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issue

66

APRIL 2005

**Madiba to
sacked lawyer:**

**Where's
my R30m?**



**Funny business at Wits BEE & the Pebble
Bed Reactor Big boys in Huddle Park
Oligarch organogram Kebble waffle**





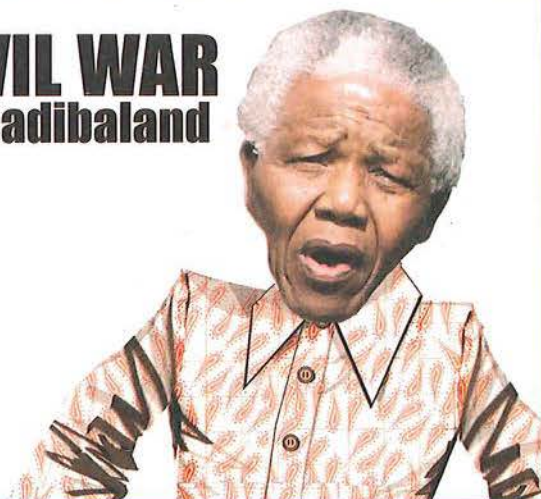
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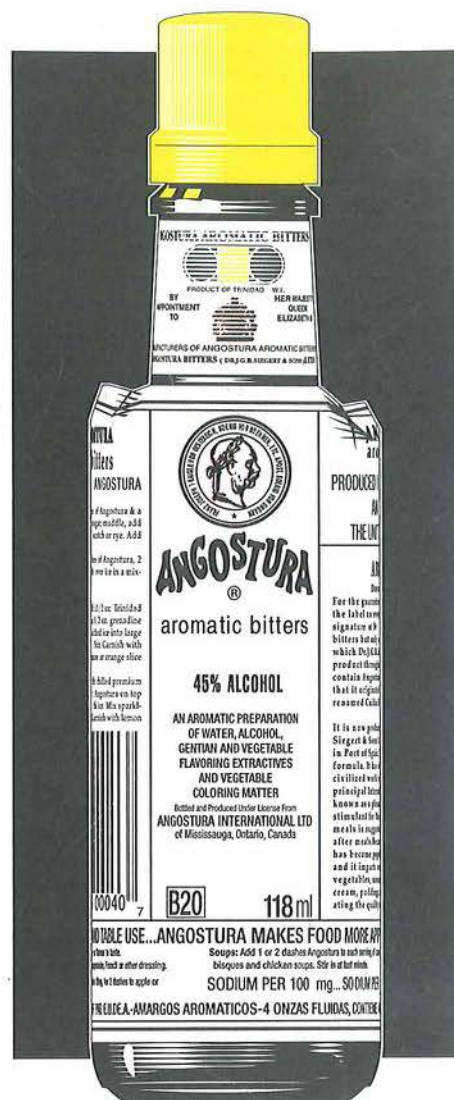
CIVIL WAR in Madibaland



Nelson Mandela serves legal papers on his former attorney, Ismail Ayob. He wants to know what has happened to his money

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NW/WM 01

School for scandal

Thank you for the wonderful article "A school divided" (*nose65*). We were amazed at the accuracy of the article.

We were actively involved in the incident as our son was one of the boys who was a victim of the leadership injustice of the "saints". It is truly refreshing that the situation is now out in the open and hopefully this can lead to healing for all.

We hope that honesty, integrity and transparency will be used to handle matters such

prestigious girls' school, Pretoria Girls High, where discipline and strict lines of behaviour were instilled in us from day one. And like all kids, we broke the rules and had to face the music – ON OUR OWN without a parent to support us, let alone legal representation.

At what age do we, today, expect our children to take responsibility for their actions?

Has *noseweek* perhaps

headmaster not consulted about all that happened?

No school can succeed in educating young people if the important and essential rules are not adhered to.

Educator

Umtentweni, KZN

See "Sloshed at St Stiths" on page 28.

Unkindest cut

I've been an ardent *noseweek* fan for years, but never dreamed I'd be featured in it! ("Surgeon and Safari gets all

Would I have wanted my children at a school where drunkenness is tolerated?

as this in the future. Thank you for being the catalyst in this situation.

Vanessa Magni
Johannesburg

Drunk on human rights

I am a relieved and happy supporter of our wonderful new constitution and the protection it offers the people of this country. However, after reading your article (March 2005) describing the expulsion of several drunk boys, I begin to wonder how far the term "Human Rights" extends.

I know I am old, 57 to be precise, and I went to a government, but pretty

investigated the behaviour of the boys concerned, prior to the Valentine's day debacle? It is just possible that in these boys' cases, that this decision was made after years of disciplinary problems.

Lastly, would I have wanted my children at a school where drunkenness is tolerated in any form? I think not.

TMK

Kwa-Zulu Natal

Rules must be obeyed

I refer to your article "A school divided" and find it to be biased and unfair. It is so one-sided that it is probably also inaccurate. Why was the

cut up in Bryanston", *nose65*).

It's a pity Lorraine wouldn't speak to you. She may be a master of positive PR but obviously hasn't cracked the art of crisis management when it comes to a barrage of calls from the likes of *noseweek*.

Gerald Mahoney's selective use of the facts is about as fanciful as his mythical 22-carat gold toothbrush.

To my knowledge, was fully aware of the fact that she'd be using his place from time to time.

Curiously he fails to mention the fact that he's actually Lorraine's uncle.

While he sets himself up as a knight in shining armour, the damsel Mahoney set out to rescue wasn't in that much distress; her divorce settlement from me was negotiated on her behalf by none other than celebrity divorce predator Billy Gundelfinger. Her so-called "dilapidated house" was a gift from me, bought on an open cheque book – the Bryanston home of her choice. Every possible expense of our children including their attendance at one of the best private schools in the country – was and is still for my account.

But what cuts me up most about the article is being described as "conveniently bankrupt" at the time of our divorce. I've never been bankrupt – conveniently or otherwise. On the contrary, to

Billy Gundelfinger's delight I was doing inconveniently (for myself) well at the time.

For the sake of accuracy – not to mention my reputation around town – I'd truly appreciate it if you could somehow assist in putting the record straight on the bankruptcy issue.

All the above aside, keep up the good work. The ethics of South African government and business would be a great deal worse off without you.

Rick Melvill
Johannesburg

You are a gentleman. We slipped up. Sorry. – Ed.

De Lille delusions

Pierre Burger (Letters, *nose65*) is right! You guys wrote a slavering editorial endorsement of Patricia De Lille for the elections and since then have singularly failed to investigate her shenanigans with crime bosses and visits to shebeens on election eve, not to mention the chaos which has now infected her party internally.

Not content to leave the matter there, in *nose65* you brown nose Mbeki! Not a word about Zimbabwe; the plot allegations he levelled against Ramaphosa et al; his controversial views on Aids; the grotesque culture of deference he demands in parliament, etc. What is it with you people? Has *noseweek* accepted a subsidy from the government?

By the way, you say that "Tony Leon, despite two election defeats, is now serving his third term as leader of the DA". Actually it's his second term.

Readers must decide whether the growth of the DP/DA under Leon, from a party of 338,000 voters to one representing 1,931,000 voters (According to the IEC website) and increasing its parliamentary representation from 7 to 50 MPs is a defeat.

In contrast voter support for the ANC has declined.

Richard White
Emmarentia

Voet-in-die-bek Patricia

Bravo, Pierre Burger (*nose65*) for reminding ailing, and fading, memories of the



Hound on Prozac.

revolutionary and reactionary exploits of one comrade voet-in-die-bek Patricia.

By now, numerous once-starry-eyed supporters of this unique, dynamic, no-nonsense, long-awaited icon who was to lead this country back to sanity, must be addicted to drink (or something worse), or emotionally shattered.

Indeed, not only supporters but representatives too!

In every provincial parliament where it is represented, the ID has supported ANC policies by voting for every budget.

In the National Assembly, ID representatives supported the ANC health policy as presented by the illustrious Tshabalala Nsimang [sic].

Patricia, I must confess, was not present! Most probably conniving an alibi for certain

monies received, besides endeavouring to procure a case against poor Lennit.

And lo, at the Kwa Zulu Natal congress, held recently, she boldly announced that the ID's fight is not against the ANC!

Damn it, that's what opposition politics is all about..!

De Beelders

Vasco, Western Cape

Could the two previous letters be part of a secret letter-writing campaign? See page 21.

Don't back off

Just as has happened to many ANC critics, you seem to have backed off. I used to line you up with Pieter Dirk Uys as being one of those who told the un-PC truth, but I feel that I can no longer turn to your magazine for the news that is unreported in the ANC controlled media.

Whites, coloured and Indians come in for your investigations, but not blacks! Why? Are you running scared? There is very serious corruption, racism, and maladministration in our governing bodies, that even the *Mail & Guardian* is not reporting. The Competitions Commission, for one, is a joke!

I am not interested in South African snobs who are taken in by European aristocracy – they have received their just deserts. You are fiddling while Rome is burning.

HK

Newlands

Somebody must have stolen your letter-head and is trying to make a mockery of you. Regular readers will know that we investigate anybody and everybody. And for the record, our fiddling is our private business. – Ed

Write a limerick and win a Ken Forrester wine pack

Each month noseweek is giving away a Ken Forrester wine pack for the best topical limerick submitted to the magazine.

Send your sanctimonious, scurrilous, rude, amusing or insightful scribbles by email to noseweek@iafrica.com; by post to Box 44538, Claremont 7700; or by fax to (021) 686 0573. Entries must be received by Friday 15 April and must be headed 'May Limerick Competition'.

The winning entry will be published in the following month's edition of noseweek. The editor's decision is final.

And this month's winner is (da-da!)...

When his cell calls were listed in court
Declaimed Welz: 'This is worse than a tort!
I'd seek a solution
In our Constitution
If my readers would pay – I'm caught short.'

Mark Orkin
Parkview

Snap: free fags

I had a good chuckle at the tale of the cigarette parties (*nose64*), where the good manufacturers huff in righteous indignation at any accusation of handing their wares out *pro bono*. Having cracked the nod to a Lucky Strike gig or two myself not too long ago, I know that there is no better source of free nicotine than a party thrown by the pushers themselves.

I couldn't resist taking a snap at this one recently, a Camel Pyramid dinner held at Naked in Windermere Road, Durban, on March 6. While I'm certain the reps have no intention of actually handing over any leaf, are they really to blame if their drop-dead aficionados maul the centrepieces?

Blake Pickering
Durban



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Land of ethics?

AN ANCIENT Fleet Street joke states that most hacks think "ethics" is a county to the east of London. Questions of ethics appear to possess a high premium in the South Africa of 2005. It is almost as if ethical issues surrounding journalism, the law, business, accountancy and politics - to name a few professions - are being taught, discussed and debated throughout the country. But in practice, it would appear that most of the fine words and principles are conveniently ignored. Are our professions attempting to transform or is the preoccupation with ethical activity nothing more than a shroud of deceit?

In *noseweek* this month, ethics seem to be a recurring theme in our stories. The accusations against Ismail Ayob focus on alleged malfeasance in his accounting work for Nelson Mandela. The

management activity of InCo at Wits Business School appears to betray every ethical issue discussed in numerous business studies courses. The complex web of multi-layered political, business and empowerment interests bubbling beneath the development of the pebble bed modular reactor should concern even the hard-core fans of nuclear power (hello, Andrew Kenny). And the oligarch organogram on our centre pages raises important questions of financial ethics regarding the creation of wealth in South Africa.

For your amusement and in the spirit of transparency, we also carry Kebble press spokesman, David Barritt's, description of *noseweek* from Cape Talk radio: "*noseweek* ... is a scurrilous muck-raking rag that completely distorts the information given to it." We hope you'll be the judge of that.

Refuge of the scoundrel

ANY DISCUSSION of ethics in the media by a journalist is like wading through a minefield in hobnail boots. Whichever direction you go is likely to facilitate an explosion. Nevertheless, it is not fair to expose and examine other professions without occasionally putting our own under the microscope. Xolela Mangcu, who is gently teased by Mr Nose (opposite), has recently been the victim of a sjamboking in the *Sunday Times*: Fred Khumalo accused Mangcu of lying in print ("It's a sad day for truth when intellectuals tell lies", 6 March).

Xolela went straight to the press ombudsman who judged that the *Sunday Times* should give Mangcu a right of reply. On the 11 March, the *Sunday Times* appealed against the ombudsman's order thereby avoiding publishing Mangcu's response. At *noseweek* we recognise that investigative journalism is inherently risky and mistakes can occur. To this end, we always try to acknowledge our errors (see letters page).

But apologising for factual inaccuracy

is only one of the cornerstones of journalism. The refusal to reveal secret sources and the importance of double-sourcing information are equally pivotal. In this context it is interesting to note, *Sunday Times* editor, Mondli Makhanya's double-standards on the question of protection of sources. In 2001, as news editor of the *Sunday Times*, he justified the paper's decision to expose secret source, Bheki Jacobs, in the following terms: "because he didn't play open cards with us." But 30 months later, Makhanya, then editor of the *Mail & Guardian*, was quick of the mark to accuse former *City Press* editor, Vusi Mona, of committing the same offence: "It is a sad day when senior journalists, in particular editors, can't be trusted to uphold the most sacred tenet of our profession. I think the sad part is that the relationship between journalists and the people we speak to has been compromised."

Perhaps, as one wag noted "ethics is the last refuge of the scoundrel."

The Editor

Mr Nose puts it about



Trips to the soothsayer

Some four or five years ago, Credo Muthwa, fabled seer and friend of David Icke, gave a prediction on television. He prophesied that following the death of a great man (assumed by most of the viewers to be Madiba), the successor to Thabo Mbeki would be an Indian. At the time, the leading Indian in the cabinet was Dullah Omar. But Dullah passed away last year. Mr Nose hears that a certain member of the government has been repeatedly visiting Credo requesting to hear the prophecy. Lets hope the Lizard people are not manipulating this information to assist the Illuminati.

Tsunami comedy

At an ANC gathering in the Pretoria home of Mo Shaik during Christmas, Deputy-President, Jacob Zuma, risked a politically incorrect joke while chatting with a group of friends. He posed the following rib-tickler: "Why am I a bigger chief than Thabo Mbeki?" The punch-line? "Because I have more injuns!" We all recognise the "heavy muti" that was associated with Indian activists during the liberation struggle but surely Zuma's political sophistication stretches a little further than the question of how big is your gang? Mr Nose has been dwelling on a different historical teaser: Is it the Pahads or the Shaiks who will eventually be judged to be the last of the Mohicans?

Where are they now (1)

Nick Clelland, former DA "great white hope", disappeared a few years ago declaring that he was off travelling to broaden his mind. Strange then, that he was spotted lurking near the travel section in Exclusive Books at the Waterfront and is believed to be working in advertising somewhere in the mother city. But Mr Nose understands that "travel" for Clelland is just a state of mind rather than a series of physical engagements with aeroplanes, different languages, foreign cities and other cultures.

Dodgy Diamonds

A fascinating article appeared in *Newsweek* on 14 February: it was a Valentine's day note of sorts to Tokyo Sexwale and De Beers. It noted that "Mother Earth no longer has a monopoly on making diamonds." Apparently, five companies, using technology developed in the former Soviet Union, are now able to construct perfect artificial one carat diamonds. Tests on 47th Street in New York failed to detect that the diamonds had been created in a laboratory. In 1954, when the technology was developed to create industrial diamonds, de Beers's stock price collapsed. Apollo Diamond of Boston report that they will be able to produce two-carat diamonds by 2006. *Newsweek* discovered that the only way to prove that the diamonds were man-made was to employ a machine (provided by De Beers) that costs \$100,000. With the possibility of diamonds dropping dramatically in price, we will all be bathing in "bling". The only problem is nobody will be able to afford to tell the real from the synthetic. Perhaps, mined diamonds are not forever. And its odd how little of this has appeared in the South African business publications where it actually represents something more significant than a wacky science story.

