves the contrary.

First what's in it:

Regarding the operations of the Ansbacher Holdings Group, the directors state, under the heading "Financial Highlights" (sic) that "the Ansbacher group had an extremely challenging year with after tax earnings of R8-million reflecting a decrease of 87% from the previous year."

These disastrous results the directors blithely attribute to "the 11 September attack" and to the supposed impact of "the wave of US accounting scandals" on global credit markets. (Thank the Lord for Enron!)

In the entire annual report, not a word about Ansbacher's own Irish scandal that, in the year under review, made headline news in the international financial press (where FirstRand has no influence).

In the British press Irish deputy prime minister Mary Harney was quoted saying the Dublin investigation of Ansbachers had provided a damning insight into "a world of conspiracy, fraud and tax evasion". But more about that anon.

A far more likely explanation for Ansbachers' decline is that clients of the group have been jumping ship in droves. 9-11 and Enron are unlikely to have affected the need of the rich and

criminal to hide their loot, so their decision to flee Ansbachers must relate to something else. Here's our guess:

During the last financial year it was reported worldwide that Ansbacher (Cayman) Ltd had applied to the Cayman Islands Grand Court for permission to release to the Irish Court inspectors "information relating to the nature of the business Ansbacher did with Irish clients and how it was conducted". The *Irish Times* immediately got to the point, when it reported: "The court move will be watched closely by a number of prominent and high-net-worth businessmen who have links with the deposits."

They not only watched. A director of Hamilton Ross Co Ltd, a trust company that formed part of the Ansbacher "structure", rushed to oppose the court application on behalf of Ansbacher clients. "It is an abuse of process for Ansbacher to bring the application in seeking to obtain a collateral advantage for itself [more about that below] relative to its clients without regards to the ... equitable duty of confidentiality owed to them," he declared.

The Cayman court granted the application, allowing Ansbachers to release sufficient information to the Irish inspectors to incriminate its own clients for tax evasion under a scheme devised and implemented by members of the Ansbacher Group itself!

Not long thereafter - in November last year - a report on TaxNews.com under the dread headline "Revenue commissioners identify over 600 Ansbacher links" declared: "According to a report from the Revenue Commissioners in Ireland, over 600 individuals and trusts have been linked to bogus non-resident accounts with Ansbachers bank." The report continued to quote a Revenue spokesman: "We are continuing to investigate with a view to collecting tax, interest and penalties from all account holders."

Is it surprising that, in its latest annual report, under the heading "Prospects", FirstRand's directors indicate that they are planning to drop the Ansbacher name? Or, as they discreetly state it: "The group will rebrand private banking operations in the new year."

Between 1975 and 1993, when it secretly operated in Ireland, Ansbacher ran up a substantial debt to the Irish

Revenue for corporation tax, interest, penalties and unpaid employee deductions.

Real calculations of Ansbacher's Irish tax liability will obviously be hampered by the fact that, in December 1994 and again in December 1995, after FNB took over, officers of Ansbacher "destroyed, mutilated or were privy to the destruction and mutilation of books and documents".


But expert opinion has it that the tax bill arising from Ansbacher's Irish operations, together with interest and penalties, can be conservatively estimated at approaching R10-million, an amount that would be material for disclosure purposes. Yet the directors did not think it worth a mention in the annual report. Neither, apparently, did the auditors, PriceWaterhouseCoopers - but then that might not have been part of their "special instructions". (Compare their role in the SA Breweries saga on page 22.)

Statements by FirstRand directors to the effect that they have "not yet received a bill" from the Irish tax authorities, don't make sense, because

there is a duty of self-assessment under the Irish Income Tax Act.

Unless, of course, they are suggesting that they struck a secret deal with the Irish tax authorities on the lines of "we'll deliver up our Irish clients if you give us indemnity"? Might that be the "collateral advantage" that Hamilton Ross referred to when opposing Ansbacher's Cayman court application? Come to think of it, FirstRand spokesmen do keep emphasising how the bank earned kudos by co-operating with the Irish authorities - except, apparently, when it came to the matter of Ansbachers itself paying any tax.

Which might also explain why the name Ansbachers isn't as popular in the market as it once was.

In the meantime South African clients should note that hiding your offshore assets and income behind the façade of an offshore discretionary trust is a criminal offence. Making use of a well-known offshore bank's services in setting it all up does not make it legal, it might merely make it impossible for the taxman to prove the crime. Or nearly impossible 

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# SAB's foul brew keeps bubbling



**During a spree of serial muggings – in which South African Breweries, with the connivance of auditors PriceWaterhouseCoopers, stole a number of beer distributorships – Northern Province businessman Geo Louw was cheated out of R4m**

**R**emember Geo Louw, the Northern Province businessman who waged a mighty campaign to expose dirty dealing by SA Breweries that resulted in the ruin of several independent beer distributors in the region in 1996?

