

ANC YOUTH LEAGUE REGROUPS ■ BIO-OIL ■ NIGERIA'S SOVEREIGN WEALTH FUND ■ CPI'S BAD NEWS

# iMaverick

**BETA**

A photograph of Steve Jobs, wearing his signature black turtleneck and glasses, holding a thin, transparent device in his right hand and gesturing with his left hand. The background is dark.

**STEVE JOBS'**  
**JOB IS DONE**

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# A DAY IN PICTURES



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A federal court officer instructs court personnel during an evacuation of the Federal Court Building in New York, following an 5.9 magnitude earthquake that struck the East Coast of the United States, August 23, 2011. The strong earthquake was felt as far away as Canada on Tuesday, shaking buildings in many cities, delaying flights and trains and sending thousands of frightened workers into the streets. REUTERS/Brendan McDermid

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An armed Libyan man celebrates the rebels' entry into Bab Al-Aziziya in Tripoli, in the streets of Benghazi August 23, 2011. REUTERS/Esam Al-Fetori

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Devotees offer prayer to Lord Bhimsen as smoke from incense rises during the Bhimsen Jatra or Bhimsen Festival in Lalitpur August 23, 2011. Bhimsen is the deity for the welfare of business and is specially paid homage by the businessmen of the Newar community. REUTERS/Navesh Chitrakar

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People sunbath on a field at a public swimming pool in Prague as temperatures hovered over 33 degrees Celsius (91.4 degrees Fahrenheit) August 23, 2011. REUTERS/David W Cerny

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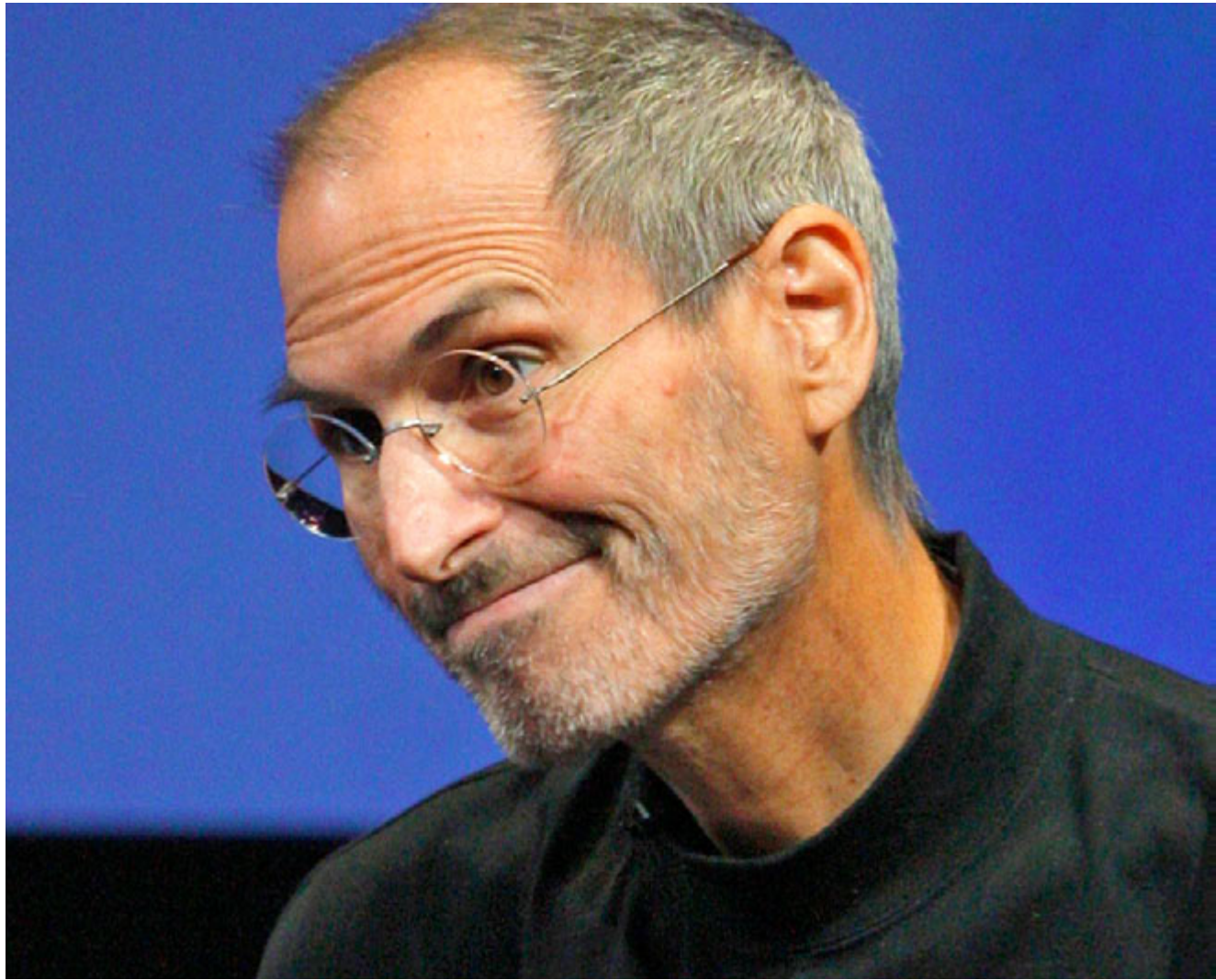
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# IT HAPPENED OVERNIGHT



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**POLITICS**
**LIBYA**

The transitional national council, Libya's rebel government-to-be, has offered amnesty to anyone within Gaddafi's circle who kills or turns him in. The council's UK co-ordinator, Guma el-Gamaty, in an interview with the BBC said Gaddafi was unlikely to turn himself in, but his loyalists must surely know they will go down with him.

**USA**

A Gallup poll and a Democratic Firm Public Policy Poll showed Texas governor Rick Perry overtook ex-Massachusetts governor Mitt Romney as the Republican presidential candidate's frontrunner, with a 12%-13% margin. Analysts warn, however, that the election is too far away to predict anything, as at this point before the 2008 election, Rudi Giuliani and Fred Thompson were duelling it out as the campaign favourites. The polls do, however, confirm that Perry is Romney's most serious rival since campaigning began.

**USA**

Now that he is threatened by Rick Perry's ascension in the Republican presidential nominee race, Mitt Romney has done an about-turn on how he feels about climate change. In



Rick Perry (Reuters)

June, just after he stepped in, Romney was quoted as saying he believed humans contributed to global warming and that emissions should be reduced. On Wednesday he said, "I don't know if it's mostly caused by humans." National healthcare should be some good fun too, as Romney was full of statewide healthcare solutions when governing Massachusetts, but is standing on a Republican ticket, a party opposed to President Barack Obama's healthcare ideas.

**BRAZIL**

Brazilian President Dilma Rousseff may lose a fifth member of her cabinet after comments by her cities minister, Mario Negromonte, claiming that he may not have enough support to do his job. Negro-

monte denied allegations of bribes, which were reported in a weekend newspaper, and claimed the accusations came from his own Progressive Party which is angry about budget cuts. If they are corrupt, I say sack them all.

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**BUSINESS**
**USA**

Steve Jobs resigned as Apple CEO on Tuesday, after a 14-year reign, which brought Apple back from near extinction to become one of the world's most valuable companies. Jobs will move to chairman and will be succeeded by Tim Cook, previously the COO and in charge of Apple's worldwide sales and operations. Apple's share price dropped 6.1% at the announce-

ment, according to Marketwatch. Expect numerous outpourings of grief today.