Blast from the past (2)

News reaches us from Pretoria Central: famed apartheid psychopath, drug fiend and pimp, Ferdi Barnard was until recently the prison librarian. You know the image from Hollywood films, Ferdi wheels a trolley full of books up and down the cell corridor handing out dog-eared texts to all and sundry. It certainly tortures the imagination: "I've got you a copy of *Who moved my cheese*, Eugene", "Your copy of *The Spectator* has arrived Mr Darby-Lewis". Mr Nose hopes that Ferdi finds the time, in addition to his duties, to study the car-repair books that will help him to find gainful employment upon his release. Keep going to the counselling.

Books that never arrive (2)

Where is Dr Xolela Mangcu's long-awaited biography of black consciousness leader, Steve Biko? Xolela, father of two daughters at St Stithian's girls school and celebrated golfer, appears to be spending too much time compiling lists of African intellectuals and not enough cerebral energy composing his biographical masterpiece. One of the rules in Intellectual Monopoly, which Mr Nose hopes to market in the near future as a game for all the family, is that the intellectual must produce the seminal text in order to enter the pantheon. Being a columnist for *Business Day* who confuses "invoke" and "evoke" in print doesn't get you into the game: in fact, you would receive a card ordering you to go straight to "bibliography" and not collect 200 books. Mr Nose believes that there must be a simple explanation, Xolela Mangcu is burning the candle at both ends: directing social cohesion at the HSRC, receiving the patronage of Tokyo Sexwale, correcting Biko proofs, arranging tour schedules, educating the ignorant South African public and being a non-resident fellow at Harvard (whatever that means). How exhausting it must all be. To save time, can Mr Nose put his application form in now to be elevated to the canon of South African intellectuals. Does Mr Nose have to sit some sort of written test?

CIVIL WAR in Madibaland

As *noseweek* went to press, Nelson Mandela was poised to serve a legal notice on his celebrated former attorney, Ismail Ayob, demanding that Ayob render a full accounting for the entire period of his supervision of Mandela's financial affairs. A source close to the former president told *noseweek* that he believed R30m "and perhaps much more" that should have accrued to Mandela or his trusts had found its way "elsewhere" under Ayob's direction.

THE ASCENT of Nelson Mandela from political prisoner to leader of the ANC, from President of South Africa to international icon of racial reconciliation has been relentless over the last fifteen years. Madiba is revered by people all over the world; for most foreigners, his is the only South African story.

He has also become a valuable brand and trademark.

Since his retirement from active politics in 1999, Mandela has presided over a veritable kingdom of foundations, some publicly promoted such as the Nelson Mandela Children's Fund and the Mandela-Rhodes Foundation, some confidential such as the NRM Trust. At the Nelson Mandela Foundation, he is surrounded by trusty retainers such as John Samuel, the chief executive of the Nelson Mandela Foundation, Professor Jakes Gerwel, former Director-General and Secretary of the Cabinet, Ahmed Kathrada, ANC colleague and Rivonia trialist, and Zelda la Grange, his personal assistant and spokesperson.

But one of the inner circle, Ismail Ayob, Mandela's personal lawyer for over twenty years, has been quietly removed. Twelve months ago, Mandela dismissed Ayob without public

announcement.

Mandela's African name, Rolihlahla, translates as "troublemaker". And the trouble that is coming threatens to shake Mandelaland to the core.

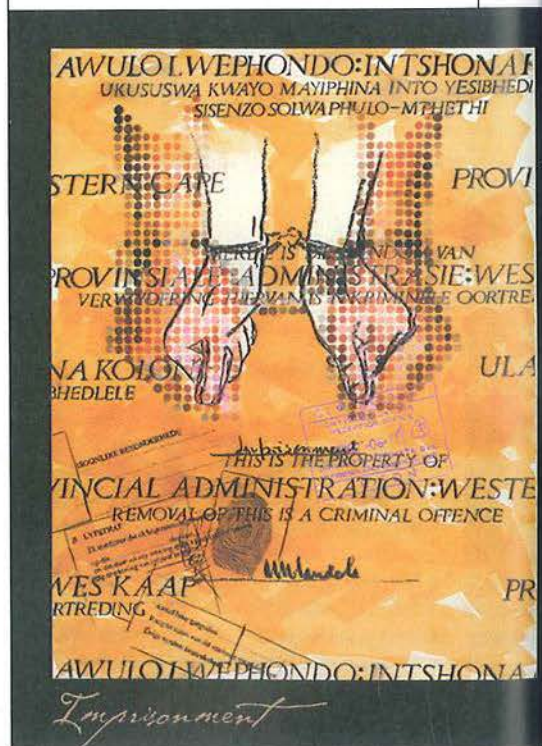
Anthony Sampson described Mandela as "... like a fantasy monarch, the man with rhythm who can swing and dance with his subjects."

In order to understand the civil war that is breaking out in Mandelaland, it is useful to imagine a medieval monarchy when the King is nearing the end. The family, and factions within the family, are agitating for position in the aftermath; the court is rampant with whispers and plots.

Mandela Foundation chief executive, John Samuel, chief minister in our imagined medieval court, was present at the meeting where it was finally decided to take legal action against Ayob. Mandela was outraged when he heard of the latest development in the embarrassing "Mandela art" moneymaking scheme that Ayob persists in operating without his consent (see over).

Ismail Mahomed Ayob is 63 years old. He came to public recognition as a struggle attorney. In the early 1980s, he began to represent Winnie Madikizela Mandela before being

appointed to the distinguished position of Nelson Mandela's personal lawyer. He was a regular visitor to Mandela at Pollsmoor and Victor Verster prisons



and carried messages to the underground ANC. During the 1990s, Ayob became one of the most powerful gatekeepers to Mandela. He ceased to act for Winnie following the separation in 1992. He was also a trustee of all the Mandela secret trusts.

In *noses* 48&49, we told the strange story of how Nelson Mandela had suddenly in 2001, at the age of 83, emerged as an artist. In our report, we suggested that "Madiba art" was a questionable money-making scheme cooked up by Ismail Ayob and former policeman and ad agency director, Ross Calder. The first company to produce Madiba art, the Concept Group, paid an Ayob front company, Magnifique Investment and Holding, R13m in advance to produce 5046 copies of a set of five drawings of hands bearing Mandela's signature.

The original drawings were executed by Hugh McCallum, Concept's art director, and were to be marketed as "A touch of Mandela magic". The

Ismail and Zamila Ayob, the first trustees of the Nelson Mandela Trust

the sales money was paid directly to the Nelson Mandela Trust. This Trust had been registered in 2001 by Ismail Ayob. The income from the Trust was supposed to provide payments to Nelson Mandela, Graca Machel, Winnie Madikizela Mandela and the Mandela children. The first trustees of the Mandela Trust were Ayob and his wife, Zamila. Mrs Ayob later resigned to be replaced by two eminent lawyers, George Bizos and William Henry Trengrove.

Most art lovers, except the rich and foolish, recognised that Madiba art was nothing more than a money-making fraud. Embarrassed, the Mandela Foundation and other Mandela organisations closed ranks and referred journalistic inquiries to Ismail Ayob. The exception was John Samuel, chief



Nelson Mandela is said to have told a number of friends: **'I want Ayob imprisoned'**

projected sale of the sets of drawings, at a cost of \$5,000 a set, promised to raise more than R200m. The scheme collapsed at the first hurdle because, having given Ayob R13m, Concept had insufficient capital left to launch the project. The Concept Group and its parent company, Union Alliance Media, were declared bankrupt. The first the Foundation heard of the deal and Ayob's R13m windfall was when Concept's liquidators sued Magnifique to recover their money.

Meanwhile, Ayob and Calder launched a second Madiba art project. They employed a young South African artist, Varenka Paschke, a granddaughter of former President PW Botha, to produce gentle lithographs of Robben Island. It was explained to potential purchasers of the pictures that Paschke had "tutored" Mandela in painting. In 2003, Ross Calder assured CNN television that the art had raised \$700,000 for the Mandela Children's Fund. Six months later, he changed his tune, claiming that 50 percent of

executive of the Mandela Foundation who signalled his disquiet in an interview with *noseweek* in 2003: "It was a private matter between Mr Ayob and Union Alliance Media - it's got nothing to do with the Foundation."

But the wider silence, and the refusal to state clearly that Madiba art was a confidence trick on those who wanted to purchase a "piece of Mandela", permitted Ayob and Calder to continue their operation. We have been unable to substantiate the rumour that Mandela sacked Ayob in March 2004 after the American television personality, Oprah Winfrey, purchased one of the "Madiba paintings" for a substantial fee, and then approached Mandela to authenticate the work.

There is now a third Madiba art extravaganza which was launched in January 2005 in Davos, Switzerland: "The Nelson Mandela Unity Series". For this project, Ayob and Calder have resurrected the original drawings of hands and invited artists from around the world to use the drawings as a

base for creative expression. Among the artists involved are Beezy Bailey, Willie Bester and Varenka Paschke (see illustration).

The third round of the Madiba art circus appears to have pushed the Foundation and the family beyond the limits of endurance; quite apart from being tainted and possibly legally compromised by this disreputable venture, most of the proceeds go to Ayob, Calder and their marketing agents. We understand that representatives of Mandela contacted the organisers of the Davos launch "to express Nelson Mandela's displeasure." For the first time, John Samuel has declared clearly that Madiba art "does not have the support or endorsement of Nelson Mandela". He informed *noseweek* that the catalogue produced by Ayob and "his henchman", Calder, claiming a link to Nelson Mandela was "grossly misleading" and "patently a lie".

Samuel also added that Nelson Mandela had taken a decision to "serve papers" on Ayob requesting full

accounts covering the entire period that Ayob has managed Mandela's financial affairs. It is believed that the Foundation knows of at least R30-40m that is not accounted for and suspects that much more has gone missing. It is expected that Mandela will make a formal complaint regarding Ayob's activities to the Law Society of South Africa. Ismail Ayob has served as a councillor of the Law Society of South Africa, a councillor of the Transvaal Law Society and the Chairperson of the Gauteng Law Council. Mandela, who was originally a lawyer, is said to have told a number of friends that "I want Ayob imprisoned." People speaking on behalf of Winnie Madikizela Mandela and Graca Machel have repeated the sentiment.

But it is not going to be simple: Ayob had what was recently described as "unfettered access to Nelson Mandela over many years". When *noseweek* spoke to Ayob he had no idea of the allegations. He refused to explain why he had ceased to act as a lawyer for Mandela in March 2004, noting that "it was a personal matter." With regard to the Mandela Foundation, he declared that he had stopped acting as the Foundation's attorney "two to three years ago". He explained that PriceWaterhouseCoopers performed an audit upon his departure and that it had demonstrated a "clear balance sheet" and a "settled account".

Ayob admitted that he had been a "trustee of all the [Mandela] Trusts" but that he now remained on only two: the NRM Trust and the Nelson Mandela Trust. Ayob also suggested

that there are other trusts for the individual Mandela children. Of these, he says: "The children are the best to take control of their destiny." But Ayob serves as a personal lawyer for Dr Makaziwe Mandela and Zenani Mandela. He also acted for Mandela's son, Makgatho, until his death earlier this year.

JOHNN Samuel accepts that the PWC audit cleared Ayob of any wrongdoing with regard to the Nelson Mandela Charitable Trust, which funds the Foundation. But he notes that Amax, the management firm established and owned by Ismail Ayob "was paid handsomely" for managing the Foundation's accounts in addition to the attorney's fees charged by Ayob's firm. A close friend of Mandela added that there was a lack of accounts related to projects on the periphery of the Foundation, and that it had taken many months to disentangle Ayob's complex web of deals, a process that was still on-going.

What remains to be seen is how the board of the Mandela Foundation will react. Is it going to back Mandela in demanding that Ayob account for the missing funds, or is it going to retreat into the false comfort of facilitating a cover-up? There are 26 members of the board including Nelson Mandela himself. They represent every section of modern South African society. Former and current politicians on the board include Professor Kader Asmal, Geraldine Fraser-Moleketi, Dr Frene Ginwala, Ahmed Kathrada, Chris Liebenberg, Bridgitte Mabandla, Mac Maharaj, Phumzile Mlambo Ngcuka

and Lindi Sisulu. Former and current civil servants/diplomats include Professor Jake Gerwel, Barbara Masekela, Mendi Msimang, Joel Netshitenzhe and Dr Franklin Sonn. Business interests are represented by Dr Nthato Motlana, Cyril Ramaphosa and Tokyo Sexwale. The family is represented by Graca Machel and Dr Makaziwe Mandela. The final six members are Professor Fink Haysom, Irene Menell, Professor Njabulo Ndebele, Judge Dumisa Ntsebeza, Dr Mamphela Ramphele and Advocate Themba Sangoni.

The row between Mandela and Ayob is only one act in a much bigger drama. The Mandela family is completely divided over the roles played by the Foundation and Ayob. Graca Machel is said to dislike intensely the dominant role played by the Foundation in Mandela's life. In particular, she is understood to detest Mandela's personal assistant, Zelda la Grange, a Foundation executive. But Graca is said to support Madiba's wish that "something must be done" about Ayob. Winnie Mandela has loathed Ismail Ayob since the early 1990s when he chose Mandela's side in the separation and divorce.

Winnie is also concerned by the dominance of the Foundation. At the funeral of Mandela's son, Makgatho, Graca and Winnie sat on either side of Madiba. This was interpreted by observers as symbolic of the former and current wife coming together to support the old man at a time of tragedy. It could also be read as Winnie and Graca making common cause in a much more substantial battle. **W**

Preparing for the end of the Long Walk

THE row about money extends to the delicate matter over who will arrange Madiba's funeral. A Nelson Mandela Family Funeral Committee has been established by Maki Mandela, the only surviving child from Mandela's first marriage (she acted as spokesperson for the family following the public announcement of Makgatho's illness) and Winnie's daughter, Zenani Mandela. The committee is chaired by Tokyo Sexwale. Interestingly, Ismail Ayob still acts for the two children on this committee. The second daughter from Mandela's marriage to Winnie,

Zindzi, refuses to co-operate with Ayob and remains closely linked to her mother. The two wives are furious at the impertinence of the children colluding with Sexwale on this subject. A personal friend of Nelson Mandela told *noseweek*: "Some members of the family are like vultures."

Eventually, the state will meet the bill for Nelson Mandela's funeral but it is clear that if the subject can sow division within the family, it is but a foretaste of the chaos to come when the voices of the Foundation, the African National Congress and the government

are all permitted to enter the fray. Although it might appear insensitive to discuss the subject, the handling of Mandela's passing is critical to how the world views South Africa. The vast majority of current and former international leaders will attend the funeral. The least that Nelson Mandela should expect is that his departure will be treated with dignity and a worthy celebration of a life well lived. A desperate struggle by politicians, functionaries and family to grab "the hem of his garment" would defile the memory of South Africa's greatest son.

Funny Business at Wits

There's no problem it seems with the entrepreneurial zeal of the Wits Business School professors. Ethics, however, are another matter

WITH its top-rated MBA course, Wits Business School has for years held pride of place as South Africa's leading business school. So why did Professor Adele Thomas resign as director of this prestigious seat of learning last year, after a scant 14 months in the job?

When she left Thomas cited a lack of co-operation by parent body Wits University in her bid to transform the business school, particularly the introduction of "a new governance and financial model".