Louw, and several black distributors whom SA Breweries claimed to have “empowered” as “independent” distributors for their products, were then forced to sell their thriving businesses to Breweries, who cheated them of a fair price with more than a little help from auditors PriceWaterhouse (now PriceWaterhouseCoopers).

Louw has recovered from his devastating experience, and has forged a new career as a general manager with a national food producing company. Earlier this year he was forced to finally sign over his shares in Groblersdal Beer Distributors to SAB, after Breweries had applied to the Pretoria high court to have an earlier arbitration ruling in their favour enforced. (The arbitration ruling was based on false evidence given under oath by SAB executives.)

For Louw that left only one round still to be fought – with auditors PriceWaterhouseCoopers over the tacky role they had played in the affair.

Louw had been shocked when PwC, who were supposed to objectively determine a fair price for SAB to pay for his business, declared that it had no value at all: SAB could have his multi-million rand business for nothing! Louw's own accountants had valued the business at between R4m and R5m, and he had heard – but was unable to sub-

***The men from PwC understood the purpose and probable outcome of their special instructions. They were, in effect, being recruited as accomplices in a serious fraud***

stantiate – that PwC had itself valued the business only a year earlier at R3m. What had happened to change their opinion?

After the arbitration ruling a conscience-stricken SAB employee sent Louw a bundle of SAB's internal records that shed light

on the matter. Included in the bundle were two documents concerning the role of PwC specifically.

The first was an internal SAB memo reading in part: “A distributorship is valued, in terms of the distributor contract, by an auditor using an earnings based valuation which places value on the sustainable earnings of the distributorship. The sustainable earnings of the distributorship is related to its ability to earn revenue from its franchise area. Should a distributorship be put up for sale SAB has the option [in terms of the distributor contract] to purchase the distributorship at the auditor's valuation. Such a valuation for Groblersdal [Louw's business] was prepared in a final draft format by PriceWaterhouse on 25 October 1994 and placed a value on Groblersdal of R3m.” So there it was.

The second was a letter from PwC to SAB confirming the “special instructions” SAB had given PwC for the subsequent “official” nil valuation. In it PwC declare: “At our meeting you agreed that in the time available we should restrict the extent of our verification work and rely solely on the information and data supplied by you”. Which, of course, hardly makes for an independent, objective valuation.

As has been demonstrated so sadly in

the US recently, auditors acting on "special instructions" from their big clients is a growing problem worldwide.

The men from PwC may be foolish, but they aren't stupid. They understood the purpose and probable outcome of their "special instructions. They were, in effect, being recruited as accomplices in a serious fraud.

The leaked documents emerged too late to be of any practical use to Louw, other

**It was exactly  
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willingness to act  
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than to make the facts of what had happened obvious. But he felt he owed it to the public to report the incident to the Public Accountants and Auditors Board, the statutory body set up to regulate the accounting industry, and to protect the public against this kind of shady dealing. He did so in March 2001. The big question then was: what would the PAAB do about it?

The PAAB's investigation was finalised only in August this year, when they found PwC ... innocent of all charges!

In a letter to Louw, Jane O'Connor, legal director of the PAAB revealed that PwC's defence to his charges had been based on three grounds.

The first: "The PwC valuation was done as per a letter of engagement". The second: It was done "in terms of a Distributor agreement", and the third: "The earlier valuation [in which Louw's business was valued at R3m] was done "at the request of SAB for their own specific purpose and was not done in accordance with the requirements of the Distributors agreement".

Wrong on all three counts.

Firstly, it's obviously no defence for PwC to refer to the "terms of their letter of engagement". These "terms" were their "special instructions" and it was exactly PwC's willingness to act in accordance with special instructions they knew to be illegal and immoral that Louw was com-

plaining about.

The distributor agreement argument is a little more tricky. Clause 5.3 of the distributor agreement makes provision for the auditors to determine the "fair market value" of the business as a going concern, starting from the basis of the after tax net profits of the business as shown in the financial statements.

The after tax net profits of Louw's business had not been good. But that was because of an exceptional occurrence that had no bearing on the ability of the businesses to earn profits. Louw had more than doubled sales in the Groblersdal area. But in doing so he had incurred exceptional costs because a formula drawn up by SAB to reimburse the costs of doing deliveries, as the distributor agreement specified, was incorrect. SAB's formula paid the distributors too little – in Louw's case SAB itself calculated the shortfall at 28 cents a case – so that the more he sold the more he lost on transport. The formula was subsequently adjusted upwards. (The fact that the transport formula did not properly cover the distributor's costs and that SAB knew this was one of the issues SAB executives had lied about at arbitration.)