Investors stayed away from commodities as stocks surged for the second day running. With a lot of trade sending share prices both ways, the Dow rose 1.2% and the S&P 500 1.3%, its third consecutive daily rise. Banks performed strongly with Bank of America up 11% at \$6.99 and JP Morgan up 3% at \$35.83. Gold closed at \$1757.30 while mining shares tumbled.

Google agreed to pay US authorities \$500 million for permitting Canadian pharmaceutical companies to target US customers with drugs that are not permitted south of the border. The sum covers Google's income as well as what the Canadian companies are expected to have made.

Bids for online streaming service, Hulu, are due on Wednesday with the frontrunners expected to be Yahoo, Google, Amazon and DirecTV; bids are expected to range from \$1 billion to \$2 billion. Hulu is due to make \$500 million this year, so companies would be investing in an Internet product which actually has turnover. Something nice and new.



NYSE (Reuters)

## SPORT

### BELGIUM

F1: Bruno Senna, nephew of Formula 1 legend Ayrton Senna, will replace Nick Heidfeld for Lotus-Renault at the Belgian Grand Prix on Sunday. The team did not provide reasons why Heidfeld was dropped, but it is likely Senna will finish the season. Heidfeld is currently 8th in the F1 standings with 34 points.

### USA

The men's US Open seeding provided absolutely no surprises. World number one

with three slams and a 57-2 2011 record, Novak Djokovic, is seeded first, followed by Rafael Nadal, Roger Federer and Andy Murray. Mardy Fish is seeded 9th, the first time he has been the US' top seed. Unfortunately, South Africa's Kevin Anderson, seeded 32nd at the French Open, was not in the top tier.

### SOUTH AFRICA

Football: Supersport United came from behind to beat Amazulu 2-1 at the Moses Mabhida Stadium, courtesy of a penalty by Jabu Maluleke and a late winner from the boot of Mame Niang. Up on the Highveld. Sundowns overcame



Danica Patrick (Reuters)

a lethargic first half to hammer Moroka Swallows 4-0, with all four goals coming in a frenetic 16-minute period.

### EUROPE

Football: Arsenal qualified for the group stages of the Champions League with a 2-1 away win at Udinese, giving the London team an aggregate score of 3-1, even though the Italians levelled after 39 minutes. Udinese striker, Antonio de Natale missed a penalty and hit the post – unlike the Arsenal front men who found the net. Benfica also qualified with a 5-3 aggregate score over FC Twente.

### SPAIN

Football: Diego Forlan has

been permitted by Atletico Madrid to discuss terms with Inter Milan as the Italian giants search for a replacement for Samuel Eto'o (who has moved to a Russian club). Forlan has been hot property since the Fifa World Cup last year in which he was the best player.

### USA

Nascar: Danica Patrick is due to announce on Thursday that she will move from Indy racing to Nascar. For the last two seasons, Patrick has raced in both formats with a win in Japan propelling her to fame in 2008. She has, however, been outspoken about her preference for round, rather than street, circuits.

## LIFE

### USA

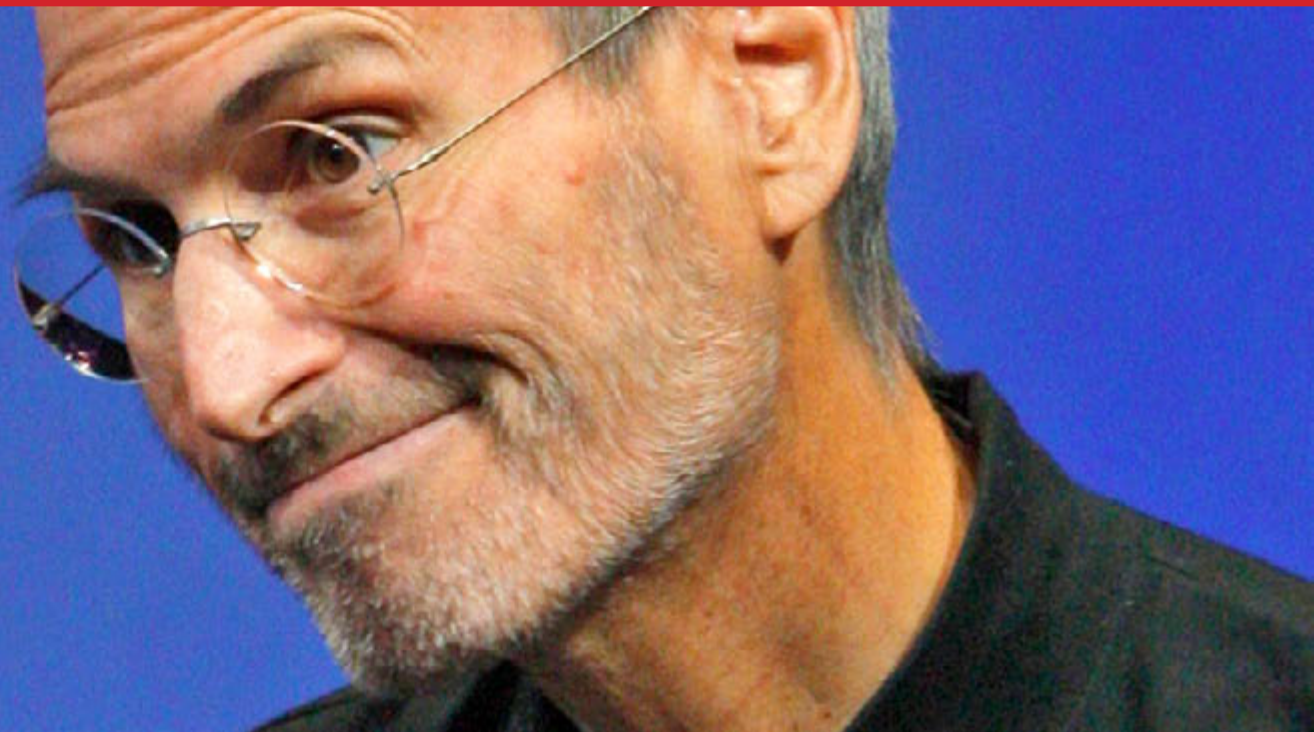
Two cousins were charged with starting a wildfire in Arizona which destroyed 2,000km<sup>2</sup> of land and 32 homes, and cost \$80 million to contain. The pair, facing sentences of up to six months in prison and a \$5,000 fine each, left a fire unattended when they went for a hike on 29 May – the blaze raged until 29 July.

### USA

Phillip Seaton, a man who tried to sue his doctor for amputating his penis without permission, lost the case when a jury ruled against him 10-2. This means the man has to pay off his legal team, has no compensation and no penis: it's like the worst divorce ever. Seaton did, however, sue the hospital in a case which was settled out of court.

### EL SALVADOR

The Supreme Court in El Salvador ruled that it will not order the arrest or extradition of former soldiers wanted for crimes against humanity after they killed six Jesuit priests in 1989, five of whom were Spanish. Spain's High Court ruled in May that the men, wanted by Interpol, should be tried. The Salvadorian judges ruled that Interpol merely wanted the men located, not arrested.



## STEVE JOBS' JOB IS DONE


In a shock announcement early on Wednesday Apple announced that its iconic CEO Steve Jobs had resigned. As has always been expected Tim Cook, previously Apple's chief operating officer, will be the company's new CEO and Jobs now becomes the company's chairman. By KHADIJA PATEL.