Now, from confidential Wits documents held by *noseweek*, it emerges that her main concern centred on the activities of a prosperous but controversial little Section 21 company known as InCo.

InCo – full name In-Company Management Education – was set up in 1990 by a former director of WBS, Professor Keith Yeomans, ostensibly as a vehicle to circumvent the notorious bureaucracy at Wits, and the university's tardiness in paying its suppliers. Subsequent deans and directors of the Business School (Robin Lee, Duncan Reekie, Nick Binedell and Michael Ward) either turned a blind eye to InCo – or were not slow to make use of its services.

Over the years the University administrators over at Senate House either forgot about InCo, chose to ignore it or – as they finally maintained – never knew it existed.

For more than 10 years, until 2001, InCo was an in-house secret within the Wits Business School. And as the school's marketing efforts attracted ever more corporates willing to pay

large sums to have their staff enrolled on its executive education programmes, InCo prospered. In 1990 revenue was R96,280. By 2001 it had soared to R6.3 million, reaching a peak of R7.8 million in 2002.

Big corporates signed up for what they assumed were Wits Business School courses. But in many cases the substantial sums they paid wound up not with the University of the Witwatersrand but in the bank

account of InCo, from which its managing director, John Ford, disbursed payouts unfettered by the University which employed him.

Corporates who shelled out hundreds of thousands of rands to InCo for executive training included Iscor, the Johannesburg Stock Exchange, Nedcor and BMW, among many others.

The usual signatories on InCo's cheques were John Ford and Dorette van Heerden. Ford held the position of director of executive education at Wits Business School, for which he received a University salary of around R380,000 a year. On top of this he paid himself large sums every year from InCo in director's and lecturing fees. In 2001 his InCo payout was R444,000. In 2003 documents record that Ford received R676,000 on top of



Laughing all the way: John Ford, director of education at the school, who signed the cheques

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ASSET MANAGEMENT – THE WAY IT OUGHT TO BE.



Picture: Sunday Times

Not entirely amused: Professor Adele Thomas resigned as head of the Business School after only 14 months

his University salary – plus another R132,500 paid to his company, John Ford & Associates.

Ford's wife, Jackie Booth, who operated a recruitment agency, received R25,000 from InCo in 2003.

Dorette Van Heerden was director of administration at Wits Business School (University salary around R350,000). She also looked after InCo's accounts. The Van Heerden family did well out of InCo: John Ford allocated choice executive programme strategy-teaching assignments to Dorette's husband Frans, who was not on the university staff.

And their student children Franco and Johanna-Mari were wheeled in to invigilate at exam time.

In 2003 Dorette van Heerden received R108,350 from InCo; husband Frans R349,083; young Franco a modest R8,965 and his sister Johanna-Mari R20,440.

Apart from Ford, the only other director of InCo at that time was Professor Mike Ward, head of the Business School (University salary around R500,000 a year). This was boosted by lecturing and management fees from InCo – R317,500 in 2000 and R189,964 in 2001.

Wits Business School lecturers conducted InCo executive education programmes. For this they received payment of R7000 a day, paid usually by InCo cash cheques. Including University salaries, three of them, Mel Brooks, Mark Peters and John Ford made more than R1 million apiece in a good year.

Until 2001 no PAYE was deducted from these InCo payments to lecturers.

For the lecturers of Wits Business School those R7000 a day tax-free payments provided a welcome boost to their modest academic salaries. "It was a perk," says one insider. "Getting those InCo teaching assign-

ments was dependant on how John Ford allocated them. If he liked you, you'd get it; if he didn't like you, you wouldn't."

And then there were interest-free loans doled out by Ford to business school staff. Some were R5000; at least one, more than R20,000. When Zimbabwean lecturer Gloria Ndoro-Mkombachoto's contract was not renewed she failed to repay her R25,000 handout. Ford wrote off the debt.

This cosy set up, it now emerges, was rocked for the first time in 2001, when Mike Ward revealed the existence of InCo to the University's then Vice-Chancellor, Norma Reid-Birley. She was reportedly horrified to learn of this booming little profit center operating inside the business school, and called in the University's auditors, KPMG, to investigate. KPMG reported one "serious" problem – potential unrecorded taxation liability in respect of PAYE, VAT and

Andre de Wet, executive finance director of Wits. "The University has now thoroughly considered the implications of the company which the staff of the Wits Business School has been operating for personal gain for a period of over ten years without any attempt to disclose the fact to University management," thundered De Wet.

"We therefore maintain that both of you [Ward and Ford] are in breach of your fiduciary duty since you started working for InCo. It would seem to be equitable that both you and John account to the University for your misconduct and secret profits from January 2001."

The letter concluded by suggesting that any 'defaults' with the revenue service be corrected immediately.

Despite this huffing and puffing, InCo was allowed to carry on operating, although its activities were wound down to a more modest level. Insiders claim that the reason

The KPMG report specifies one 'serious' problem with Inco and lists another 19 'significant' areas of concern

Company tax. The report listed 19 further "significant" areas of concern, including the use of the business school brand to obtain revenue for InCo; the failure of lecturers to pay 15% of their InCo payments to the University as they should have done; incomplete income or cash receipts; ad hoc payments to staff via cash cheques; and "concerns" regarding the audited financial statements issued from 1990 to 2000.

For five months after receiving the report in May 2002 university administrators on the 11th floor of Senate House pondered what about KPMG's findings.

By now the board of InCo had been boosted by the addition of business school faculty members to make it belatedly legal (the Company's Act requires at least seven members for a Section 21 company).

University management's decision emerged on 23 October 2002 in a "strictly confidential" letter to business school head Mike Ward from

University management did not order InCo's immediate demise was the fear that Wits itself might be landed with its tax bill by SARS.

In August 2003 Ward stepped down as director of the business school, although he remained on the academic staff. His successor was Adele Thomas, a tough and uncompromising crusader for corporate governance.

At an InCo board meeting on 26 November 2003, Frank Durand, one

Under pressure: Wits Vice-Chancellor Prof Loyiso Nongxa declined to return noseweek's calls





Picture: Sunday Times

Punchline: Professor Mike Ward, ex-head of the Business School, was one of those who resigned

authority. He was also unhappy about those interest-free loans to business school staff.

Durand raised his concerns with Adele Thomas, who appealed to Senate House to finally insist that InCo be shut down. The University, after all, was in severe financial difficulties, with an estimated deficit that year of R74 million.

Corporate governance guru Mervyn King, as Chairman of the Wits University Foundation, was asked to handle the matter. King took one look at the problem and suggested that KPMG be brought in again.

Wits Vice-Chancellor Prof Loyiso Nongxa put KPMG to work and, in April last year, the auditors finally presented clear-cut options for action against "those persons responsible for the 'maladministration' of InCo. The choices were to institute civil proceedings, refer the matter to the State for criminal prosecution and/or to institute disciplinary proceedings.

KPMG suggested that disciplinary action (and possibly a civil action) based on gross negligence could be sustained. "It is evi-

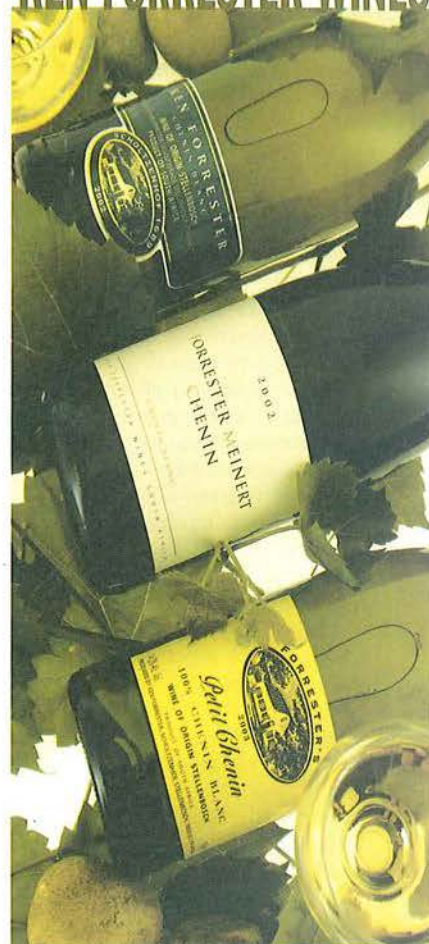
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of the academics brought on to the board to expand it and legalise the company, refused to sign off the 2002 accounts. Durand, a senior lecturer in finance and investments who was also the business school's finance director, was alarmed at the way Ford had increased his InCo director's fee from R8000 to R10,000 a month without



"The word 'slave' is so degrading. Why don't we call you 'intern.'"

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THE new "pocket sized" nuclear reactor that Eskom plans to build at Koeberg has been plagued by local and international criticism, which in turn has triggered public objections, causing costly delays and deterring investors.

Why would South Africa, which has never been a nuclear pioneer, spend billions developing an unapproved design – rejected by the French, Germans and the Americans – instead of buying a tried and tested reactor from France, one of the world's leading nuclear countries?

It's a mystery that is easily unravelled. One doesn't have to dig very far to unearth big names behind the PBMR project, with fingers deep in what is potentially a very lucrative pie.

The PBMR project is already far behind schedule and the power barons are frantic to see it bear fruit (or tons of nuclear waste as the case may be). Desperate times call for desperate measures, and when a prominent nuclear physicist refused a discreet bribe of "a new Mercedes Benz each year for the next five years", in return for lending his expert approval to the PBMR project, PBMR proponents had to find another way to make sure the new reactor was approved.

That's when the Minister of the Department of Mineral and Energy Affairs (DME), Phumzile Mlabo-Ngcuka, came up with a clever idea: why not appoint the Safety and Licensing Manager of the PBMR project to head the National Nuclear Regulator?

With a PBMR project employee overseeing the final licensing for the demonstration reactor, there would be little chance of the project being stopped.

Nor would the appointment of an inside man to the regulatory body be unprecedented; his predecessor is a director on the board of a company that has earned millions from the PBMR experiment.

During the apartheid era, Armscor commissioned research into a small nuclear reactor which was conducted by IST Holdings – an engineering company comprising several divisions and wholly owned by the IST Group.

When funding from Armscor fell away in 1993, IST sought buyers for its technology and lobbied Eskom to take over development of the PBMR. Eskom formed the PBMR Company in 2002 to continue the

All in the Pebble Bed together

Over the next few years, the Pebble Bed Modular Reactor and the government money invested in it have the potential to create a scandal as big as the arms deal. In the first of a two-part investigation, we look at the BEE economics of PBMR

research, awarding itself a 40% share.

Thereafter, the PBMR Company granted IST's nuclear division a R260-million contract to develop the PBMR design.

Reuel Khoza, Chairman of Eskom since 1997, is a big player in the BEE arena. The son of a preacher man from the Limpopo province, he has many talents. In-between supplying the lyrics for songs to entertain Eskom employees, and writing a book on how Africa should lead the world, Khoza has established himself as a successful entrepreneur with varying interests. He currently

holds directorships of huge entities such as the JSE Securities Exchange, and boasts an impressive resume listing previous directorships for a horde of big name companies such as Standard Bank, Vodacom Group and, not surprisingly, IST Holdings.

Even though he is a busy man who only agreed to serve as Chairman of

Eskom after he was "persuaded" by the then Deputy President Thabo Mbeki and other "influential members" of cabinet to take on this challenge because it was his "national duty", Khoza still managed to find the time to found Co-ordinated Network Investments (CNI), which he still heads as Executive Chairman.

Although Khoza ceased to be a director of IST Holdings when its controlling company, the IST Group, was listed on the JSE in September 1998, his involvement with the engineering company did not end there, as CNI held 29% of the issued share capital of IST at the time of listing.

By 2001, IST sought to increase its BEE shareholding. CEO Harry Coetzee didn't need to look very far because Khoza and his business partners from CNI had already set up another investment company AKA Capital, which is wholly owned and controlled by CNI.

In March 2002, AKA



Picture: Sunday Times

Electric personality: Reuel Khoza, Eskom's all-singing, dancing CEO

Glowing prospects for Eau de Koeberg

As Cape Town's verdant gardens wilt under the fierce summer sun and local politicians stake their reputations on free water for all, government officials are under pressure to plan for ongoing drought.

The Cape is experiencing the driest summer in a hundred years, and with fears of global warming there's no knowing when the rains will come. With about 50 000 new consumers of water arriving in the Cape annually, drinking water can only get even more scarce.

For over a decade, national and local officials have been investigating new sources of drinking water for the Cape, some more potable than others. But it's with some apprehension that *noseweek* learns of a proposal to desalinate seawater from the planned Pebble Bed Modular Reactor at the Koeberg Nuclear Power Station and divert it to a tap near you.

Desalination is the process whereby seawater is purified to a lesser or greater degree through reverse osmosis or distillation. It has successfully been used to meet increasing demand for drinking water in communities living in barren coastal regions, such as some in California. Of the 7,500 desalination plants worldwide, sixty per cent are in the Middle East.

Desalination has traditionally been considered to be too expensive for South Africa, but costs are coming down and the need for water is growing.

Even so, why would Cape Town city officials contemplate taking the water to be desalinated from Koeberg?

A report prepared for the Cape Town City Council by engineering consulting company, Ninham Shand, argues that the pebble bed reactor would in fact be an ideal site for a proposed desalination plant – that is, from an engineer's point of view.

The authors of the study reckon that the government would save money by locating the plant at Koeberg because it could capitalise on the existing infrastructure, particularly on water pumps. Instead of the seawater that is used to cool down the pebble bed reactor being pumped back into the sea, the report suggests, it could be pumped through to the desalination plant. The plant would then process the cooling water, disinfect

it, and send it out into Cape Town's water distribution network. That would mean a significant saving on setting up a new system to pump fresh seawater to the desalination plant!

Also, construction of the plant would be relatively unobtrusive as it would be limited to the already "disturbed site" at Koeberg, and "noise and dust nuisance" could be contained.

It all sounds plausible until the investigators come to the disadvantages. They realise that "the project runs the risk that public concern will preclude further consideration of this option". They propose a "comprehensive public participation programme" to explain to the public that the water would be safe to drink, as they say: "i.e. no radioactive contamination."

Andrew Kenny, an engineer working in energy research and an outspoken supporter of the PBMR, told *noseweek* that there would be no danger in the plan. "I don't know about the economics of desalination, but from a safety point of view it's fine. Bear in mind that seawater is radioactive, it contains a lot of potassium for example. In the worst possible accident the amount of extra radiation in the water would be absolutely negligible."

Liz McDaid of Earthlife Africa had a very different take. "Desalination is an option," she says "but it's ridiculous to base it at Koeberg. It's another case of the PBMR guys clutching at straws to justify their project."

The Ninham Shand report is a "pre-feasibility" study. The council is taking things on to the next step, and currently commissioning feasibility studies for various projects that will exploit new water sources, including boring into an underground aquifer that runs under the Table Mountain Group.

Most of these options have been canvassed in public, so why not the Koeberg one? Councillor Saleem Mowzer is battling to convince Capetonians of the merits of his water restrictions which have wasted petunia patches and rose gardens from Panorama to Constantia. It seems that the offer of desalinated water run off the pebble bed reactor – when he is eventually brave enough to announce the investigation – will be even harder for city-folks to swallow.

Capital acquired 11 million shares in IST. As part of the deal AKA obtained the voting rights of CNI's 40 million plus shares. This now gave CNI as AKA's controlling company a 32% shareholding in IST.

Through his investment company's increased stake, Khoza's position as the link between Eskom, the PBMR Company and IST was significantly strengthened, and in August 2003 the mega R260-million contract was granted – marking a milestone for IST as this was the single biggest contract the group had ever secured.