For the valuation of Louw's business the distributor agreement – and standard accounting practice – required that PwC start from the basis of net profit, and add back exceptional and non-recurring items such as the transport losses. That was what they had done with the R3m valuation, and what they did when valuing other distributorships for sale to outside buyers. But, for the sale of Louw's business to SAB, on the basis of SAB's "special instructions", PwC ignored the exceptional nature of the transport losses. This was not in accordance but in conflict with the requirements of the distributor agreement.

As for PwC's explanation for the mysterious decline in Louw's business from R3m pre-special instructions from SAB, to R0 post-special instructions: that gets things exactly the wrong way round. It was in fact the zero valuation that was done for SAB's "own specific purposes" and the R3m valuation that was done in accordance with the distributor agreement. It's worth noting that PwC at first categorically denied having done such an earlier valuation at all, probably because there is just no credible way to explain the change. Remember too, the SAB memo mentioned earlier, drawn up before the controversy started, which states



directly that the earlier valuation had been done specifically in terms of the distributor contract for the purpose of calculating the price should SAB choose to exercise its option to buy the business.

It is disconcerting that the PAAB was satisfied with PwC's transparent lying. There is a growing suspicion that the board is reluctant to take on the big guns of the industry, and only targets small fry to maintain a façade of credibility. What's the bet that, had the case involved a small auditing firm, the outcome would have been very different?

By now cynical, Louw was not surprised by the outcome and is pleased to put the whole sorry saga behind him. "I'm happy that at least I've proved to everybody that SAB in fact stole my business and that PwC helped them. It's very unfortunate that the PAAB was unwilling to take the appropriate steps," he told *noseweek*.

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But the struggle still continues on one front. Eddie Mingha, previously owner of Giyani Beer Distributors, has issued summons against SAB for R4.5m, the true value, he says, of his business for which SAB offered him R30 000 – based on another of those "special" PwC valuations. "PriceWaterhouse didn't value my business," Mingha told *noseweek*, "they just took dictation from SAB." Louw has provided Mingha's attorney, Temba Kali of Qunta Inc in Cape Town, with copies of his documents. Mingha reports that the matter has been dragging on but is due to come to court soon. One last chance, it seems, for justice ☐

# The rural poor do need land

For a significant number of South Africans facing starvation, subsistence farming may be the only means of survival and, with the right inputs from the state, could even make a positive contribution to the economy, argues **Ben Cousins**

**A**ccording to Philip du Toit of the Agricultural Employers' Association, land redistribution is failing because it gives productive commercial farms to black people "with no experience, or even interest, in farming". *Noseweek's* editorial asserts that "as few black as white South Africans want to be farmers", and that giving farmland to the rural poor is devoid of moral or political integrity.

Many people see redistributive land reform as a "dangerous fallacy" with little potential for reducing chronic poverty. It is also seen as a threat to efficient and strategically important commercial agriculture, unless carried out "appropriately".

"Appropriate", in this view, entails helping a small number of emergent farmers with land, finance, and skills. (This is the premise underlying government's current Land Redistribution and Agricultural Development programme.)

While these views resonate with mainstream development thinking in SA, they are deeply mistaken insofar as they ignore the central problem. Giving commercial farms to "appropriate" black farmers will, at best, deracialise commercial farming. But where does that leave the mass of rural poor?

For some, the future of rural people lies in cities. For others it is the basic income grant, or public works. Government policy seems to assume the answer is in trickle-down benefits from the formal economy as it competes in global markets, plus a little welfare.

But, growing unemployment, disillusionment with the informal economy,

mushrooming shack settlements near the cities, and a widening gap between incomes and the cost of basic services show these "solutions" to be wishful thinking.

There is no once-off, one-size-fits-all solution, but land reform offers a more realistic alternative for many rural people. Of course, land alone is not enough. Support with research, training and marketing are as important for the rural poor as they are for urban small enterprise. They need draught power, tools, fencing, seeds (or the cash to purchase them), transport, access to markets.

Utopia? Where's the bureaucratic infrastructure necessary to deliver all that backup, you ask? It's difficult, but not impossible. We need realistic agents of development. It's been done before, ironically in Zimbabwe in the 1980s. We have the colleges to train them. We can't afford to fail.