In a brief letter to the Apple board of directors as well as the "Apple Community", Steve Jobs announced his resignation as CEO of the company. "I have always said if there ever came a day when I could no longer meet my duties and expectations as Apple's CEO, I would be the first to let you know. Unfortunately, that day has come," he said fuelling speculation that the 55-year-old, who co-founded Apple in a garage and is a survivor of pancreatic cancer is indeed in ill health.

In response to the letter of resignation, Art Levinson, chairman of Genentech, said on behalf of Apple's board, "Steve's extraordinary vision and leadership saved Apple and guided it to its position as the world's most innovative and valuable technology company. Steve has made countless contributions to Apple's success, and has attracted and inspired Apple's immensely creative employees and world-class executive team. In his new role as chairman of the board, Steve will continue to serve Apple with his

unique insights, creativity and inspiration."

"I believe Apple's brightest and most innovative days are ahead of it," Jobs said in his public letter. The markets, however, disagreed. Apple's shares plummeted 7% immediately after the announcement of the resignation was made.

Jobs co-founded Apple in 1976 with Steve Wozniak and Ronald Wayne, then parted ways with the company in 1986 only to return in 1997. He formally assumed the CEO position in 2000, steering Apple to its most profitable period in history. Under his leadership, Apple has come to be identified as the epitome of technological advancement. It remains unclear how active a role Jobs will still play in running the company as his letter of resignation requests that he remains a director, Apple employee and chairman of the board. 

### READ MORE:

1. Steve Jobs Resigns as CEO of Apple in [Yahoo! Finance](#).



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## ONCE AGAIN, SA FINDS ITSELF ISOLATED FROM THE GLOBAL COMMUNITY ON LIBYA

The US wants to channel \$1.5 billion of Muammar Gaddafi's frozen assets towards getting Libya back on its feet. The money would be split between UN humanitarian aid, fuel for electrical plants, desalinisation plants and hospitals and will also pay the salaries of a future Libyan government. Only one country on the sanctions committee opposes the proposal –South Africa. By KHADIJA PATEL.

These days, to be a South African in the diplomatic world is to be very, very lonely. As diplomats and journalists scratch their heads trying desperately to understand what exactly informs this country's foreign policy, South Africa continues to turn its nose up to the thrust of history. Every time a pressing international relations issue has cropped up this year, South Africa has forsaken convention and chosen instead the road less taken.

In Cote d'Ivoire, the African Union, the

United Nations, the European Union and the Economic Community of West African States (Ecowas) all explicitly supported Allasane Ouattara's electoral victory. Incumbent President Laurent Gbagbo's refusal to transfer power to Ouattara had actually been widely condemned across Africa, but South Africa remained reticent. When the AU and Ecowas both expelled Cote d'Ivoire, South Africa called

Photo: Reuters

## ... it is alarming that we were caught off guard, fumbling for a response while the rest of the world rushes once more to Africa's aid...

for “restraint, national reconciliation and unity”. It was months and many, many lives lost before Outtara, with some French assistance finally managed to oust Gbagbo. Outtara was finally inaugurated as the leader of Cote d’Ivoire, Gbagbo was in handcuffs and South Africa had never been persuaded to move off the fence.

Good fences make good neighbours, as another Robert Frost poem concludes, but sometimes good leaders need to move off the fence and take a stand. When the severe human tragedy in Somalia began unfolding, South Africa was [very slow to react](#). It was weeks before South Africa could coherently regale the world with its African solution to this particular problem. No matter that our eventual pledge of R8 million, which may be beefed up at the AU pledging conference in Addis Ababa on Thursday, pales next to the efforts of our newest best friend, Turkey or the great Satan, the US, it is alarming that we were caught off guard, fumbling for a response while the rest of the world rushes once more to Africa's aid.

South Africa, the continent's economic muscle, bastion of democracy and human rights is immediately sought to lead the way in finding a solution to the continent's various crises. When South Africa was sluggish to respond to the

famine in Somalia, Lyndsey Duff, a researcher at the Institute for Global Dialogue, said the confusion over how to respond to humanitarian emergencies was an indictment of South Africa's lack of foreign policy. “It is a huge problem that we do not have a codified foreign policy,” Duff said. In the absence of a clearly defined foreign policy, relief efforts will inevitably be stymied by behind the scenes posturing.

Now there's Libya.

When she vehemently denied any knowledge of the whereabouts of Gaddafi on Monday, minister of international relations and cooperation, Maite Nkoana-Mashabane pledged South Africa's commitment to the reconstruction of Libya following what she termed the “imminent fall of government”. Exactly what form that pledge is set to take we have not yet been able to ascertain. Most journalists have been far more concerned with goading the South African government into admitting that they are actually deeply involved in negotiating an exit permit for the ousted dictator. The minister has been at pains to point out that the South African position on Libya is “to let the will of the Libyan people take (its) course”. Fair enough, but then it just so happens that Libya is up in flames and desperately short

of cash to keep the country running while the rebels flush out the remaining vestiges of Gaddafi resistance.

The US, ever enterprising, noted the dire need for aid to Libya and noticed as well that a healthy chunk of Gaddafi's wealth has been frozen around the world. So the US, Britain and the European Union got together and decided to call for the quick release of the frozen assets to help the rebels' national transitional council rebuild the Libyan economy, restore essential services, reform the police and the army and pay government salaries. The superpowers piously swear to keep their own grubby hands away from the loot and direct it carefully towards rescuing Libya from a certain collapse. In London, British foreign secretary William Hague told reporters, "we are engaged at the United Nations and elsewhere to pave the way for the unfreezing of assets, the assets that have been frozen for five months, but which ultimately belong to the Libyan people." The politicians certainly sound well-intentioned and much of the sanction committee agrees. And yet, South Africa is the only country currently standing in the way of the US-led proposal to unfreeze a portion of the Gaddafi assets.

Proposals in the sanctions committee, which works by consensus, require the support of all 15 council members to be approved. South Africa's reluctance to support the proposal is drawing sharp criticism from diplomats struggling to understand the mechanics of the South African position. One American diplomat is quoted by American journalists saying, "South Africa is being difficult".

Altogether the US proposal seeks to free \$1.5 billion of Gaddafi's assets. About \$500 million would reportedly cover some of the costs of a UN humanitarian appeal, and would be used to fund humanitarian agencies operating in Libya. Another \$500 million would pay for fuel, which is in short supply, for electrical plants, desalinisation plants and hospitals. The remaining \$500 million would be placed in the so-called temporary financing mechanism, which was established by members of the Libya Contact Group, to pay for salaries of functionaries in a future Libyan government. South Africa, of course, according to Nkoana-Mashabane takes the view that when Gaddafi's government falls, Libya will have no government. It is understandable then, that South Africa is fiercely opposed to free up

**And yet, South Africa is the only country currently standing in the way of the US-led proposal to unfreeze a portion of the Gaddafi assets.**

**The US, however, insists on the complete \$1.5 billion and the meeting ended in an impasse. And so, once again, South Africa cut a lonely obstructionist figure around the bargaining table, with no other country on the 15-nation committee sharing its stance.**


money to pay the salaries of a rebel government.

When South Africa went into the sanctions committee meeting late on Wednesday it was ready to agree to freeing up about \$500 million to fund humanitarian relief efforts in Libya, but continued to object to the release of an additional \$1 billion for fuel and salaries. The US, however, insists on the complete \$1.5 billion and the meeting ended in an impasse. And so, once again, South Africa cut a lonely obstructionist figure around the bargaining table, with no other country on the 15-nation committee sharing its stance. While a source says India had initially expressed some reservation on the proposal, their reservations were resolved by further explanations from the committee. South Africa, despite being implored to acquiesce to the proposal, remains stubbornly defiant.