Although Khoza still advises government on nuclear issues while continuing to steer Eskom towards a nuclear future, his direct financial stake ended in October 2004 when IST delisted from the JSE after the group's entire shareholding was acquired by a consortium of investors. Khoza and CNI shared an R80-million windfall from the sale of CNI's 28% shareholding.

ICT Investments is the BEE partner of the take-over consortium, and now holds a 25% stake in IST. ICT Investments is headed by ICT Works, a telecommunications and ICT resources services company, wholly owned by black women, that boasts big time customers such as Eskom and the DME.

ICT Works founder and MD, Xoliswa Kakana, has a high flying friend; the former CEO of the National Nuclear Regulator (NNR), Louisa Zondo, a friend from school days.

Zondo re-established ties with Kakana in 2001, and has served as a director for her chum's company for more than two

years, coinciding with her tenure at the NNR.

Although her position is known to many employees at ICT Works, Zondo says her role there is "complicated" and denies she is a director. However, she admits that she has a "personal interest" in her friend's company and is "involved in an entity that is involved with ICT."

Zondo's contract with the NNR officially expired in August last year, but was extended until the end of November. In the meantime, ICT Works acquired a 25% stake in the IST Group in October, and Zondo was appointed non-executive director to the board of IST, representing ICT Work's investment. Therefore there was an overlap period of over a month in which Zondo sat on the board of both the NNR and IST.

The NNR's role in the success of the PBMR project is pivotal, as the final stage in approval for the demo would be a licence issued by the NNR. Eskom has been in constant interaction with the NNR since applying for a licence in 2000.

Considering this, it is remarkable – and troubling – that the person responsible for ensuring the new reactor complies to safety and environmental standards, as well as overseeing the safety of the PBMR's design, siting and construction, also served on the board of the company that will profit sweetly if the pocket nuke project succeeds.

Zondo's conflict of interest was perhaps not known to Minister Mlabo-Ngcuka, but it should have been because Zondo and the Minister are "well acquainted". The Minister hand-picked Zondo to head the NNR from 2001, and then supported her when she helped establish the Women in Nuclear South Africa forum last year.

In any case, Zondo's ethical oversight would pale in comparison to the move Minister Mlabo-Ngcuka was about to make.

While all this power shifting was taking place, the Minister was busy lobbying for government support and funding for the PBMR project. On February 16 2005, cabinet approved the appointment of nuclear physicist and long-time ANC supporter Maurice Magugumela as the new CEO of the NNR. Magugumela has first hand knowledge of the new reactor – having been employed as the PBMR Company's Safety and Licensing Manager for over six years – a position he still retains.

In addition to overseeing the licensing applications for the PBMR, Magugumela has also been advocat-

ing the PBMR internationally, waxing lyrical about the marvels of the design at the International Youth Nuclear Congress planning session in Canada in May last year. So it's no guessing where his loyalty will lie when he takes up his position this month.

Why has the government, which was firmly opposed to nuclear energy before coming to power in 1994, now come out in support of nukes?

Voices have probably been whispering in the ears of cabinet ministers about the hordes of cash the PBMR is likely to generate, as the financial viability of the project hinges on eventual commercialisation. Should the demo PBMR be successful, the PBMR Company plans to construct 240 reactors, of which it aims to sell 216 in the international market at an estimated US\$225-million per reactor.

With the scent of such spectacular returns in the air, it's understandable that Minister Mlabo-Ngcuka has been making so many pro-nuke speeches to persuade cabinet that "nuclear energy is unavoidable".

HOWEVER the PBMR project is already more than six years behind schedule and costs are increasing. Government and Eskom have already spent R1.5-billion on developing the PBMR design, and a further R10-billion needs to be provided for the construction of the demo model at Koeberg and the fuel plant at Pelindaba near Pretoria. International confidence is already waning, and sorely needed investors have begun to look elsewhere for a nuke supplier.

The PBMR Company admits that continued delays are wreaking havoc with its investment opportunities. "It's a bit of a chicken and egg situation," says spokesman Tom Ferreira. "We cannot ask for investment without knowing if we have a project first, and we can't receive any orders until the demo is approved."

Without the Minister and government's support, the PBMR project would have probably folded by now, leaving IST shareholders high and dry. But investors were bailed out when the Finance Minister, at the behest of Minister Mlabo-Ngcuka, gave approval for R500-million for the PBMR project in November 2004.

Even though it fell short of the R600-million originally requested, the funding was sufficient for the PBMR Company to strengthen its relationship with Japan (one of the few potential export

markets) by awarding a US\$12-million contract for design and construction of turbine machinery to Mitsubishi Heavy Industries.

There was still enough left over to bolster IST shareholder's investments, and the PBMR Company gave over another R133-million contract to IST.

With her reputation and political career riding on the success of the project, Minister Mlabo-Ngcuka then put the cherry on the top of the cake by appointing Magugumela as the new CEO of the NNR.

While the high flying BEE players and the DME's Minister have been eagerly jumping aboard, environmental justice group, Earthlife Africa, along with 70 other objectors and the City of Cape Town, have been trying to block the path of the speeding nuke wagon.

Earthlife scored a victory earlier this year when the Cape Town High Court ruled that the Department of Environmental Affairs and Tourism's (DEAT) approval of the Environmental Impact Assessment Report (EIA) for the PBMR demo was "fatally flawed".

The Director General of DEAT, Dr. Chippy Olver, who was responsible for giving the go ahead for the EIA, admitted that the final EIA was "substantially different" from the draft released to the public for commentary. Olver also confessed that he had not even read Earthlife's objections before making his final decision.

The judge in the case considered this approach to be "fundamentally unsound" and overturned the approval. He directed Eskom to release the secret documents and ordered the Director General to give Earthlife and other interested parties an opportunity to make further written submissions before making a final decision on the EIA.

This would leave one final hurdle for the PBMR project. Eskom requires rezoning approval from the Cape Town City Council to operate the PBMR and – despite pressure from provincial government – the City is standing by its official appeal against the EIA.

Meanwhile, Earthlife is still trying to obtain the minutes of Eskom's board meetings on the PBMR. Khoza and his crew are claiming these minutes are "commercially sensitive", but Earthlife suspects that Eskom's financial directors advised the board to drop the PBMR project some years back and Khoza vetoed this advice. The green group hopes the minutes will reflect this and have lodged another High Court application in a bid to gain access to the documents. ■



The oligarchs

Like many in South Africa, noseweek occasionally dwells on the mysterious question of power. What is it? Who has it? And how does it work? We all recognise that South Africa's four "oligarchs" - Cyril Ramaphosa, Tokyo Sexwale, Saki Macozoma and Patrice Motsepe - possess power, but what are the networks that support and perpetuate that authority? And to whom are they accountable?

Our organogram (published overleaf) sheds some light on the questions above. It reveals that Cyril, Tokyo, Saki and Patrice are not only oligarchs but also gatekeepers: they control access to the banks and insurance companies (boxed in green) and equally are supported and sustained by older capital (marked in red).

There is a Malay word, "jaga" which perfectly captures the role played by our four heroes; the word translates as "take care" but also as "watchman" or "gatekeeper". As the organogram demonstrates in order to be a player in the jaga wars, the competitor needs to gather together a war chest of critical connections. Ideally, in addition to extremely rich backers and strong channels to the banks and insurance companies, one needs mining interests, an intelligence/security capacity, political friends and media links. Only then can you really call yourself an oligarch.

CYRIL RAMAPHOSA is particularly well-positioned on our chart. He has the support of Anglo-American/De Beers, Alexander Forbes, Standard Bank and Investec. His central financial vehicle, "Shanduka" is funded by Old Mutual and he also has connections to FNB. Through Johnnic, he has media interests, primarily the *Sunday Times*, *Business Day* and the *Sowetan*. He is linked to Tokyo Sexwale through the Mandela Foundation (of which both are board members), he is the brother-in-law of "new kid on the block", Patrice Motsepe, and he shares numerous business interests with Saki Macozoma through

NAIL, Standard Bank and the prospective purchase of a significant percentage of Anglo-American. His security network is buried within that of

Anglo-American/De Beers. In our interpretation, Cyril's network, as that of the first oligarch, is already beginning to look like "old money".

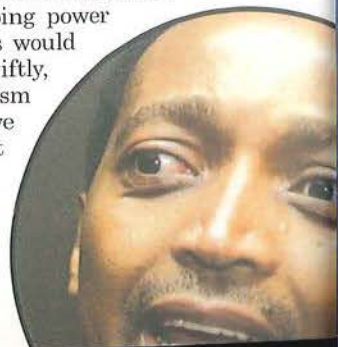
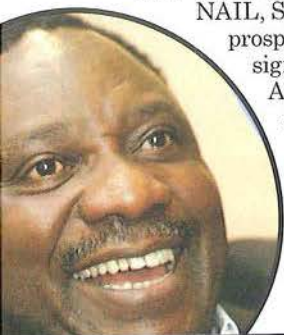
TOKYO SEXWALE's network is that of the buccaneer. He has significant Afrikaner backing through the Ruperts family. He has wilder champions in the Kebbles, with whom he is involved in Orlyfunt, and Tony Texeira. More support comes from Alexander Forbes, David Rockefeller and Frank Ferrari. His central vehicle, "Mvelephanda" is funded by Absa Bank, but he is also linked to FNB. His mining interests in Goldfields are currently the subject of a complicated takeover bid by Patrice Motsepe's Harmony. His security connections are relatively exposed in Securicor. He has an interest in the former Robben Island prisoners' Makana Trust, and is linked to Irvin Khosa through the 2010 Football World Cup. Media support comes from the Naspers group, a subsidiary of Sanlam. Like Cyril Ramaphosa, he is a member of the Mandela Foundation. Tokyo's network, while impressive, may be a little overextended. The spider's web of contacts could eventually limit the activities of the second oligarch.

SAKI MACOZOMA possesses a powerful war chest of contacts. His primary backer is the financier, Jonathan Beare. But he also receives support from the American lobbyist, Frank Ferrari and, indirectly, from Investec. His central vehicle, "Safika", is funded by Standard Bank. Saki has a praetorian guard of new African capital connections: Andile Ngcaba, former director-general of Communications, currently at Telkom, with links to Vodafone; Moss Ngoasheng, Thabo Mbeki's former economics advisor; and Khaya Ngqula, former head of the Independent Development Corporation and the new chief executive of SAA. In addition, Saki can draw links to the mining interests of the fabulously wealthy Mzi Khumalo. Saki has an important new element in his chain: former leader of the Scorpions, Bulelani Ngcuka. Ngcuka brings Nedcor and Old Mutual to the Saki crew. Through his

central vehicle, "Amabubesi", Ngcuka has substantial security capacity in Stallion. There is also a link to Phillip Dexter in Laetoli. Ngcuka is, of course, married to Phumzile Mlabo-Ngcuka, Minister of Mineral and Energy Affairs. Macozoma stands to gain a substantial chunk of Anglo-American in conjunction with Cyril Ramaphosa, and he has a relationship with Tokyo Sexwale through the Makana Trust. Saki's network is different from the first two oligarchs: it is less-dependent on old capital and, perhaps, represents the future of African capitalism.

PATRICE MOTSEPE is the "new boy". His networks are less substantial than the three older oligarchs but he is clearly the coming man. His primary support comes from Rick Menell, with Bernard Swanepoel and Lord Renwick providing further connections. Patrice's central vehicle is African Rainbow Minerals through which he made his fortune. As part of Harmony Armgold, he is now making a bid for Tokyo's shares in Goldfields. Motsepe has close links to Sanlam and is also funded by Nedcor. One of his sisters is married to Cyril Ramaphosa, and another to Jeff Radebe, Minister of Transport. Patrice heads the National African Federated Chamber of Commerce (Nafcoc) and is directly involved with Nafold, Nafcoc's investment wing. Motsepe has support from Naspers but does not have a substantial security structure.

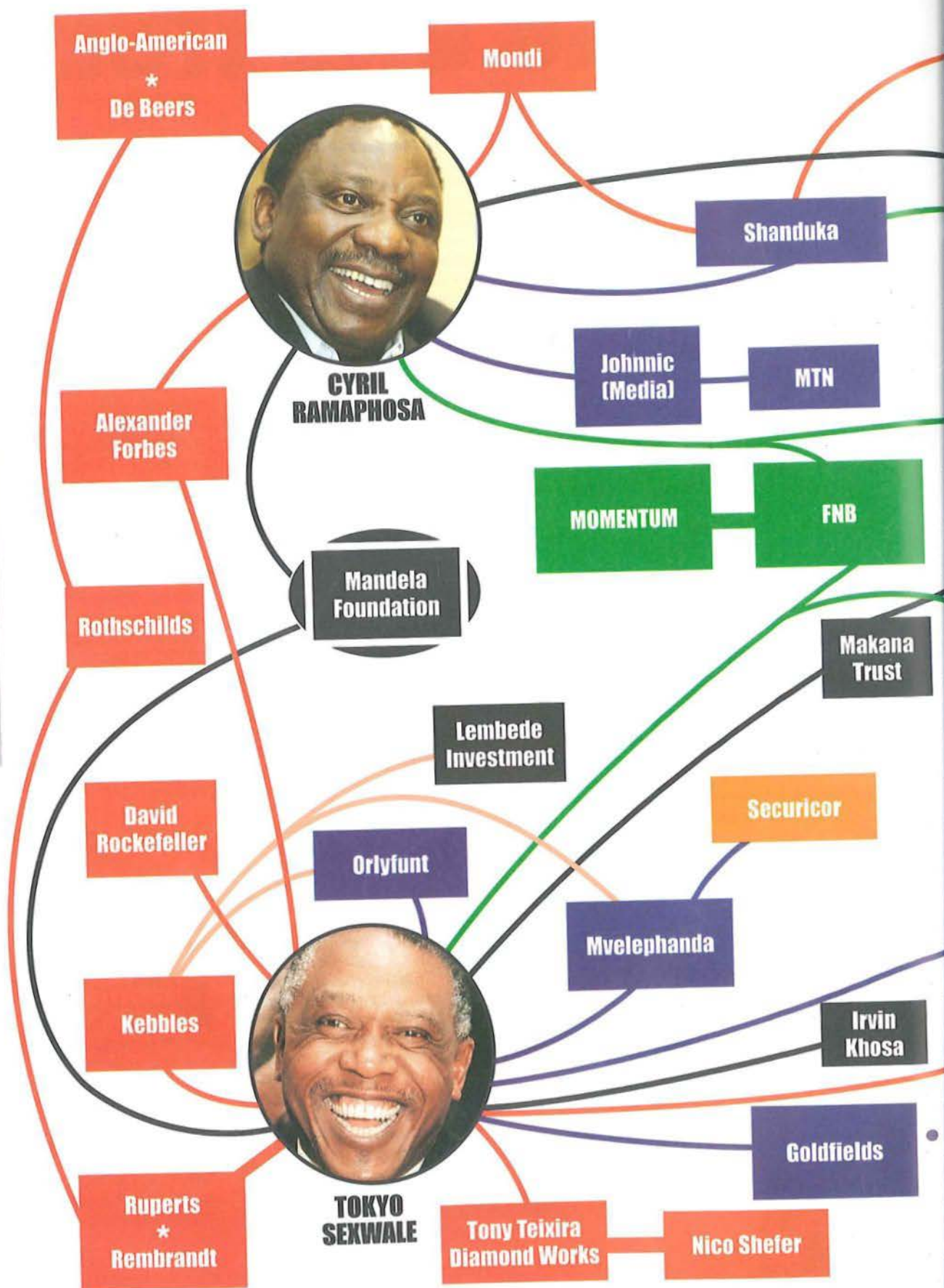
A SIMPLE solution to the problem: if South Africa was to break the link between the banks and insurance companies, perhaps, adopting similar legislation to that employed by President FD Roosevelt in the United States in the 1930s, the gatekeeping power of the four oligarchs would be broken quite swiftly, and African capitalism would be able to thrive as never before. Just a thought.