These are the real-world economic conditions in which small-scale producers can seek to wrest a livelihood while securing themselves from hunger and debt. With no support services available to the rural poor (or the urban poor for that matter), small wonder swathes of arable land in the communal areas remain uncultivated, that young people are uninterested in farming, that the priority for many rural people is "a job". What appears a lack of interest is often a realistic appraisal of the extremely adverse prospects of making a living from the land.

Our leadership see rural areas as places people have to leave, not places to be developed. That policy can be changed. Of course, there is a price-tag, and cost-benefit ratios are

important. This requires policies to be appropriate, feasible, and cost-effective. Present land reform and rural development policies in SA are none of these. Prejudice against small-scale farming and land-based livelihoods means that only commercial agriculture is seen as real agriculture.

But research shows that so-called "subsistence" production is undervalued. Subsistence farming households use low-cost inputs, but under the right conditions can be extremely productive and resource-efficient, to the point where they produce surpluses for market. Often they combine a variety of activities, including agriculture, natural resource harvesting and non-rural sources of income. This is no idyll – small-scale farming is hard work and yields only a modest income. But it can contribute to reducing extreme poverty.

An obsession with large-scale farming leads to the promotion of highly inappropriate land reform projects. Most of the more notorious collapsing projects are huge, over-capitalised enterprises of the old "homeland" agricultural corporations.

(The Lusikisiki project rightly criticised by Du Toit is an updated version of the same: instead of an apartheid propaganda "showcase" we have a Soviet-style farming collective run by the state as a public relations exercise where cost-benefit is not calculated in terms of agricultural production.)

They illustrate the underlying problem: the complete lack of fit between policies and the realities – and potentials – of rural livelihoods.

Failing programmes based on misleading paradigms should not lead us to abandon land redistribution. Given the massive problem of rural poverty, and the political power of land as a symbol of dispossession, we should expand the thrust of land reform, but within radically redesigned policy frameworks and implementation systems. That is the best and most realistic hope for South Africa's rural poor

■ *Professor Ben Cousins directs the Programme for Land and Agrarian Studies at the University of the Western Cape. His article is a response to 'What happened to the promised land?' (nose41) [7]*



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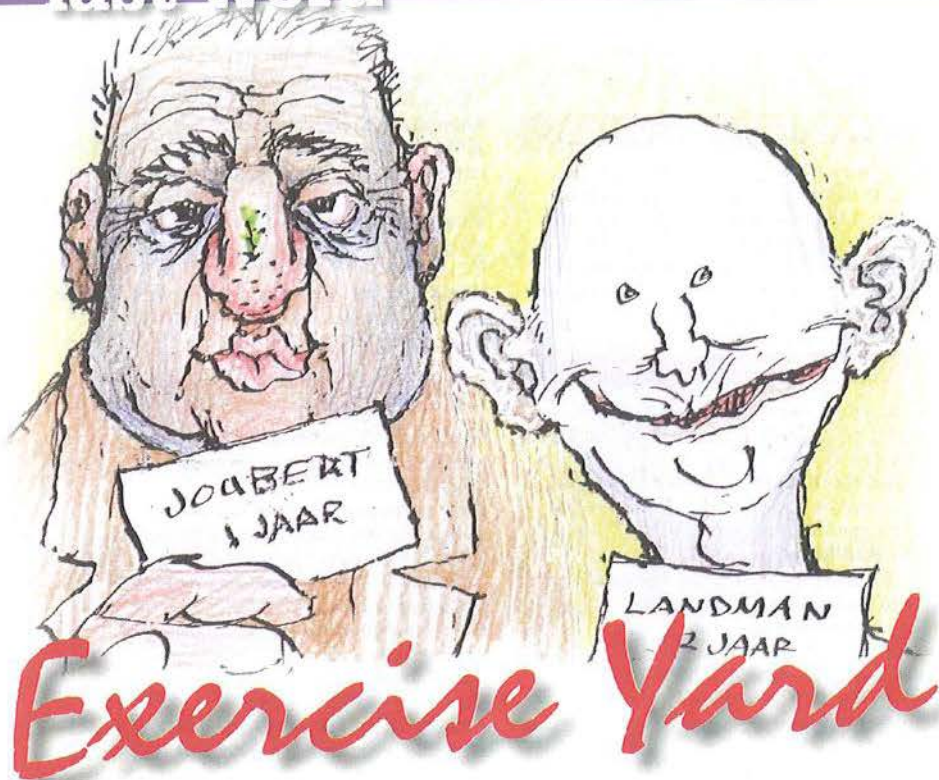
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# IOI.3FM FINE MUSIC RADIO



Notes from the prison diaries of **HAROLD STRACHAN**

**W**ELL ONE DAY THIS OLD toppie Oom Piet, short term, one year for stealing copper from the railway, while scanning the exercise yard as usual for possible shreds of snout, spied on the ground a dried blade of grass which, though not tobacco, might at least catch fire. So he stuck it to his thumb with spit and placed it in his pocket. Attached was a small seed. This he took from his pocket, back in the cell, because there wasn't much else to do in there and he might as well spend some of his time looking at this his personal grass seed.