The head of South Africa's mission to the UN ambassador Baso Sangqu, cited two major concerns with the proposal. First, South Africa would first solicit an AU decision on whether to free funds to anti-Gadaffi groups. Then, South Africa was also concerned that providing money

to the Libyan opposition would constitute a recognition of the rebels as the lawful government of Libya. The meeting ended late on Wednesday with South Africa resolving to wait for its cue from the meeting of the high level African Union delegation to Libya next week.

The US, however, cannot wait that long. Without the assurance that South Africa will indeed grudgingly accept the proposal next week, the US is now set to bypass South Africa altogether. It is set to raise the issue before the Security Council as early as Thursday, where it would require a paltry nine votes to pass a resolution allowing the funds to be channelled back to Libya.

As one of few "leading" countries who refuse to recognise the rebels as the legitimate voice of the Libyan people, South Africa has led itself into a diplomatic wilderness. The road less taken is after all a rather lonely one. 

#### READ MORE:

1. U.S. diplomats try to work around South Africa to unfreeze funds for Libya rebels in [The Washington Post](#)
2. UN Security Council eyes unfreezing Libyan assets in [Yahoo!](#)

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## ANCYL TOP FIVE TO BE DISCIPLINED

In a show of power without recent precedent, the ANC announced on Tuesday that it has added ANC Youth League deputy president Ronald Lamola, secretary-general Sindiso Magaqa, deputy secretary-general Kenetswe Mosenogi and treasurer-general Pule Mabe to the disciplinary action charge sheet. Youth League president Julius Malema and spokesperson Floyd Shivambu had already been charged with bringing the ANC into disrepute last week.

If we didn't know any better, we'd think that the ANC purposely gave its youth league enough rope to hang itself with. But good thing we know better.

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## BUS ACCIDENT CLAIMS 14

A tragic school bus accident near Knysna has claimed the lives of 15, including the driver. Forty-four children survived the tragedy.

The accident happened on Wednesday morning as the bus was travelling from Rheenendal to a school in Knysna when



Gwede Mantashe and Julius Malema (iMaverick)

it is believed its brakes failed, causing it to plunge into the Kassat se Drift River, according to Eyewitness News.

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## REMEMBERING THE WORDS CAN BE PRETTY ARD

During Monday's announcement of the Springbok team to contest the Rugby World Cup, Ard Matthews of Just Jinjer stumbled through his performance of Nkosi Sikelel iAfrica, at times forgetting the lyrics and sheepishly apologising in parts. Matthews hit the radio show circuit on Tuesday to apologise.

This is the second butchering of our national anthem in the presence of the Boks in as many years after Ras Dumisani sang an off key version before a match against France.

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## BLAST AT SASOL

Sasol confirmed in a statement that at least one person was injured following the explosion at its plant in Secunda. The explosion also caused a fire. Details of the cause are still unclear. The injury occurred during the evacuation when one of the company's employees fractured their knee.

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## GREEN PAPER ON LAND REFORM APPROVED FOR PUBLIC COMMENT

The National Assembly today gave the nod for the Green Paper on land reform to be released for public comment, according to a Sapa report. Rural development and land reform minister Gugile Nkwinti did not provide further details.



Samwu strike (Reuters)

The paper was leaked earlier this year and included proposals that effectively nationalised land by making government land available for leasehold only, and put caps on the amount of land owned by private individuals and foreigners.

### JOHN QWELANE DEFIANT

South Africa's ambassador to Uganda, John Qwelane, through his lawyer, told the Equality Court on Wednesday that he would fight any efforts to make him apologise for his "Call me names, but gay is not okay" column in the Sunday Sun. The column resulted in his being found guilty of hate speech by the court. Qwelane is applying to have the judgment set aside, but will have to wait until the 1 September to find out if he has succeeded.

### SAMWU REDUCES WAGE DEMAND

Striking municipal workers reduced their wage demand from 16 to 10% on Wednesday. The workers have been on strike for almost two weeks and with the South African local government association sticking to its original offer of a 6% wage increase, an end does not yet appear to be in sight.

### CONCERNED CITIZENS, POLITICIANS SPEAK OUT AGAINST NATO'S LIBYA INTERVENTION

President Zuma's spokesperson Mac Maharaj questioned Nato's intervention in Libya, suggesting that it acted as air support to advancing rebels on the ground, which exceeded the mandate it had to enforce a

no-fly zone. His comments follow on from Zuma's comments during a state visit by president John Mills of Ghana where both leaders called for African-led solutions to the problem. A group of calling themselves concerned Africans also added their voice to the criticism of Nato saying Africa was running the risk of being recolonised.

### SECURITY GUARD ALSO CLAIMS ASSAULT

Yesterday we reported that a Beeld photographer, Craig Nieuwenhuizen, accused Unisa security guard of assault during an argument at the campus on Tuesday. Today, a Unisa security guard filed a report with police, claiming that Nieuwenhuizen assaulted him. The university has launched its own investigation.



## YOUNG LIONS REGROUP AS DISCIPLINARY CHARGES NOTCH UP

ANC Youth League leader Julius Malema's homeys in Limpopo have called for the arms deal probe to be re-opened, a clear "we're watching you" to Jacob Zuma while the president is, for a change, flexing his muscle (the political one). Oh, and more young leaders are slapped with charges, of which CARIEN DU PLESSIS has obtained the juicy details.

As four more of the ANC Youth League's top officials were slapped with charges this week, the young ones convened in their provinces to discuss how they will show their support for their leader Julius Malema when he faces the ANC's disciplinary committee on Tuesday.

From what we've heard, Gauteng, KwaZulu-Natal, Limpopo and the Western Cape, all support their President, and we guess most of the other provinces too, while Limpopo did the value-add of asking for the arms deal probe to be reopened. That would be bad news for

President Jacob "100% innocent" Zuma, as well as the whole of the ANC, which is said to have benefited financially as a party, with leaders trying their best for years now to make the whole thing go away.

Limpopo Youth League secretary Jacob Lebogo said: "amidst all the questions posed by institutions in other countries about the arms deal, we need to reopen it. We need a (sic) final clarity so that the issue can come to a final rest.

Photo: (Reuters)

There was a decision (by the ANC) to say the issue is closed, but what do you do when others outside the country continue to push it?”

Malema has Zuma by the balls on this one, but Zuma is also tightening his grip around Malema's as the Hawks and the Public Protector have started probing the Youth League President's finances.

The ANC's national disciplinary committee on Wednesday confirmed in a statement that four Youth League officials have joined Malema and League spokesman Floyd Shivambu in being charged for transgressions against the ANC.

The four – deputy president Ronald Lamola, secretary-general Sindiso Magaqa, his deputy Kenetswe Mosenogi and treasurer Pule Mabe – will face steps, among others, for their storming of the office where ANC officials were meeting two and a half weeks ago.

The officials were supposed to have met with the League, but cancelled the meeting at the last minute because they wanted to mull disciplining the young ones first. The disbelieving youths then were reported to have stormed the office.

The date with their disciplinary destiny has been set for next Thursday, 31 August, following Malema's hearing on Tuesday and Shivambu's on Wednesday.

Full details of all the charges have not been officially released, but Daily Maverick has established that Malema will face at least five charges.