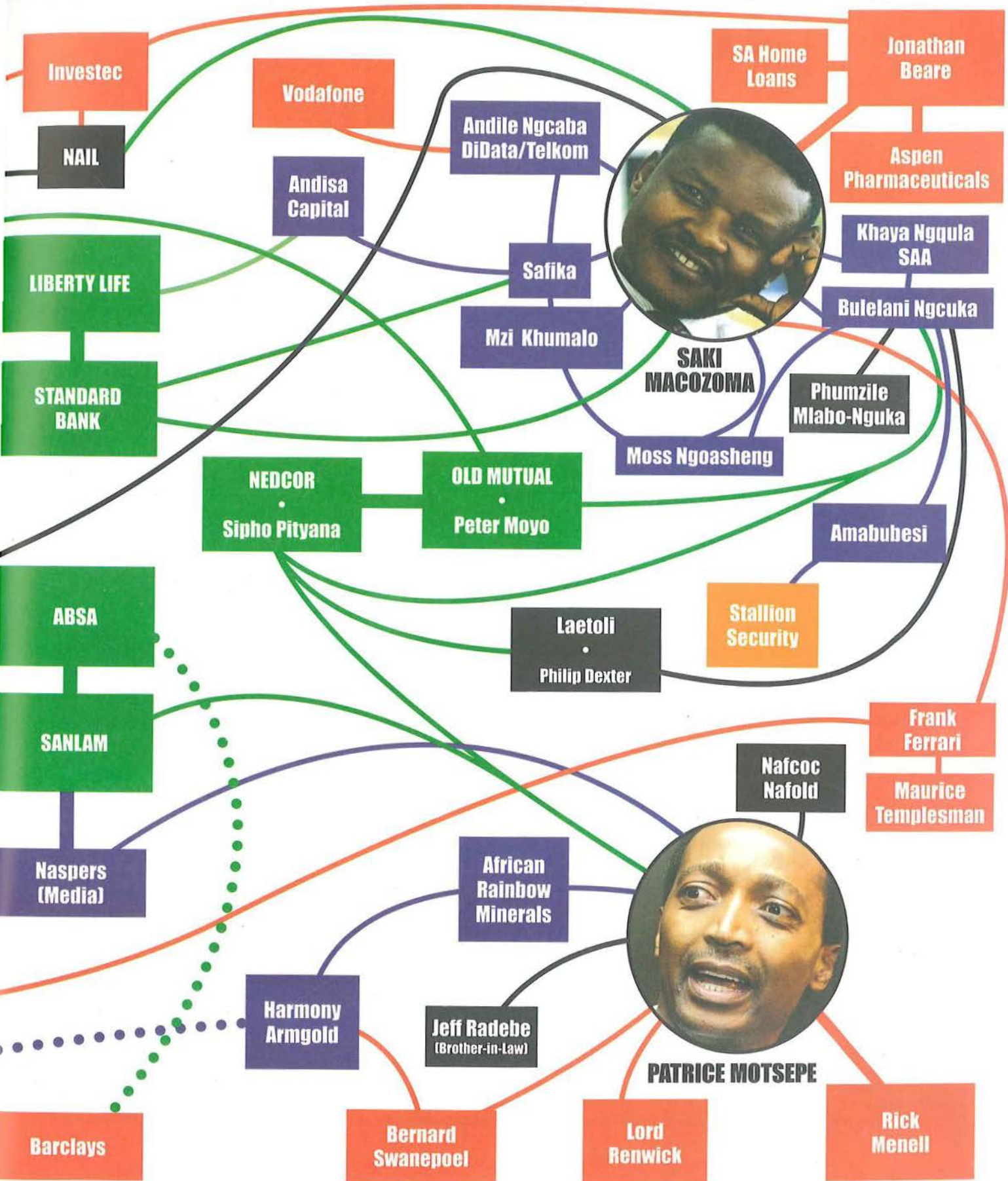
WHO PAYS THE PIPER...

KEY

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- oligarchs & networks
- new SA capital & ANC politicians
- security & business intelligence



noseweek's pull-out-and-pin-up guide to SA's oligarchs



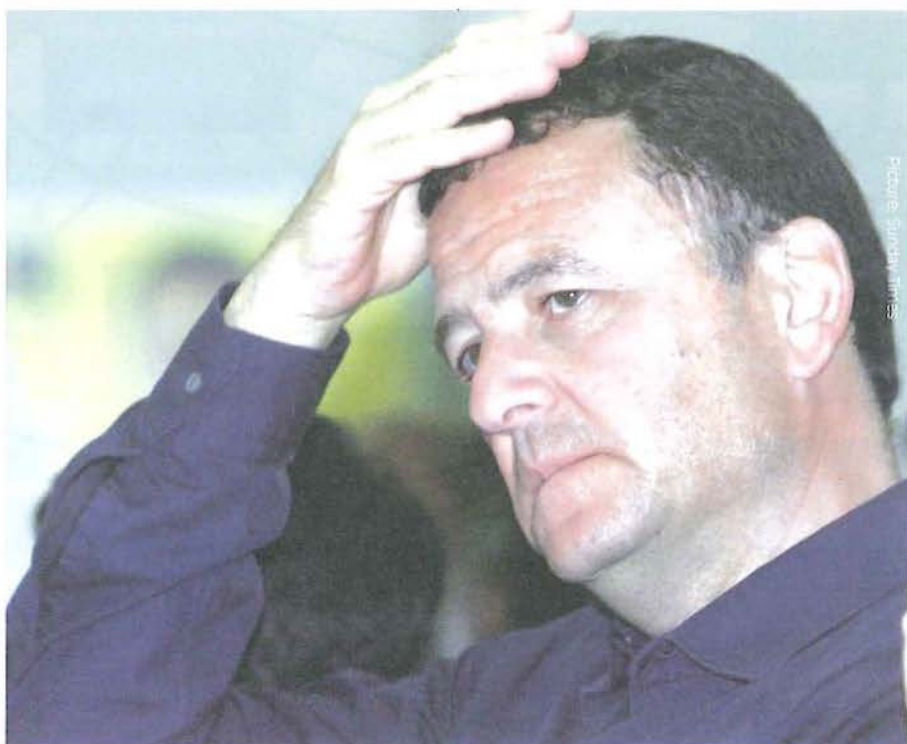
The depressing alternative

The progress of Tony Leon's DA seems to have hit a dead end.
James Sanders asks is it time to drop the pilot?

TONY LEON has given everything he can offer to the cause. If the DA intends to survive as a political party it must now put Leon out of his misery.

ANC election campaigners report that they had enormous difficulty mobilising support during the 2004 campaign. Younger voters do not feel bound to the party as if by the umbilical cord of liberation. The ANC is already experiencing the pressure of non-delivery and faces substantial resistance from within the tripartite alliance. Nevertheless, the one factor that consistently proved popular on the doorsteps of older voters was the desire to punish Tony Leon. The DA leader has never managed to connect with black voters and in the process has limited the DA's ability to develop as a thoroughly multi-racial political opposition. His opportunistic adoption of a pro-death penalty stance during the election repulsed many genuine liberals and introduced an authoritarian contradiction to his libertarian individualist philosophy.

So what options remain open to a DA led by Tony Leon. They could start by saying "Sorry" and endeavouring to find out why black South Africans believe the party to be so repellent. They could visit the townships, the informal settlements and the rural areas every weekend for the next four years and ask the people what they can do to help. By concentrating on the simple issues of day-to-day life and creating the structural equivalent of constituency offices, they could hurt the ANC in its soft electoral underbelly. This goes far beyond the "empathy" that DA strategist, Ryan Coetzee, mentioned at UCT last year. It requires a cultural change that would have to include abandoning arrogance, selfishness and the patronising tone. They could stop lecturing and start listening. Surprisingly, they would not



need to change their policies very much. One of the deeper ironies of post-apartheid South Africa is the dominance of conservative politics shrouded in progressive language. The DA are little different from the ANC in this respect.

Of course, little of this is going to happen and the likely prognosis for the DA is poor. Coetzee seemed to imply as much when he noted in his August 2004 UCT seminar that the DA needed black leaders in positions of real authority and that the party was too closely linked in the voter's mind with the identity of Tony Leon. The danger for the DA is that they begin to repeat the mistakes of their ancestor, the United Party of the 1950s and 1960s. For twenty years after the National

Party election victory of 1948, the UP opposed from an inflated position of their own semi-imperial importance, while quietly tracking to the right in policy terms. By 1970, the UP was nothing more than a shell and was eventually killed off by something as insubstantial as a newspaper article.

The DA is losing the intellectual battle in South Africa. During the 1990s, the DP posed as the defenders of liberty but their interpretation of freedom and choice was consistently self-serving. In the late 1990s, Tony Leon gave a speech at Chatham House in London in which he attacked Nelson Mandela's "rainbow nation" with such intensity that neutral British listeners began to question Leon's patriotism. Opposition,

at its best, is not destruction but construction. It also has to be about transparency.

For a number of years Ryan Coetzee has been running a letter-writing team under assumed names (including African names) from within the DA's parliamentary research facility. In 2000, Ronald Suresh Roberts published an opinion column in the *Financial Mail* which examined Tony Leon's teenage conscript journalism in *Paratus* between 1975 and 1977. The DA response was frenzied and somewhat dishonest: three letters appeared in the *FM*'s letters pages. Peter Bruce sensing something was wrong wrote in his editor's note: "I am amused at the ferocity of the response to Ronald Suresh Roberts' mischievous piece last week about Tony Leon's journalism ... I can't help feeling the folk who have written so passionately in rebuttal should have laughed off the bait instead of falling for it."

the DA attempted to swallow the NNP but couldn't hold it down. In contrast, the ANC consumption of the NNP was absolute, they gobbled up the NNP intelligentsia: the former intelligence establishment, the senior civil servants, academics and ex-politicians. The DA response was to scream that it was immoral for the ANC to work with the NNP whereas the real immorality in political terms was to have attempted to do the same thing but to have failed. Or as Ryan Coetzee put it: "We thought we could speed up history faster than history can be speeded up."

DA influence in the newspapers is also fading. On one level, this is because the newspapers are attempting to build their black readership and black readers have clearly demonstrated that they are not interested in Tony Leon's histrionics. But at a more significant level, the DA/Tony Leon narrative has become boring. Like the Conservative party in Britain, DA

The leader of the opposition lacks the courage to retire to his study with the pearl handled revolver

Nick Clelland's opinion column, in reality written by James Myburgh, described Roberts as "an overexcited carpetbagger", which is a little over the top. A follow-up letter by Clelland/Myburgh accused Roberts of having "a mail-order Oxbridge degree." Where is James Myburgh now? In Oxford, attempting to get his own "mail-order Oxbridge degree". The DA have hunted Roberts ever since. Last September, Tony Leon's DA tabled a question in Parliament asking how much Roberts has been paid to write speeches for members of the Presidency. The answer was nothing. Last week, the same question was asked again; the same reply was received. The obsessive and vengeful quality of Leon's fascination with Ronald Roberts is petty, undignified and downright weird. If Leon dislikes Roberts so much then why not just ignore him?

The emergence of the DA from the merger of the DP and the New National Party demonstrated a desire for power at any cost. Tony Leon's willingness to play fast and loose with a racialised politics was a disaster:

supporters are getting older and their children are not eager to follow in their wake. The democratic centralism practiced by Leon's inner circle drives away young talent such as Raenette Taljaard. A tone of manic depression has begun to colour Leon's party: it is easy to understand the despair, the party is fudging the only remaining choice that matters: removing the leader.

It is peculiarly ironic that Tony Leon and his close supporters have failed to recognise that they serve a critically important function for the ANC: they clog up the electoral system and retard the development of genuine non-racial democratic opposition. It is equally concerning that distrust of Leon and a fear of providing hostages to fortune restricts open debate within the ANC. In any normal democracy a party leader in Leon's position would have had the dignity to retire gracefully. ANC politicians must rest easy in their beds safe in the knowledge that the leader of the opposition lacks the courage to retire to his study with the decanter of whiskey and the pearl handled revolver. **W**



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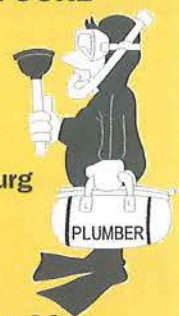
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BIG BOYS in the park

Huddle Park, one of the last sizeable blocks of open land in Joburg is to be developed amidst controversy over the irregularities in the bidding process. As usual, it's the little guy who loses out

Winner

Striking gold: Empowerment big boy Cyril Ramaphosa, who has recently received some jolly good news

A POWERFUL consortium under the banner Islandsite – including Investec, Standard Bank, Larry Nestadt's Global Capital, plus empowerment fat cats Peter Malungane (Peu Group) and Cyril Ramaphosa (Shanduka) – has emerged amidst seething controversy as the “preferred bidder” for a R1.6 billion development of Huddle Park, Johannesburg's last sizeable haven of open space (see *noses* 58&59).

There is uproar among three short-listed losing bidders – each with equally impressive names within their consortia – as well as from local residents in the Linksfeld neighbourhood of north east Joburg. They cry foul, claiming that Islandsite has won despite ignoring key “non-negotiable” specifications in the City Council's proposal document: namely, that the development must incorporate a golf course for the public and that a minimum of one third of the 183-hectare site must remain a public open space.

Instead, Islandsite has decided to turn Huddle Park, presently consisting of three rundown public golf courses, into an exclusive 151-hectare golf estate crammed with 860 luxury

homes within just one, exclusively private, R50.4 million golf course designed by Gary Player.

At present, Huddle Park is the Gauteng home of Johann Rupert's SA Golf Development Board, with some 300 up-and-coming black youngsters attending for training there. In its flouting of the council's specs, Islandsite declares there is no room for a public golf course in its planned development and that the youngsters must move to courses they propose to build near Alexandra and in Soweto.

“Importantly we also feel that our development should be as benign as possible to the existing property owners that will be affected by it,” explains Islandsite in its winning proposal, prepared by stakeholder Peu Properties. In other words, young black golfers will not be welcome in the exclusive enclave.

The shortlisted consortia that lost are:

■ **Asi Bambane:** principal members Tokyo Sexwale's Mvelaphanda Group and African Harvest (now renamed Vunani).

■ **Century Property Development:** Property developer Mark Corbett, with

financial muscle from Cosatu's investment arm Kopano ke Matla.

■ **Alkara:** principal member businessman Niven Pillay, former CEO of City Power.

DA city councillor, Claire Milner, suspects there has been foul play. “I feel a bad vibe, I know something's cooked, something's wrong,” she says. Milner cites a current rumour that the council's adjudication panel headed by executive director of planning Amanda Nair recommended one of the losing consortia – which met the council's specs – but was overruled by City mayor Amos Maseko in favour of Islandsite.

Milner has written to the City asking whether the mayor “over rode” the panel's decision. In a terse response Nomsa Ngombo from the planning office replies: “The adjudication panel made the decision.”

Now Milner is calling for the minutes of the mayoral committee under the Access to Information Act to confirm that this is so.

Milner also asked whether all four of the shortlisted bidders – including Islandsite – were 100% compliant with the terms of the proposal call. “Yes



Feeling blue: One of the 300 up-and-coming black young golfers, who will have to pack their golf bags and go

they were," replied the City.