Oom Piet has a big bulbous nose with big open pores to match. Next time we go to shave he plants this seed in one of them, to see what might happen. After some days he starts to display the same aura of motherhood as would a marsupial mum with a Joey in her pouch.

He consults me as the brains of this cell about germination. I tell him I once read of a child who stuck a bean in her ear and needed surgery to get it out before the root pierced her eardrum. Could of entered her brain and changed her personality, like? says Oom Piet. Ja, I say.

The nose is moist and warm in mammals, and sure enough after a couple of days a wee sprout appears on Oom Piet's nose, a millimetre or so in length.

He takes care not to slosh his face when

washing, and sleeps on his back with his blanket pulled up under his chin. The sprout grows to almost a centimetre in length, but pale greenish yellow, because of its indoor existence.

On Sunday the section screw, Geel, brings to our cell a bandiet with a pair of scissors and a comb and a stool and we all get shorn. We shower and shave and get clean clothing for the big arrival of the officer commanding on his Sabbath inspection. We mop up and polish everything; it wouldn't do to have water all over a shower place on an occasion of such

*As the super's bifocals bring the staring pinpoint pupils into focus Landman lays the toothless idiot grin on him*

pomp, all must be dry as hay according to that curious suspicion of anything flowing and free and sensuous and sinful, like hair and water.

Geel parades all thirty or so occupants of his section in its little upstairs exercise yard, holding each one his prison card under his chin. The super walks down the rank and stops at Oom Piet. What's that on your nose? he asks,

with an expression of dismay on his face. No, sir, it's a sort of growth. The super comes right up close and subjects this thing to profound perscrutation through his bifocals. Is it sore? Yes, sir, it's terribly sore. The super knows he's also about the right age for The Big C to bust out on his body too, somewhere, anywhere, the shnoz maybe, and backs off appalled. He tells Geel to take Oom Piet to the district surgeon tomorrow and get this growth removed.

He comes forward again to examine the next man, one Landman, a pallid bandiet of frail constitution, with pale grey eyes, so pale he appears to have no irises, just the contracted black pinhole pupils in the brilliant white light of the exercise yard.

**H**E IS ILLUMINATED WITH too by brilliant intelligence. Landman is short and generally shrunken. He has an imbecile grin and left leg and right arm partly shrivelled by polio. He has got the barber bandiet to snip off all his eyelashes when Geel wasn't looking, then shaved off his eyebrows too, at shower time, plus his residuum of hair, and put his false teeth in his pocket. He has exchanged jackets with Boef, and the sleeves hang down to his knees. Boef is an assaulter, two metres tall.

The super bends down to look at him, and Landman raises his face to look at the super. As the super's bifocals bring the staring pinpoint pupils into focus Landman lays the toothless idiot grin on him. The super gives a startled backward jump and a sort of gasp and says to Landman What's wrong with you man? It's my religion, says Landman, I'm a Christian Scientist.

So that's why he asked me last night about otherwise religions. I had thought long about lying starkers but for a cotton turban on a bed of nails at the top of Annapurna.

Well, everything worked out satisfactorily: Landman lost three meals, so did Boef (you can imagine what he looked like in Landman's jacket), and it all made a nice break from the dreadful boredom. I suppose Oom Piet's growth is still in some government oncological path lab somewhere, in formaldehyde ☒

■ *Harold Strachan spent 1961-65 in prison after conviction under the Explosives Act for activities committed on behalf of the Armed Resistance Movement. After his release, he was sentenced to a further two years for publishing three articles in the Rand Daily Mail about prison conditions.*

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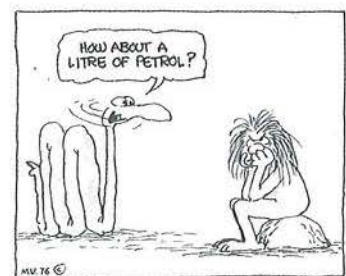
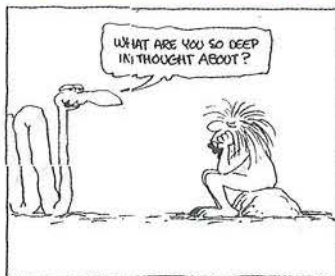
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