They are:

- Bringing the ANC into disrepute with the League's plans to collaborate with Botswana opposition parties to oust the ruling Botswana

**The date with their disciplinary destiny has been set for next Thursday, 31 August, following Malema's hearing on Tuesday and Shivambu's on Wednesday.**

Democratic Party;

- Sowing divisions in the ANC by saying the departure of former president Thabo Mbeki from continental bodies like SADC and the AU had left a vacuum (effectively hinting Zuma's leadership on these bodies amounted to nought). He faces a suspended sentence on the sowing divisions charge from last year, and if found guilty again, he'll be suspended;
- Disrupting a meeting by the ANC's top six officials (see above);
- [Sowing racism for saying](#), ten days before the local elections, in Kimberley (where he, incidentally, shared the stage with Zuma, who didn't say anything to correct him at the time) that white people should be treated as "criminals" for "stealing" the land from black people.
- [Accusing](#) the officials who charged and disciplined him last year of factionalism in a speech given at the close of the League's conference in June. We're not sure how the charge has been formulated, but we guess it

could be “prejudicing the integrity or repute of the organisation, its personal or its operational capacity”.

Shivambu is set to face the Botswana and sowing divisions charges, as well as:

- Saying “fuck you” to a journalist from [News24](#). We guess the actual charge would be bringing the ANC into disrepute. We wrongly reported on Wednesday that he will be charged too for referring to this reporter as a “white bitch” last year, but the ANC is said to be concentrating only on recent transgressions.

Apart from the charge of storming the ANC officials’ meeting, secretary-general Magaqa has also been charged with:

- [Saying](#) Public Enterprises Minister Malusi Gigaba is “pleasing imperialists” and all kinds of other nasty things about flower-power after Gigaba, a former Youth League leader, dared to say the mining nationalisation debate was harming investment. We guess that the charge would be sowing divisions within the organisation.

League insiders said Malema and his friends were still searching for an ANC member in good standing to represent them, but ANC treasurer-general Mathews Phosa, businessman Clifford Motsepe and lawyer Themba Langa, who represented Malema last time, are said to be unlikely to be by his side again.

Finding someone to argue Malema’s case might be a tad difficult, because anybody wanting to represent him would have to hedge their bets and would have to be ready to go down with him, insiders have said. It’s looking more and more certain, barring a political miracle, which, mind you, is not impossible, that Malema will be suspended.

Malema allies also said provinces would decide whether they wanted to bus supporters into Johannesburg CBD for the hearings next week (it’s clever, because if there is trouble, the ANC would have to take steps against the leaders in each province, and the national leadership would be absolved from any guilt).

Malema’s supporters angrily accuse ANC secretary-general Gwede Mantashe of conspiring with SACP general secretary Blade Nzimande to charge the Youth League leaders. “That is the way the SACP is run, by disciplinary charges,” a supporter said, referring to the party’s disciplining of some of its leaders in provinces in recent times.

Nzimande has recently lashed out against “right wing demagogic tendencies” in the ANC, in a clear reference to Malema, amongst others.

The party’s central committee is set to have one of its regular meetings this weekend, so we might hear more about demagogic tendencies on Sunday, when they hold their press conference.

SACP spokesman Malesela Maleka just laughed when he heard about the allegations. “That’s laughable, we don’t interfere in the matters of the ANC,” he said before laughing some more. 

### READ MORE:

1. Full house for ANC Youth League as four more officials charged in [Daily Maverick](#)
2. ANC shoots from its branches as party structures called into line in [Daily Maverick](#)
3. Julius, countryman, lend us your ears, in [Daily Maverick](#)
4. Malema’s disciplinary: not everyone in the League standing by their man in [Daily Maverick](#)
5. Malema and the disciplinary committee: A rough guide in [Daily Maverick](#)



## JULY INFLATION POINTS TO POLICY (AND MORE INFLATION) TROUBLE

Unless something very improbable happens, South African inflation will breach 6% soon. At which point the Reserve Bank, instead of following its still iron-clad mandate and raising interest rates, will either keep them flat or, just maybe, even cut them further. And then we'll be obliged to debate the wisdom of inflation targeting and speculate about alternatives all over again. BY PHILLIP DE WET.

The consumer price index for July, released by Statistics SA on Wednesday, rose a little faster than most forecasters had anticipated at 5.3% year-on-year, but contained no major surprises. Thanks mostly to big jumps in administered prices – and despite a strong rand – inflation has been creeping up since December, and is now at the highest level since February 2010. It is no longer a question of whether it will breach 6%, the top end of the 3% to 6% level the Reserve Bank is supposed target, but when. September? October? That depends on unpredictable factors such as the situation in Libya and its effect on the oil price, and eurozone management of sovereign debt. Whenever it happens, though, it is going to cause all kinds of trouble.

Economists nearly universally agree that the Reserve Bank will not be increasing interest rates this year, and some think there is a chance that the repo rate will be further cut. The Reserve Bank has been signalling as much, and in any event, a rates increase in the current economic climate would be extraordinarily ill-advised. So the single, blunt instrument the Bank has to regulate inflation will not be used to target it. Rates will instead be based on the need to avoid economic stagnation – much like those opposed to inflation targeting have been arguing should be done all along. The policy of inflation targeting will still be in place, it just won't be implemented.

Not that it could be, at least not by tinkering with interest rates. Inflation is rising not because consumers are spending like crazy, but

primarily on the back of fixed prices. Electricity and other fuels, as weighted in the CPI number, increased by 16% between June and July, and 18.6% year-on-year. Water and related services were up by 9.2% compared to July last year.

Increases in such prices, from airport fees to toll fees and municipal rates, will continue to contribute to inflation regardless of the interest rate. In addition, the rand took a big knock in August, which will start being reflected in CPI numbers to be released from September onwards. Food prices, currently running at an annual 7.4% even though fruits and vegetables became cheaper during July, can safely be expected to continue to rise. Squeezing consumers by increasing their debt payments and so reducing disposable income would only impact areas where inflation isn't significantly high.

Nor will decreasing interest rates help stimulate the economy, though.

"We won't actually accelerate growth by lowering interest rates right now because of the structural problems we face," says Richard Downing, an economist who works closely with the SA Chamber of Commerce and Industry on business confidence measurements. "Now days credit seems to be controlled by the National Credit Regulator and by looking at the debt position of the consumer; lower the interest rate doesn't cause more debt extension." The majority of consumers struggling under a high debt burden, meanwhile, would hopefully use cash freed up by lower rates to repay debt rather than spend.


Mike Schussler at Economists.co.za says all indications are that South Africa is already in a manufacturing recession, with output declining in the second quarter (and probably the third) due to strike action and uncompetitive wages "from

management right through to workers". A weaker rand could help, and lowering interest rates could help weaken the rand, but only so much.

So assuming that keeping the lid in inflation is important – and that is by no means settled doctrine – how can that be achieved? Schussler would like to see it stopped at source. "Many state-owned enterprises, the ones behind these administered prices, are a big part of the problem. We need to say to them that these kind of increases in this kind of environment is just not on."

Which, of course, won't happen. Eskom needs to build power stations, Acsa needs to pay off its debt, Transnet needs to expand its infrastructure, and municipalities everywhere are carrying large amounts of bad debt, even as many struggle to supply more people with electricity and water.

The response, or lack thereof, to higher inflation holds more trouble for those parastatals with debt denominated in foreign currencies, though also some relief for manufacturing. Downing is among those who think markets may see the Reserve Bank as soft on inflation when it fails to raise rates in line with its mandate, which will further reduce certainty, which could well give the rand another stomping.