Our illustration of Islandsite's proposed development, however, clearly shows that substantially more than two thirds of the 183-hectare site is devoted to a single private golf course and 860 homes. Public access will be limited to the small red-bordered enclave at the bottom.

The City announced Islandsite as the preferred bidder in February. And it has issued an order forbidding any of the consortia from talking to the media. It has been decreed that all pronouncements must come from Nthatisi Modingoane in the council's communications department.

At least one of the losing consortia is hoping that the fact that Islandsite is the preferred bidder does not necessarily mean that it will be awarded the final tender. But Modingoane tells *noseweek*: "As far as the council is concerned Islandsite is the winner. What we now need to negotiate with them are specific details: are we as the City getting value for money? And put time frames to say how soon they can achieve particular milestones of the project."

The Islandsite group is keeping obediently mum. Global Capital's Larry Nestadt, who has been busy behind the scenes in an oily campaign trying to persuade local residents that

that development has to go through the City at this stage. I can't say any more."

Islandsite's Peter Malungane, executive chairman and founder of Peu (he's also on the board of Investec), points out that he shouldn't be talking to us. He says he's not surprised the losing consortia are upset. "I would be if we hadn't won."

A month before the closing date for submission of proposals last November, Malungane handed over a R5m gift from Peu Investments to the City council for the establishment of an empowerment zone in Soweto to uplift business and facilities in the area. Did that win Peu/Investec/Islandsite some brownie points?

DESPITE the silence gag, there are some brief observations. For the Asi Bambane consortium, Ethan Dube, CEO of African Harvest/Vunani, says: "Obviously we were hoping we would get it. Yeah, we are disappointed, but it's business."

He refers *noseweek* to Peter Mackenzie in Vunani's property arm. "It's a very, very sensitive issue," says Mackenzie. "I don't know if the decision was taken fairly, I don't think Islandsite stuck entirely to the documents. We proposed a public and a



Islandsite's proposal is a win-win for everyone (plus telling everybody how happy Johann Rupert is that golf courses are to be provided for the black youngsters elsewhere), won't say a word, referring *noseweek* to Investec.

Sam Leon, managing director of Investec's property group, just mutters tersely: "Any information on

private golf course, and one-third open space. But we have to be quite careful because we do a lot of work with the City; not only on the property side, but we're doing a lot of advisory work, raising of bonds etc. That's why we've stepped out of taking legal action."

The Alkara consortium's Niven Pillay says cautiously: "Islandsite is

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the preferred bidder, but it hasn't been awarded. That means the City clearly likes certain aspects of their proposal enough that they picked that proposal over ours and the other two.

"Our proposal did follow the brief. My approach at the moment, and I'm really the lead in my consortium, is to wait and see what happens. The Islandsite consortium is a powerful one; they've got huge financial might. If I were asked to adjudicate just on the basis of financial muscle, that was the strongest bid, no question. Having said that, anyone who was awarded that development would be able to get all the money in the world that was needed; Huddle Park is the last available development of that sort in the best part of the city."

Century Property Developments' Mark Corbett observes: "It was a disappointment. The one big fact about it is the guys who won [Islandsite] didn't conform with the bid [specs], which was quite surprising. If you're going to specify those things, then the people who comply should get an advantage over the people who didn't."

Is his consortium planning to have the proposal process overturned? "Kopano ke Matla is a major shareholder in our bid," says Corbett. "They must get the go ahead from their board as to what they want to do. They are still undecided; they take a long time to make a decision."

A source close to Kopano ke Matla says: "It doesn't look like a fair process. A major issue has to be the fact that the City's decision-making was taken out of the hands of politicians [councillors] who are elected by the public, and given to officials. Which means that you then have something that looks like an autocracy, not a democracy. That alone is an issue."

And what of the Linksfield Golf Development Company, present occupier of Huddle Park, currently into its third year of a 15-year lease from the City? The company put in its own

proposal (make Huddle Park a platform which will ensure access by thousands of South Africans to a quality [public] golf course at very affordable rates; development of grassroots golf talent, specifically in previously disadvantaged communities etc), but it didn't make the shortlist.

Of Islandsite's view that the 300 black youngsters presently enjoying the links at Huddle Park would be better located to the townships, CEO George Johnston says: "To suggest we're in an unsuitable place for black youngsters is ridiculous."

noseweek doesn't go along with the rumour spread by mischief-makers that the mayor overturned the City officials and picked his own winner. It's clear that in choosing Islandsite the City officials were motivated by nothing more sinister – and attractive – than the bottom line.

Islandsite states that the total value of its proposal to the City will total R1.65 billion, yielding a "world class destination"; a "best of breed" residential golf estate.

The consortium is prepared to pay the City R85m for the 151.9 hectares of Huddle Park that will comprise the luxury houses and private golf course. Plus another R20m upfront for a 30-lease on the balance of 31.3 hectares, wherein will be offices and shops, plus an eco park and a bird sanctuary. And don't forget the City's future income from rates on those 860 golf estate houses (which *noseweek* conservatively estimates at R10m-plus a year).

And the money is already in place. Islandsite's proposal includes letters from Investec and Standard Bank, confirming they have agreed, subject to final board approval, to put up R140 million each of the capital cost, and there's another R100 million from "private equity funding".

So for Huddle Park's 300 youthful Tiger Woods wannabe's, the message is clear: get on your bikes back to the townships, kids, and leave the gravy train for the big boys. Foul play indeed. **W**

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Kebble waffle

Earlier this year *noseweek* reported that Brett Kebble had not paid income tax since 1994. He rendered no income tax return from 1994 to 2000, when a SARS inspector stumbled across a list of considerable assets Kebble had drawn up in support of a credit application.

Popular CapeTalk radio host Lisa Chait was intrigued by our article, and invited Kebble's spokesperson David Barritt to discuss the matter on air.

The discussion took place on the afternoon of February 28, and started with a summary of the *noseweek* article. That was followed by a brief contribution from Tasneem Carrim, spokesperson for SARS, who confined herself to saying: "I can't comment". Then came Barritt, who was apparently hoping to steer the discussion in the direction of Kebble's contribution to the South African art world. As the following – edited – transcript shows, things didn't quite work out that way.

Lisa Chait (LC): Are you aware that today is D-Day for those wishing to submit their tax returns after having had an extension, and has Brett submitted his?

David Barritt (DB): Hello Lisa. I was interested to hear the kind of tone that you were taking in your approach to this subject. I think several important points need to be made. First, you cannot believe a word that *noseweek* writes. I have no problem with adventurous media, I am a former journalist and I understand where Martin Welz and *noseweek* come from. They thrive on controversy. But because something appears in *noseweek* by no means means it's true or has any legitimacy.

LC: Well, were returns submitted? *noseweek* is saying that returns were not submitted between '94 and 2001. Were they?

DB: The point is that I cannot talk about Mr Kebble's previous tax affairs, I don't know about them. He's not going to say [interrupted]

LC: You were well aware that I was going to ask you these kind of things on the show today?

DB: Yes, and I've got no problem with you asking them, but, again, several points need to be made. Let's deal with *noseweek*. What is *noseweek*? It's a scurrilous muckraking rag that completely distorts the information given to it. My own dealing with *noseweek* in a previous issue dealing with Mr Brett Kebble, I heard that they were preparing a story, I called them and said if you are preparing a story about anything, of any nature, please call me and give me the elementary right

to reply. It was met with a flat denial that they were preparing any kind of story. A story then appeared of a most scurrilous nature. Now you are not dealing with legitimate press, you are dealing with people who have an agenda. If you understand that then you'll go a long way to knowing why the *noseweeks* of this world publish those allegations.

LC: Fair enough, I do believe in the right of reply and want to give you time to reply but I also need answers to some of my questions. Were tax returns [interrupted]

DB: You have no right to interrogate me or anybody else about Mr Kebble's tax returns, that's his private business.

☆☆☆

DB: Mr Kebble has been charged with no offence. SARS have not charged him, the police have not charged him. I mean, I don't know Mr Kebble's personal affairs but I know Mr Kebble and I know that he's a big businessman, and I've worked for many other big businessmen across the board. And I know that all of them, their tax is not simple like yours and mine. We earn, we pay, they don't have that situation. And their tax affairs are correspondingly much more complex. But I must say that I have represented many big businesses in South Africa and I've often had people come to me and say so and so has not paid his taxes. Usually you find that their enemies are stirring up this kind of aggravation because it's an easy thing to say. I think there are many, many people in South Africa, I wonder how many people can honestly



put their hands on their heart and say "my tax affairs are completely up to date".

☆☆☆

DB: It would be pointless of me to pretend to you that I have the complete answers to whether or not Mr Kebble completed his tax returns in year dot, I don't know. And he certainly doesn't confide in me about that and frankly, it's none of my business, it's none of your business, it's none of Mr Welz's business. As long as he doesn't break the law and as long as SARS is satisfied that that is so.

☆☆☆

Carol (in Newlands): I just want to tell you that I don't agree with that gentleman that it's none of your business and it's none of my business... I don't have 11 houses or whatever Mr Welz says Mr Kebble owns. But if everybody paid their income tax we'd all be paying less income tax. All the disadvantaged people would have a lot more that could be given to them.

LC: See now if I had that kind of money I would totally pay ... I pay tax every single month, has Brett [interrupted]

DB: How do you know that Mr Kebble hasn't?

LC: Well I'm asking you if you would set the record straight for us.

DB: I'm not in a position to do that I can't say that he has or hasn't. You cannot believe, if you believe every allegation made against people, you'd find you'd spend your whole day believing malicious rubbish.

☆☆☆

DB: I think you're going to find that people like Mr Kebble are singled out for special treatment but not necessarily in a beneficial way. People like Brett Kebble who are very much public figures and

very much controversial, they have a list of enemies as long as your arm.

LC: But forget the enemies, were the returns submitted for '94 to 2001? I need an answer as to whether any tax was paid for the last 10, 11, 12 years.

DB: Well surely you would presume that we're now 1994-2005, if there was any kind of problem with Brett's taxes that was of a serious nature you would presume by now that something would have been done about it. Nothing has and clearly they don't seem to be terribly concerned. So can you not take from that ... and I, I respect SARS for trying to protect everybody. They should protect everybody.

LC: David when I said can we speak to Brett you said "No that would not be appropriate, I'm his spokesperson". So by that I assume you'd have a discussion and say [interrupted]

interesting question and one worthy of a serious reply. I've been, I've been on the receiving end of *noseweek's* attention for various clients over the years and there's a simple ... there's a cost benefit analysis that goes on here. Is it worth suing *noseweek*? It's an extremely expensive, time consuming exercise and to be quite frank I've looked into it twice now, both for this particular matter with the tax on Brett Kebble, the previous issue where they took Mr Kebble to task on something else, which was absolutely inaccurate, and we concluded that it just wasn't worth the effort and the money in suing them. But there will come a day when some one is going to really take *noseweek* to the cleaners.

☆☆☆

DB: No, we certainly have grounds for action against *noseweek*. Um, we have certainly not ruled out the possibility of suing *noseweek*. If it were a more credible publication then our I think deliberations would have been more serious. Nobody really believes *noseweek*, so we haven't bothered, but it is still definitely still an option.

LC: Well I think the issue is that a lot of people do believe *noseweek* and we're just trying

to give everybody the right of reply, the right of putting this forward.

☆☆☆

LC: David Barritt, spokesperson for Brett and Roger Kebble, it's embarrassing all of this, isn't it?

DB: It certainly is. Over the last few years Brett and Roger have been the subject of very, very unpleasant headlines. They've been the target of a dirty tricks campaign to discredit them in business which has undoubtedly caused them huge, huge damage and I think that one of the most difficult issues in being Brett's spokesperson is that he does not get a fair shake in the media.

☆☆☆

LC: Look all I wanted was an investigation and answers. I didn't want to be doing a show like this, it's ugly, it's not my style. But you know what, I pay my taxes every month and you're not giving me any answers. To the contrary, Mr Kebble hasn't paid any taxes for more than ten years [interrupted]

DB: No, no, that's completely, Lisa [interrupted]

LC: And he's rich.

DB: Lisa, that's untrue. You do not know that Mr Kebble hasn't paid tax. You do not know, and nor do I, and nor does Mr Martin Welz of *noseweek* know Mr Kebble's tax affairs. That's between Mr Kebble and SARS and that's the way it should be.

LC: Pat in Somerset West, hello to you.

Pat: Hi Lisa, firstly, I'd like to offer congratulations to you for picking up on this story and I think it says something about the rest of the South African media that they have not. I'm entirely underwhelmed by Mr Barritt and by the SARS spokesperson. I know that there are, and should be, regulations protecting the tax affairs of individuals being made public. But in a case of this nature there is also a duty of transparency and a duty of the public who need to be reassured that big fish don't get treated differently.

I think Mr Kebble, whether he likes it or not, is a high profile person and the case does bring into question the reaction of SARS regarding him. And earlier on someone was casting aspersions on Mr Welz as a journalist and on his newspaper. I think there is no other paper like it in the country and the journalism in the country would be a lot poorer without it. And it amazes me that he has never, to my knowledge, been nominated for an award for the best investigative journalist of the year*. But then it doesn't really amaze me, I don't think that will ever happen. [**noseweek was in fact the recipient of the Mondie award for the best business story of 2003 for our two part series on the dismantling of Phillip Frame's business empire.*]

■ The tax returns submitted by Kebble after 2000 when SARS began to investigate had still not been assessed by early March. We can't say what has happened subsequently because the revenue office has put a special block on their computer records – the same block used to stop access to the tax records of the president and members of the cabinet. (Our team of hackers is working on the problem.)

Since Mr Kebble has made savings on his tax, he has been able to buy himself, in addition to the ten luxury homes mentioned in our previous article, a house on 5 plots on the Breede River, a home in Knysna, and, most recently, a US\$25m Gulfstream Aerospace G200 jet [see above]. ■



DB: Well I'm having a discussion and I'm talking to you, what do you want me to tell you. His affairs are confidential. I'm quite sure that I'm doing my best to be open and transparent with you but I can't, I don't have the information about....I suppose it's going to take hordes of accountants to answer your questions.

LC: OK. Carol you get the picture?

Carol: Yip (giggle).

LC: Glen in Noordhoek, do you pay your tax every month like me?

Glen: Of course we do. But Lisa this gentleman is not answering anything with a yes or no, and there's lots of fudging going on. And he said *noseweek* talks nonsense. Now *noseweek* writes some highly contentious articles are some highly controversial issues about very wealthy people. If they were writing nonsense they would have had the pants sued off them. They haven't been sued. If Mr Welz has been writing nonsense about Mr Kebble why hasn't he been sued? That's what I'd like to know.

DB: That's an interesting question Glen, because, and I think it's a really

SAB should have Laughed It Off

THE rumpus over Laugh It Off's "Black Labour, White Guilt" T-shirt has taken a new twist. On 8 March the satirists' appeal against the Supreme Court of Appeal's judgment that the T-shirt was a trademark infringement was argued before a bench of ten judges in the Constitutional Court.

SABMiller's advocate Philip Ginsberg SC trotted out his old line that the T-shirt bordered on hate speech. To which one of the judges, Mr Justice Albie Sachs observed: "Some people would just laugh at it. It's a fun form of apparel. More damage is done to the general reputation of SAB by overreacting and using the might of the law disproportionately."

Judgment was reserved. And although Judge Sachs's comment should not be taken as his considered view, it reflects a feeling that is increasingly being aired in this long-running legal battle.

Even, we can reveal, within the top echelons of SAB itself. There the "fun" factor was noted and considered by none other than Vincent Maphai, who until last year was corporate affairs director at SAB and non executive chairman of Castle Brewing Namibia.

Maphai's bold and enlightened suggestion was that, instead of going to law, SAB should buy thousands of the "offensive" T-shirts and distribute them in shebeens. "He thought it would be great advertising," says an insider. "Maphai took the very opposite view to what this litigation is about; he saw this as a great marketing opportunity for SAB."

Needless to say, the deeply-traditional, strait-laced males who rule at SAB disagreed with the modernist visionary. A decision that may come back to haunt them, if the Constitutional Court rules in Laugh It Off's favour.

Was 53-year-old Maphai, a former chairman of the SABC who rose from a childhood of poverty to study at Harvard and Princeton, downhearted at the rebuff of his great

idea? Maphai won't discuss the matter, and has subsequently resigned from SAB to take up the newly created position of chairman of BHP Billiton (South Africa), with the task of restoring morale in the SA divisions of the Australian mining giant after the 2003 departure of CEO Brian Gilbertson.

Maphai tells *noseweek*: "I obviously cannot comment on debates that took place at the SAB over this issue, save to say that, as a director at the time, I take full responsibility for the collective decisions we adopted."

Laugh It Off's Justin Nurse wasn't particularly keen on making peace by assisting SAB to advertise: "This guy who was quite high up at SAB tried to call a meeting to get them to change their tack once he saw the kind of mega effect it was generating for them," says Nurse. "He wanted me to come to a meeting with them, to sit down and thrash out how we could resolve this. But they wanted me to meet them without my lawyers, which I wasn't happy to do."

Last August, in an effort to salvage its by now bedraggled reputation, SAB bestowed R3m to launch a Chair of media and democracy at Rhodes University (where Nurse studied journalism and politics).

Rhodes was happy to take the brewer's shilling, but in his acceptance speech Prof Guy Berger, head of the department of journalism and media studies, observed that "the gang from Laugh It Off" included some Rhodes graduates. "What better way to make amends for suing the pants off ex-Rhodes students than to donate some hefty cash to their alma mater," he declared.

Turning to SAB's managing director Tony van Kralingen, Berger then said: "More seriously, I would urge the company [SAB] to follow its fellow South African corporates and laugh off the Laugh It Offs. I think the court case risks doing more damage to your corporate image than the spoof T-shirts themselves."

Free at last!



MICHAEL Addinall is free. The fall guy in the R2 billion forex scam who was sentenced to five years for money-laundering in 2002 (*noses* 56, 59 and 63) was paroled on 10 February, after serving 29 months.

noseweek learns that SARS has dropped its claim against Addinall for R170m after Hi-Fi Corporation's managing director Dianne Bowran told a secret 419 inquiry that he had not been connected with two companies, Atlantic Imports and Playtime International, which supplied Hi-Fi with imported goods.

Now the Revenue's chasing him with a lesser but equally daunting demand for R19m (R6.8m plus penalties) personal tax in respect of commissions it claims he earned for allowing his Absa bank account number 1500172718 to be used by The Syndicate in shady forex transfers.

In Pretoria Central Prison, 47-year-old Addinall won the respect of staff and inmates for his innovative course in Entrepreneurial Business Skills. All 15 of his prisoner students passed with flying colours and received internal certificates before his discharge.

Mike continues to assist Revenue investigators in their inquiries into the Great Forex Scam, although no provisions have been made for his personal safety. From an undisclosed address he is busy preparing a "benefit package" for banks, estate agents and home owners that he hopes to market through one of the big four banking groups.

Seriously sloshed at St Stiths

I T SEEMS that Valentine's Day has damned posh St Stithian's College, the Methodist church school that is the costly educator of the offspring of Johannesburg's elite. In *nose65* we told how six matric boys were expelled after boozing it up during an eve of Valentine's Day sleepover at the boys' college last year. At Valentine's Day this February the demon drink struck at its sister college.

Traditionally, St Stithian's Girls' College (annual fees R46,600) holds a fund-raising Valentine's dance every year in its own spacious Mears Hall. This year, however, the Hall was under refurbishment, so the venue was a function room at The Castle, a

luxury hilltop hotel in Kyalami.

In a letter to parents, headmistress, Ivanka Acquisto, tells the sorry tale:

"On the party bus one of our girls had an alcoholic beverage in combination with a 'cocktail' of speed, uppers, pseudoephedrine, ephedrine and/or ecstasy, according to the laboratory test. Consequently she arrived at The Castle hardly able to stand and was sent home. What exacerbated the situation is that she is allergic to bee stings. This could all have resulted in her death from anaphylactic shock. She was allegedly given the 'cocktail' by a stranger, a partner of one of the other girls."

More trouble followed that night at

The Castle. "Six staff members and I had to resort to being policewomen and monitoring smoking and alcohol consumption outside the venue," writes the headmistress. "This was extremely disappointing. Staff are no longer prepared to be part of such an event and this particular fundraiser is under review."

What is the fate of the blotto bus girl? Booted out, as were the matric boys by headmaster Ian McLachlan at St Stithian's boys college last year? Suspended? Referred to the school's psychologist for counseling and help? Headmistress Acquisto won't say.

"I would feel it very unprofessional to give you any more information on this particular case," she tells *nose-week*. "We are following procedures. It's part of a process that we're going through with the parents. It's particularly sensitive as you'll understand, because of last year's incident."

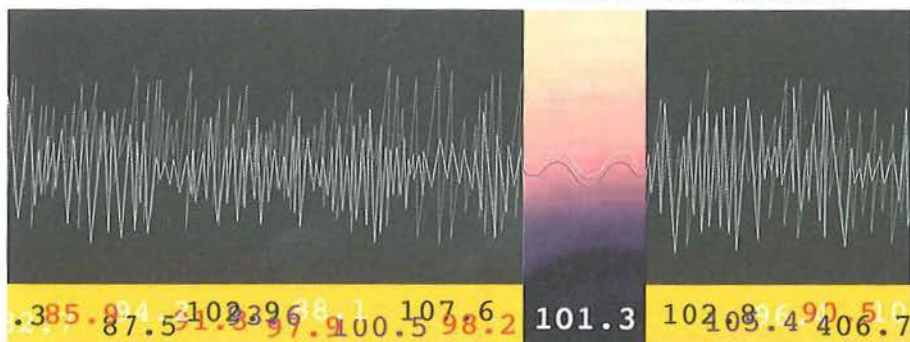
Has a decision been made about the future of the Valentine's dance? "We're thinking about it, the kids must think about it, the parents must think about it," says Acquisto. "Mears Hall will be finished by next year's function. But the girls will have to negotiate quite hard with me because I want them to give me a few more guarantees than they gave me this year."

"The Castle was a magnificent venue, but just taking it out of the cosiness of a family atmosphere at school makes it a lot more risky."

Despite the exorbitant fees in all five schools that make up the St Stithian's empire, rector Stephen Lowry disclosed in a recent Rector's Report that the group is "hamstrung" by debt. One way that funds are drummed up has been the Beer Tent at the college's famous annual rugby festival at its 90-hectare estate in Randburg. The tent, much in demand by ever thirsty parents, seems doomed after the St Stithian's governing announced: "For the college to be teaching abstinence and yet providing such a facility is a contradiction."

With that stern utterance, we ponder on the survival of the One & All, the legendary watering hole for Old St Stithians on the college estate. Could all those memorable liquid reunions and celebrations be about to go down the drain? Is St Stithian's about to be frogmarched onto the wagon?

calm in chaos



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Dan Rather conks out

INTERVIEWED on BBC TV without his make-up, Dan looked like hell warmed over: old, defeated, yet angry. CBS's just-retired star news anchor Dan Rather said that American reporters may not ask tough questions about George Bush or his wars.

"It's an obscene comparison," Rather said, "but there was a time in South Africa when people would put flaming tires around peoples' necks if they dissented. In some ways, the fear is that you will be neck-laced here, you will have a flaming tire of lack of patriotism put around your neck."

Talking to another reporter, Dan told it straight about the careerism that keeps US journalists in line. "It's that fear that keeps [American] journalists from asking the toughest of the tough questions."

Silence as patriotism. He confessed, "One finds oneself saying: I know the right question, but you know what, this is not exactly the right time to ask it." It was making him ill and he was ready to say-enough. Suddenly, there was fire in those eyes: "It's extremely dangerous and cannot and should not be accepted and I'm sorry to say that, up to and including this moment of this interview, that overwhelmingly it has been accepted by the American people. And the current Administration revels in that, they relish and take refuge in that."

Of course, Dan said all these things to a British audience. But back in the USA, Dan had promised America he would be a good boy, a trained press puppy. He told his US audience, "George Bush is the President. He makes the decisions. He wants me to line up, just tell me where."

But CBS' million-dollar man was about to step out of line.

In 2003, BBC Television questioned George Bush's career as a Vietnam era Top Gun fighter pilot. In the British broadcast, I held up a confidential letter from Justice Department files stating that Poppy Bush had put in the fix to get Junior Bush out of 'Nam and into the Texas Air Guard. George could spend the war protecting Houston from Vietcong attack.

A year after the BBC broadcast, the I'm-going-to-be-a-real-journalist-now Rather decided to run the same story on 60 Minutes. And just as he predicted, the press-police at the network and in the White House seized him and lit the tire around his neck.

What was Dan's mistake? Yes, yes, he shouldn't have embellished the story with a document he couldn't fully source. But that memo (not the one in the BBC report) was about a side issue, not the key accusation, that Senior Bush got Junior out of the draft. Despite not a jot of evidence that the main story of draft-dodgin' George was wrong (the BBC never withdrew it), CBS cited Rather's insistence on the veracity of that report as grounds to crush his career and his reputation.

Rather was convicted by a corporate kangaroo court. Dickie Thornburgh, who had been Poppy Bush's Attorney General and owed his big salaries and career to the Bush family, ran an "independent" investigation which concluded - surprise - the Bushes had done no wrong. It was Dan that committed the evil. That wacky conclusion went along just fine with the diktat of Sumner Redstone, CEO of Viacom, CBS owner, that a "Republican administration is better for media companies."

In *Darkness at Noon*, Arthur Koestler explained why old Communists, brought up for trial by Stalin, still sang the system's praises -- just before they were shot. To do otherwise would have been to cast doubt on the cause to which they sacrificed their lives. Now, Dan Rather, like those soon-to-be executed victims of Stalin, has bowed his head in silence in the face of the evil purge. To do otherwise, I suppose, would be to acknowledge that his career has been a path of increasing salaries and celebrity bought by increasing toady-dom.

Rather died as a journalist years ago by accepting the evil gag orders of the media moguls. Still, I applaud his attempt with the Bush story to kick his way out of his professional coffin. To Dan the newsman, and to American journalism, all I can say is, rest in peace.

Greg Palast

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Botswana's uncivil society

An Australian professor is threatened
with deportation while autocratic
rulers accommodate De Beers

A 72-YEAR-OLD Australian academic is resisting a deportation order and calling into question Botswana's much-valued reputation as Africa's leading democracy. On 18 February President Festus Mogae issued a presidential decree declaring Professor Kenneth Good, a politics lecturer at the University of Botswana for 15 years, a "prohibited immigrant" with 48 hours to leave the country. Good, a regular critic of what he calls the government's Setswana-*elitist* politics, appealed to the courts; on 1 March, the High Court in Lobatse gave him leave to remain in Botswana to challenge the constitutionality of the deportation order. That hearing opened on 7 March.

The government has given no official explanation for its order, saying it is a lawful exercise of the President's discretionary powers. The Professor had previously caused offence by championing the cause of Botswana's San (Bushman) minority. This time he attacked the succession procedure which currently has the President naming who takes over with no direct endorsement from the electorate, and no leadership contest within the ruling Botswana Democratic Party (BDP). Botswana's Western aid partners have reacted cautiously, perhaps anxious not to endanger its reputation as a democratic model for Africa. Good's problems relate to an academic paper he co-authored titled "Automatic Succession in Botswana: No Model for Africa".

The paper criticises both what it calls the growth of autocracy, and the way in which Mogae hand-picked Vice-President Ian Khama Seretse Khama to succeed him. The government will not confirm this is the motive for the

expulsion order. In the High Court, government lawyers have claimed it is the President's prerogative to declare a non-citizen a prohibited immigrant at any time and for any reason. Foreign Affairs Minister, Mompoti Merafhe, after meeting Australia's Ambassador to South Africa, Victor Green, on 28 February, said Good's expulsion had nothing to do with the academic paper. However, we hear that Mogae's office obtained an advance copy, that the reaction was furious and the expulsion was immediately mandated to prevent the paper being made public within Botswana. But the stay of execution enabled Good to present it as scheduled on 23 February, with maximum publicity, to a packed university audience including politicians from all parties.

Mogae's plan to hand Khama the presidential succession looks unstoppable: the Mogae-Khama faction dominates the BDP. After the BDP won the election in October 2004, some party Members of Parliament said they would not endorse Khama for a second term as Vice-President, which would have derailed his plan to become president in four years' time. Mogae saw off the dissidents by threatening to dissolve parliament and hold another election.

Khama's opponents claim he is autocratic and might abuse presidential powers, pointing out that he has never stood in a competitive election. Mogae first chose him as Vice-President before he was even an MP; he is paramount chief of Botswana's biggest Setswana tribe, the Bamangwato, and the son of Botswana's revered first President, Sir Seretse Khama. Last October he was elected unopposed for Serowe Northwest, in the Bamangwato heartland. The worst charge against him

is that, as Botswana Defence Force commander in the 1990s, he ordered equipment from a local firm controlled by his younger twin brothers, without going through standard tender procedures.

Good was already in disfavour for condemning the government's relocation of the Gwana and Gi community of the San from the Central Kalahari Game Reserve, and for claiming that the Setswana majority has treated the San as serfs throughout history. In his 2003 paper "Bushmen and Diamonds: (Un)Civil Society in Botswana", published in Sweden, Good claimed there was a direct link between the relocation of the San and diamond exploration by De Beers and other companies including British/Australian BHP Billiton. This argument, rejected by the mining companies, has been used by a British agency, Survival International, which campaigns to protect rural minorities from modernisation (see *noses* 42&44). De Beers had already commissioned an environmental impact assessment of its Gope discovery, to show there would be no conflict between diamond mining and the San's presence.