Less easy to anticipate is how consumers and local businesses will react. Inflation expectations easily become self-fulfilling. Those expectations haven't been a significant issue in South Africa for some time. But those days, it seems, are over. 

#### READ MORE:

1. [July 2011 CPI data \(PDF\)](#)



## APPEALS TRIBUNAL PROBABLY WOULD NOT RESULT IN A BETTER MEDIA

With Gwede Mantashe having recently said the power of the ANC lies in its branches, it was timely for the party's Alex La Guma branch to hold a discussion on one of the ANC's most topical issues: the vexed media appeals tribunal. By OSIAME MOLEFE.

Yesterday, at a meeting of the ANC branch in the Cape Town city, Pallo Jordan tried shedding further insight the party's thoughts on the mooted media appeals tribunal. He was part of a panel discussion with freelance journalist Mariaan Thamm, Cape Times opinions editor Tony Whitfield and Right2Know campaign coordinator Murray Hunter.

Jordan, after a history lesson not dissimilar to this [one](#), said the issues around the media appeals tribunal were about media accountability and accused the press of debating the issue hysterically. He gave examples of cases where the press may have

gone beyond people's right to know and into something more questionable, like reports on deputy president Kgalema Motlante's alleged mistress and the late Manto Tshabalala-Msimang's stolen health records. He also used the News of the World scandal and asked if the three political parties in the UK were considering legislating to make the media more accountable, should we not also be discussing the issue?

Thamm and Whitfield, having been journalists on both sides of 1994, recounted the changing relations between government and journalists. Whitfield said the apartheid

## **But today, journalists stand accused of being part of the homogenous glob known as the media, which is apparently deeply involved in a so-called right centrist liberal offensive against the ANC.**


government accused journalists of being media terrorists, which was fine because that's how journalists who reported on the wrongs of apartheid, saw themselves. But today, journalists stand accused of being part of the homogenous glob known as the media, which is apparently deeply involved in a so-called right centrist liberal offensive against the ANC.

Whitfield went to great pains to explain that newspapers, even those with the same owners, approach reporting news from differing ideologies, which is why it is wrong to group them under the homogenous construct of "the media". The reporting of news is random and frenetic and not part of some closed-door agreement to bring down the ruling party, Whitfield said. He added that while capital through the ages has been buying into newspapers to influence their ideological agenda, these days, "We are run by accountants who wouldn't know an ideology even if they fell over it".

Thamm said the large media cartels that own newspapers and run them like businesses do influence the working conditions of journalists. Murray agreed and added they are

also dangers to the community press, which trains journalists only to have them poached by one of the larger papers.

He added that there might be something wrong with the media business model as it has resulted in media organisations struggling to fulfil their democratic function. It is hard to get the mainstream press to report on issues such as service delivery, for example, except when people burn something to give the story the angle of violence or it has to do with corrupt politicians, he said. Thamm attributed this to "compassion fatigue", which makes it difficult to report on more complex issues.

Surprisingly, despite the anti-media arguments, all the panellists said they were against a media appeals tribunal. Jordan said the issue of media accountability should be put to debate in Parliament, which represents the will of the people. Thamm, Whitfield and Hunter thought that self-regulation should be strengthened and given a chance to function. 

### **READ MORE**

1. Press Council review supports self-regulation, obviously, in [Daily Maverick](#)

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## MALEMA BACKLASH? NOT LIKELY WITH THREADBARE CONSPIRACY THEORY

In all the talk, wailing and general scratching of heads around the decision by the ANC to charge Julius Malema & Co, there's been much concern about whether this is the right decision in long term. In other words, even if the President Jacob Zuma-Gwede Mantashe axis wins this round, could it lead to a chaotic backlash? What would happen if Malema is able to actually win out, even if it takes an ANC electoral cycle. In [The Times newspaper](#) on Wednesday, its political editor S'Thembiso Msoyi suggested this could actually see Malema becoming the new "victim" within the ANC. It's a point worth considering. By STEPHEN GROOTES.

Msoyi is a man who knows his politics better than just about anyone. He's connected, and at the same time, is someone blessed with an elephantine memory and the ability to see things as they are, not what they look like. So when he suggests, quite strongly, that actually

Malema will turn the charges against him into a campaigning mechanism of his own, we have to weigh it up carefully. At the same time, I myself have suggested that there is nothing Malema

Photo: Jacob Zuma and Julius Malema (Reuters)

## **Zuma's been on Robben Island, been the Chair of the ANC in the mid-90's, then deputy leader, and then Deputy President of South Africa. He had actually governed, or served, if you prefer. Malema has not.**

would like better than a corruption trial. If you remember, Zuma himself faced corruption charges, which he used to great effect against Thabo Mbeki, eventually winning the war.

But after some more thought, I think there are problems with this thesis.

The first place to start is that Malema is not Zuma. When Zuma was charged, he already had a long track record in the ANC. He'd been on Robben Island, been the Chair of the ANC in the mid-90's, then deputy leader, and then Deputy President of South Africa. He had actually governed, or served, if you prefer. Malema has not. All he has up until now, is a track record of rhetoric. His track record is also hugely controversial. Zuma's was not. Yes, really. Within the ANC, Zuma was someone who everyone knew, a favoured son for a long time, who had always delivered. And of course there was also an element of his popularity in KwaZulu Natal.

Now look at Malema. No matter how this disciplinary hearing goes, he will always be the first ANC Youth League leader to have faced that panel twice. Takes some doing, that. His power base is not limited to, but is

focused in, Limpopo, a much smaller province in ANC terms than KZN. Then we have to examine his allies. Fikile Mbalula, some others. Not half of the NEC, as Zuma could claim in 2005.

But there's a more fascinating side to this. Zuma won the day not just because he was charged, but also because of who his enemy was. Without Thabo Mbeki, we would never have had Zuma as president now. Now sure, it's easy for Malema to claim, as he no doubt will, that he's the victim of a political conspiracy – look at the Hawks and SARS circling around him. But it's not quite the same thing. There's no smoking gun linking those probes to Zuma. There is also the fact that much of the anger directed at Mbeki was not really about the political conspiracy at all. It was about the fact that he was being seen as a dictator, rather than a democrat that really led to his downfall.

This led to decisions by Cosatu and the SACP to back Zuma. For them, it was really about de-throning Mbeki, than about who would lead after, a fact Cosatu has made plain over the last year or so. And while I have been


guilty of ripping off the SACP from time to time, these two members of the Alliance together are still very important to anyone's hopes of achieving a final, if not necessarily lasting victory.

And that leads us to the ANC Youth League itself. There is something here that hasn't quite been discussed much. If, after the charging of the League's other four top leaders on Wednesday, they are convicted, what then for the League? Presumably, if they're suspended or chucked out, the ANC will have to start again. And whoever is running it when Malema gets going again, will not be too keen on him coming back. It would be the worst possible thing for anyone who takes over the battered League.

We also have to examine the difference between the two men's characters. I have expressed my admiration for Malema's political skills before. It's quite unheard of for someone to narrowly win a three-horse race in 2008 for the League's leadership, and then to have the organisation appear completely and utterly under his thumb a mere three years later. It's that organisation of the branches that could make him so powerful. But Zuma had far more experience. He also

had strong allies with great organisational skills. And the League's secretary-general (for now) Sindiso Magaqa is no Gwede Mantashe. Really, trust me on this one.