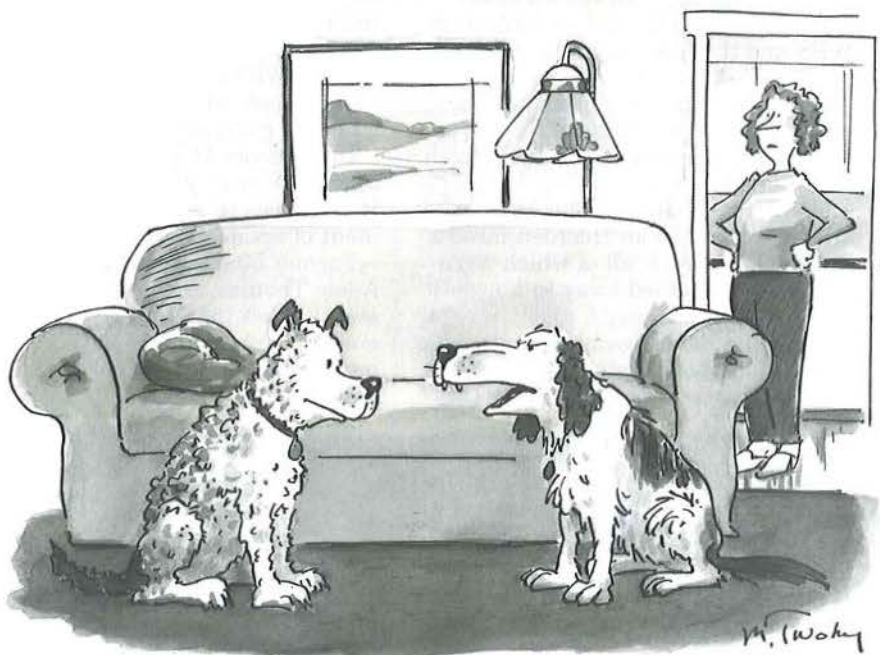
The government says the San threaten the integrity of the game reserve and, whether they like it or not, must take part in national development activities. In Botswana's High Court, some 200 San activists with limited financial backing are demanding the right to return to the Kalahari game park and carry on hunting and gathering. In February 2005, while visiting Britain, Mogae said he would not allow them back under any circumstances. In contrast, allowing Good to stay is a decision that may not be entirely in his hands. **W**

Hannibal Gadaffi crosses the French

MOMMAM el Gadaffi is working hard to build a new oil-friendly image. His son, named Hannibal after the North African general who so nearly conquered the Roman empire, is doing the opposite. Six months ago the police stopped him speeding the wrong way down the Champs Elysées. In early February he was summonsed to appear in court after, it is alleged, he brutally beat his 24-year-old pregnant girlfriend, trashed two hotel rooms and pulled a gun on detectives called to the scene.

After hospital treatment, a woman filed assault charges. Hannibal claimed that his diplomatic passport conferred immunity; the Foreign Ministry said it would if he were on official business, but he wasn't. Hannibal immediately left for Copenhagen. The affair is more than personal. Libya will very soon put more oilfields up for auction, with France hoping for concessions.

When in January this year President George W Bush dropped the trade sanctions imposed by President Ronald Reagan in 1986, the big United States' firms retrieved the concessions that Libya had carefully kept in their name. Occidental and the Oasis Group can now pick up where they left off. And there is so much more to play for, including new oil concessions, Exxon's ambitions and a liquified gas project that Shell has its eye on. Libya's astute oil professionals welcome non-American bidders who will push their price up. If France wants to stay in the oil concession race, it may not allow Hannibal's elephantine exploits to deter it. ■



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Which Saudi Arabian businessman hired Peter Carter-Ruck & Partners and sued Africa Confidential in 1995, then in 2001 was accused by the US of financing Al Qaeda and had his assets frozen?

Which British-based companies were accused by the UN of looting the Congo and why is Britain's DTI refusing to investigate them?

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Funny business

From page 13 dent that there was wanton disregard on an ongoing basis for the University policies, and gross negligence with regard to the governance of InCo and its impact on WBS and the University," reads its report.

Wits opted for a disciplinary inquiry, which would have the advantage of keeping the matter hush-hush.

The enquiry was held last May, and chaired by Judge John Myburgh. Ward, Ford and Van Heerden faced a battery of charges, all of which were discreetly smoothed away in a negotiated settlement.

Ward, who had already announced his resignation as director of the business school, departed with three months sal-

ary to join Nick Binedell at the Gordon Institute of Business Science as professor of finance. At the age of 47 he is now director of the University of Pretoria's Business School.

Ford, who's 55, was told to take a year's sabbatical on full pay and given a letter of warning. After more than 20 years service he's taken early retirement, but this year has seen him back at Wits Business School, lecturing on academic programmes. His speciality is governance in accounting.

Dorette van Heerden, now 50, agreed to leave the business school. Her departure was eased by the payment of six months salary.

Former business school director Adele Thomas says in a terse statement: "I left the University at the end of October 2004. I have no comment about InCo, save to say that I raised this issue in 2003 with the

University's Vice-Chancellor and it was in his hands."

Vice-Chancellor Nongxa failed to return our calls, referring us to the Wits legal department, whose Dawn Taylor told us: "InCo has been sorted out by the lawyers and is no longer trading; it shouldn't have been trading in the first place."

While Wits struggles to find a new director for its troubled business school – accounting professor Pat Dickson is presently holding the fort – the institution has tumbled into a mire of tension and unhappiness. "The academic staff is terribly divided and deeply upset now that their snouts are no longer in the InCo trough," says one senior lecturer. "There is no trust of management and no collegiality at all. I'm afraid the way things are going we won't be the number one business school for much longer." ■

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When thieves fall out

It has been known for a high-falutin wine critic to languidly raise the back of a hand to a shocked brow, with a 'My god! do they actually drink this stuff?' The 'stuff' in question being the cheap (and occasionally cheerful) end of the bottled wine market; 'they' being, well, those of you whose pockets are not deep or whose tastes are not high.

I myself am not a wine snob. Moi? Of course not – I simply have very superior tastes and spend a ridiculous proportion of a lower-middle-class income on wine. But there's certainly plenty of wine out there (not all of it at the lowest end) for which I could applaud a miraculous conversion into water.

Recently, looking along the lower supermarket wineracks, I realised how few of the serried wines I could honestly say anything about. A few labels I know only too well and some (given the proliferation of wineries and wines in recent years) I didn't even recognise. So much for the narrowness of 'expertise'.

How, I sometimes wonder, do most non-regular winebuyers – neither snobs nor self-styled experts – select their bottle of plonk? The fussy might get the Platter guide to help them; most would presumably go for a name they vaguely recognise, or a label they find attractive – all in conjunction with price, of course.

Those latter categories are significant in a High Court tussle between mega-producer Distell and Shoprite Checkers. It's all about a bottle shape and a brand name. Distell says that the supermarket's own-label Muchas Gracias not only has a name uncomfortably close to their own huge seller Graça, but its bottle is of a shape that they themselves have trademarked and use for the Grünberger range. The application to thwart Shoprite Checkers was dismissed with costs last year; but Distell was more recently given leave to appeal.

Look into the matter a bit, however,

Tim James hits the bottle



and it seems that the squabble is really over stolen goods.

Graça was not called after the serial spouse of southern African presidents, but its name has similar Portuguese roots to hers. The Portuguese connection is emphatically elaborated by the (undeniably attractive) packaging: the imagery as well as many of the words – including 'Vinho da Mesa', the official Portuguese equivalent of 'Table wine'. Why, is unclear. This is a Cape wine, remember. Good patriotic stuff, huh?

Muchas Gracias is more randomly profligate about the shreds of Europe it appropriates. The name is Spanish, of course, and there's also a jaunty 'Hey amigo' on the back label, although French 'Blanc' appears on the front. And the bottle apes the one often used for the Portuguese wine vinho verde: a flat, round-bellied flask. Which is where Distell's other whinge comes in: this is their exclusive shape, they say.

This kind of bottle is generally known as a 'bocksbeutel', from the German for either 'goat scrotum' or 'book bag', depending on the luridness of your etymological tastes. German for the simple reason that its home is in the Franken part of Germany – and in fact Franken's right to sole use of

it in Europe has been affirmed by the European Union, which did give some Portuguese producers the right to continue using the bottle.

Grünberger Stein is at least consistent in its appropriation of German for its packaging and its nomenclature – 'stein', which has come to connote an off-dry or semi-sweet wine in South Africa, is the name of one of the most famous Franconian vineyards. What a come-down.

None of these wines would be allowed to set foot in Europe, of course: they'd be arrested for impersonation the second they tried to smuggle their shoddy 'borrowings' past Immigration Control. Yet the packaging must be lucratively successful here, or these companies would not be spending large sums on lawyers to argue over their, er, borrowed goods.

And the wines in the contentious bottles? I bravely determined to find out, even splashing out the R14-odd per bottle, and also taking in a few other similarly priced whites. I now and then remember my mother trying to teach me not to say anything if I couldn't find something nice to say, so I'll pass in shuddering silence over the bottle of non-vintaged Muchas Gracias. Graça and Grünberger Stein, both 2003, were respectively dry and off-dry versions of just-acceptable, boring ordinariness.

I imagine they get bought out of habit by unadventurous people, who could surely afford to experiment a little at that price. My own alternatives were at least as fresh and inoffensive, with a touch of interest and character added, missing in the big-brand stuff. Eagle's Cliff Chenin Blanc 2004 was packed with crisp, tropical fruit. Best was the Kaya Nandi, another 2004 chenin, which had the bonus of coming in really stylish packaging, with an understated African feeling to the elegant design, making the misappropriated, disputed outfits of the best-sellers seem like shoddy and disreputable rags. ■

ARROW

by HAROLD STRACHAN

MRS PLES and son Regopstaan struggle through the chin-high yellow grass of the savannah, peering horizonwards.

Nee vokkit Kleinbooi, says Mrs Ples, this bipedal thing is a okay idea, laaik, but my blër feet are killing me, man (of course they don't really speak proper English like that, just a local lingo called *u*ü*û*ù*ú*ö*ô with seven vowels and a glottal stop). We supposed to see the hyaenas over the top here before they see us and we run bedonderd standing up and climb up trees, then we supposed to come down bimeby and run some more standing up and chuck stones at bucks and things, but can't we jus go back to creep about on the ground and eat tortoises and things, hey?

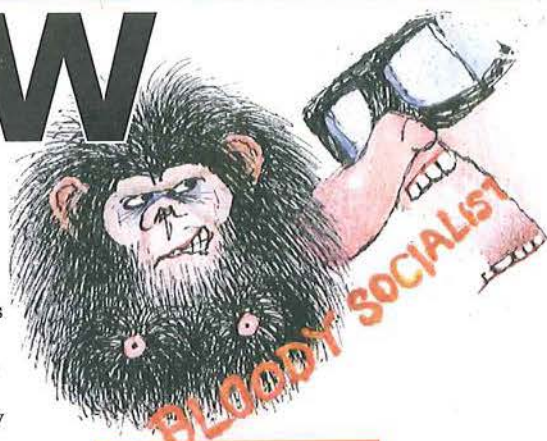
Ar shurup, ma, seg ou Regopstaan, you know you can't sommer reverse the second law of thermodynamics jus like that and make the arrow of time point the other way, man. I mean then we same as the chimpanzees who too dof to learn from our common ancestor how to walk nicely but we did learn it and what will ouens think when they dig up our bones one day and see our ancestor can walk up straight and now we are walking with our hands and chasing tortoises and things like a bliksems chimpanzee, hey?

☆☆☆

Spacetimecaptain Ardubs Johnson stands atop the conning tower of Dmahcracy Two, Negative-Time Antispaceship, a great opalescent orb glistening from within with energy hitherto unbeknownst to humankind. Dmahcracy Two is elegantly simple, all without hindered minds can understand its technology at a mere glance: a hollow sphere of positively-charged electrons held in check by a gossamer jacket of plasma insulating it from everything else in the universe, held to the earth by a simple gravity/antigravity switch on a three-phase gravitometer attached beneath the orb with positron/negatron bonds.

He stands colossally astride the zero-time hatch. His garment is of one piece, opalescent white spider-silk with built-in jockstrap and wellies. No helmet is required, the machine is not driven by mechanics, but by physics. He wears Battle-of-Britain RAF pilots' goggles, however, as a symbol of triumph over ignorant tyranny. He holds aloft a gleaming metal rod. He addresses the astonished thousands in the hotel grounds where the craft is moored.

Friends! Abandoned Citizens! Lend me your ears! I have mathematically construed that one



Good morning, Africans, says STcaptain Ardubs, I seem to be a kilometre or two adrift of the residence of Alfred Lord Milner

over ee equals em see cubed is the secret of reverse-time travel, and shall now enter this vessel and plunge this exterferometer shaft into the antiplasma chamber on my control panel within and at that instant reappear in exactly this present position on this lawn in the year 1897, when this very hotel was the home of Alfred Lord Milner, and when, by my calculation, he and Cecil John Rhodes were taking tea with small Gentleman's Relish sandwiches beneath the very same ancient English oak there behind you at this very moment. Followers!

Disciples! Believe in me, I will bring you wisdom and signed certificates of virtue! Adieu!

The hatch closes. No bang, roar nor whine, just a soft pop as air fills the vacuum where Dmahcracy Two stood but and instant ago.

☆☆☆

Mrs Ples and Regopstaan emerge shaking from an aardvark hole. Yirra yissis, Kleinbooi, says she, the blër moon almoce fell on us, man, and we din even seen it coming, laaik!

Nemmine, be brave Ma, seg hy, there's a ou getting out look like he covered in spit; see what he got to say, man.

Good morning, Africans, says STcaptain Ardubs, I seem to be a kilometre or two adrift of the residence of Alfred Lord Milner, my intended destination, where CJ Rhodes is Lord Milner's guest. Could you perhaps be so kind as to direct me there?

Mrs Ples and Regopstaan gaze upon STcaptain Ardubs in blank surmise.

Aaah yes, says STcaptain Ardubs. I see. Oopy low kayer gu low incorsie Milner? Eeny low year corner marnjie?

Every African knows Fanagalo, of course. One million eight hundred and ninety seven thousand, seg ou Regopstaan.

STcaptain Ardubs gazes upon him in blank surmise. BC, seg ou Regopstaan.

STcaptain Ardubs flings into Dmahcracy Two and slams the hatch and pouts up his lips. Bloody socialists! he mutters, thrusting the exterferometer rod into the antiplasma chamber. No bang, roar, nor whine, just a soft pop as air fills the vacuum where Dmahcracy Two stood but an instant ago.

Mrs Ples and Regopstaan gaze upon each other in blank surmise. Jislalrik, which way he went, hey? says she. Seem he seeking a ou call roads, seg hy. Seem he got no reverse, he went that way where the lungfishes are.

Maybe he find that ou there, hey? says Mrs Ples. How many years, hey?

Four hundred million years, seg ou Regopstaan. Jislalrik! says she. BC, seg hy. ☐

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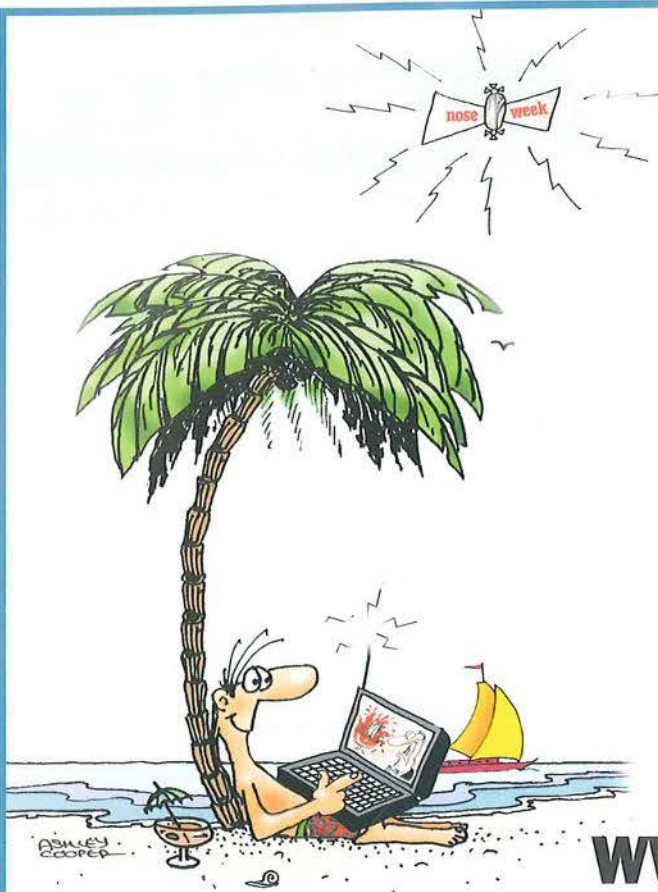
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