The final aspect, is that people now know the "victim" tactic. It was a relatively new thing when Zuma used it to such great effect. Now, if Malema tries to use that card, you will have the people who used it before just watching for you to pick it up. They'll blow the whistle, shout and scream. And that could be a vital difference.

But all of this doesn't mean that Malema is out for the count just yet. It doesn't mean that he won't be able to use victimhood to his own ends. He will certainly use race in a way that Zuma didn't really touch on. That in itself could make it a much more powerful card than it was. Msomi is absolutely right to bring this to our attention, because we need to be aware of the possible tactics that Malema may use. Just as he is trying to make us aware of the tactics being used against him. After all, one of the biggest on-going discussions within the ANC is about just that. Strategy, and tactics. 

Grootes is an [EWN](#) reporter.

**But all of this doesn't mean that Malema is out for the count just yet. It doesn't mean that he won't be able to use victimhood to his own ends. He will certainly use race in a way that Zuma didn't really touch on.**

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## RIXOS HOTEL REPORTERS EVACUATED

Reuters reported that journalists who had been barred from leaving the Rixos Hotel in Tripoli by fighters loyal to Muammar Gaddafi have finally been evacuated. The area around the hotel has been the centre of fierce fighting between the last of Gaddafi's forces and rebels who had advanced almost unopposed into the capital on Sunday night. Gaddafi's son, Saif, was all smiles on Tuesday when made an appearance at the hotel after the rebels had claimed they had captured him.

## WORLD'S FIRST WAR-CRIMES TRIAL ENDS

Thomas Lubanga, a Congolese national on trial at the International Criminal Court in the Hague, will know his fate by early next year. Lawyers in the case will give final arguments this week before the judges retire to consider a verdict, according to Reuters. Lubanga stands accused of conscripting child soldiers to kill members of the Lendu tribe in the DRC.

## SOUTH AFRICA DEFENDS EFFORTS ON HORN OF AFRICA CRISIS

South African deputy president Kgalema Motlanthe, speaking in the National Assembly,



Members of the media at the Rixos hotel in Tripoli, 23 August, 2011 (Reuters)

defended the country's contribution to relief efforts in the Horn of Africa. He said South African relief efforts exceed R20 million, including R8 million raised from government coffers and costs of providing logistical support to the Somalia Relief Campaign, which was launched jointly with the Gift of the Givers. He also rightly pointed out that political stability for the region will do more for the region than foreign aid.

## AU FORCES IN SOMALIA REINFORCED

Despite a drought in the region, the civil war in Somalia is still a cause for concern for countries in the region. Sierra Leone, which itself is recovering from civil war, is sending

850 peacekeeping troops to bolster the African Union mission in Somalia. Burundi is also sending 1,000 troops. Since President Siad Barre was overthrown in 1991, Somalia has been without a central government, which analysts say has worsened the effects of the famine in the region.

## ERITREA NOT WELCOME AT IGAD

The Intergovernmental Authority on Development – a six-country bloc of east-African nations – prevented Eritrea's representative from attending their session on the drought situation in the Horn of Africa. According to Africa Review, the bloc's secretary-general said Eritrea, which had suspended itself and only recently



Eritrea's President Isaias Afwerki (Reuters)

rejoined, was not invited to the meeting as its membership was still under review. In a statement issued after the meeting, IGAD said that as Eritrea's re-admission should follow rules and procedures.

### **MUJURU DEMANDS ANSWERS FOR HUSBAND'S DEATH**

Zimbabwe's vice president Joice Mujuru wrote in the Herald Newspaper on Wednesday that she wanted answers for her husband's mysterious death in a fire on their farm. Speculation has been rife that General Solomon Mujuru's death had something to do with the suc-

cession battle to replace Zanu-PF leader and Zimbabwe's President Robert Mugabe.

### **WOMAN INJURED IN GAZA ROCKET ATTACK**

Egyptian state television reported Wednesday that a rocket fired from the Gaza Strip landed in the border town of Rafah and injured one woman. Violence in the area has been on the rise since an attack in Israel's southern-most town of Eilat on 18 August. Three Egyptian policemen were killed when Israelis fired on Palestinian gunmen who they said entered Israel through Egypt. Is-

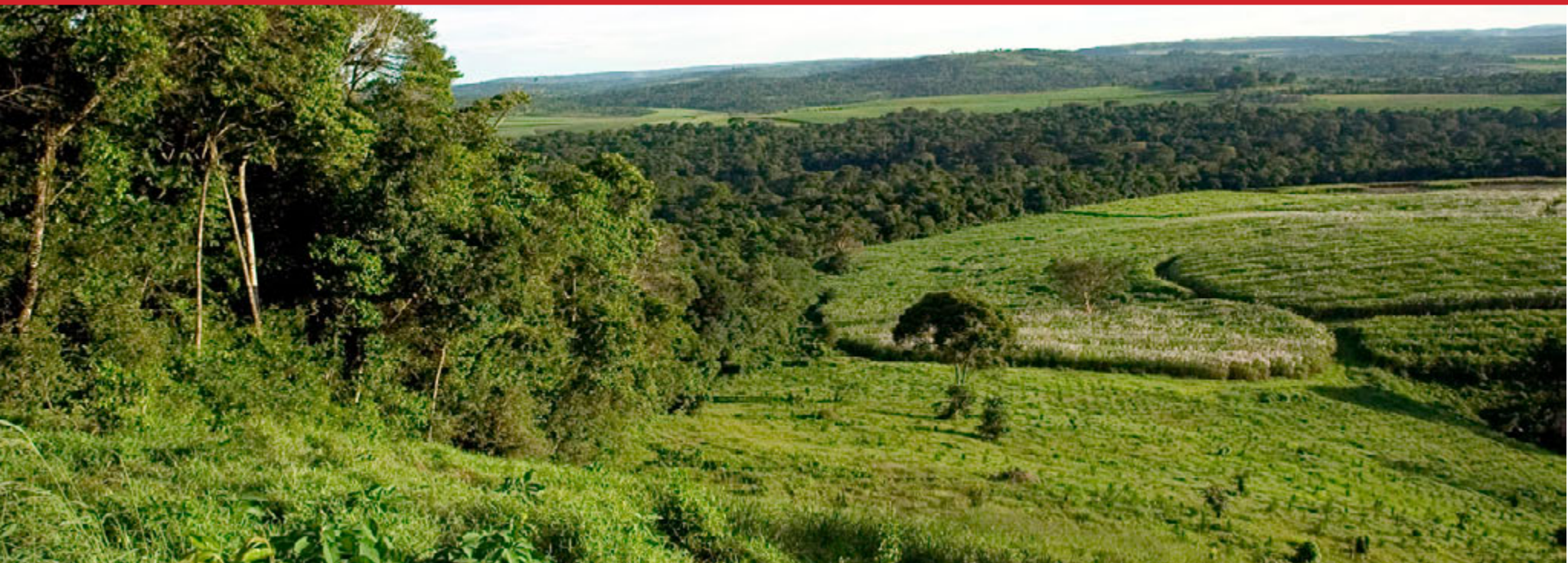
raeli authorities have expressed regret over the deaths.

### **KENYAN PRIME MINISTER RESHUFFLES CABINET**

Raila Odinga, Kenya's prime minister, fired ministers from his cabinet in a reshuffle aimed at rooting members of his party opposed to him, Reuters reported. Among them is higher education minister William Ruto, who is also a named suspect in an International Criminal Court investigation into post-election violence that took place in the country.

### **KENYA'S ANTI-CORRUPTION CHIEF SUED**

Kenyan's assistant tourism minister, Cecily Mbarire has hit back against claims made by the head of the country's anti-corruption unit, Patrick Lumumba, that her husband tried to bribe his way out of an investigation with a 100,000 Kenyan shilling cheque, Reuters reported. Lumumba held up his phone to reporters showing them a text from the assistant minister's husband making the offer. Mbarire filed a lawsuit with the Kenyan high court on Wednesday, claiming she and her husband have been defamed.



## MUSEVENI READY TO SACRIFICE FORESTS FOR FAVOUR - AGAIN


Uganda's President Yoweri Museveni likes to describe himself as an environmentalist. The label's looking a little misplaced, however, as he revives plans to sacrifice a chunk of his country's protected forests on the altar of big business and Ugandans' insatiable appetite for sugar. By SIMON ALLISON.

We've been here before. It was 2007 and Museveni was tired of having to import sugar into a country where it grows with ease. He announced plans to remove the environmental protection from some 7,100ha of the protected Mabira Forest – nearly a quarter of the forest – and hand the land over to the Sugar Corporation of Uganda, a company owned by the Mehta family, one of the country's old-money elites, to develop as sugar plantations.

Protests followed swiftly, during which three people died, but it was pressure from the World Bank which really forced Museveni to give up the idea. The World Bank had given the government a lot of money to build a hydropower station, on condition it protected the Mabira forest, and the WB insisted the Ugandans respect that condition.

But in the face of steeply rising sugar prices – there was a retail increase of 20% last week

alone – Museveni's dusted off this old idea and decided he's going ahead with it this time. Although he needs to get it through parliament, it shouldn't be hard given his party's large majority, and he's already started campaigning against opponents of the proposal, calling them “unarmed terrorists” in a recent speech. He's claiming the bit of the forest he wants to give away is already degraded, though this is disputed by environmental activists.

The issue is a classic example of the contradiction between environmental concerns and development, although there are suspicions Museveni is less worried about building the agricultural capacity of his country and more worried about making sure the wealthy Mehtas stay on his side.. 

### READ MORE:

1. Plan to sacrifice forest for sugar puts economy before ecosphere in Uganda in [The Guardian](#)
2. Environmentalists give ultimatum to Mehta on Mabira in Uganda's [Daily Monitor](#)

Photo: A view of part of a sugarcane plantation in Mabira Forest Reserve, 55km (34 miles) east of the capital Kampala, April 21, 2007. REUTERS



## GATHAFI EVADES CAPTURE, BUT HIS NAME IS PINNED DOWN, MAYBE

The spelling of the Colonel's name in the Latin alphabet has long been a matter of debate. With video evidence of his son's passport doing the rounds on YouTube, it now seems we must say goodbye to Gaddafi – and hello to Gathafi. By THERESA MALLINSON.


How do you spell a name like Moammar Khadaffy? Make that Muamer Gadafi. Or even Mu'ammarr Qadhafi. Owing to the problems of transliteration – not to mention differing style guides, and inconsistent subbing – no one in the English-speaking world has ever been quite sure.

In a [2009 blog post](#), ABC News listed 112 ways that the English press has referred to Muammer Gadaffi over the years although, to be fair, some of them do look like someone was being a bit creative, rather than applying their publication's preferred spelling. (Moamer El Kazzafi, seriously?)

And presumably the longest version of his name, Mulazim Awwal Mu'ammarr Muhammad Abu Minyar al-Qadhafi, never quite took on, owing to writers trying to make the most of their column inches.

With all the uncertainties that recent events in Libya bring, at least journalists can now be sure of one thing, possibly. The correct spelling is Gathafi (although all bets on the preferred spelling of the Colonel's first name are still out). A video posted on YouTube, seemingly of Muamar Kaddafi's eldest son Mohammed Gathafi's diplomatic passport, [shows Gathafi to be spelt the way we just did](#).

For the record, until we have conclusive evidence, iMaverick is sticking to our style guide (erm, apart from this article), which favours the spelling “Muammar Gaddafi”.

At this stage, not many Westerners will be sorry to see the back of Gathafi when he finally falls. Gheddafi though? That's a different matter entirely. 

### WATCH MORE:

1. Mohamed Al-Gaddafi's Passport on [YouTube](#)



## EVERYONE WANTS A REBEL AS A BEST FRIEND NOW

Now that Muammar Gaddafi's on his way out, there's strong incentive for the West to cosy up to the Libyan rebels. Serious sucking-up is happening from American lobbying firms towards the rebels' transitional national council. By REBECCA DAVIS.

Public affairs firms Patton Boggs and the Harbour Group have both signed on to work with the Libyan rebels at very generous discount rates. Patton Boggs even has an agreement that they won't send their debt collectors into the streets of Tripoli until the rebels have access to some cash. It's precisely the need for money with which these lobby companies are ostensibly helping the rebels and "plotting" with the leaders about how best to get their hands on an estimated \$35 billion of Gaddafi-related funds frozen by the US.

Other firms are scrambling to distance themselves from suspiciously intimate relations they've developed with Gaddafi over the past several years. The consulting firm, Monitor, for instance, was on a sweet little R2 million-a-month retainer between 2006 and 2008 for

helping generate "international appreciation of Libya". (In fairness, if that's your doomed mission, you might as well charge a fortune.) PR firms W2 Group and Brown Lloyd James have also had to come clean in recent months about work undertaken on behalf of Gaddafi's regime.

And then, of course, there's the small business of oil. Companies like BP and Shell were the major players in Libya before the fighting, but we don't yet know if the rebels will honour contracts with Gaddafi's old buddies. The only indication the rebels have given so far about where their loyalties lie are that Italy, France and UK are in the good books, while Russia, China and Brazil may not be. The latter three didn't back sanctions against Gaddafi. They'll be regretting that now. **IMI**

### READ MORE:

1. As Qaddafi falls, K Street rises, in the [National Journal](#)
2. The scramble for access to Libya's oil wealth begins, in the [NY Times](#)

Photo: Mahmoud Jibril, prime minister of Libya's rebel National Transitional Council (NTC), speaks during a news conference in Doha



## NO LONGER A BASKET-CASE ECONOMY, NIGERIA PUTS ITS EGGS IN A SOVEREIGN WEALTH FUND

The establishment of a Nigerian sovereign wealth fund is meeting some resistance, but given its easy passage through Parliament, looks a certainty. With seed money of just \$1 billion, it might take a little time to get properly started, but when it does could just be the kick-start the Nigerian economy really needs. By SIMON ALLISON

If we know one thing about Nigeria, it's that the country is not very good at managing money. Corruption and waste is endemic at every level of government, and the vast income generated from the country's oil wealth has done nothing to improve the lives of Nigerians. Some would

argue it's been actively detrimental to the economy as it dis-incentivises the development of real industry, trapping Africa's most populous country into resource dependency.

Photo: Nigeria's Finance Minister Ngozi Okonjo-Iweala (Reuters)

## **Currently, excess revenue generated from oil goes into the black hole that is the Excess Crude Account – a mismanaged, unregulated fund that which has somehow managed to squander \$13 billion in the last two years.**

Currently, excess revenue generated from oil goes into the black hole that is the Excess Crude Account – a mismanaged, unregulated fund that which has somehow managed to squander \$13 billion in the last two years. How? Well, no one really knows, because politicians seem to spend more time calling for greater scrutiny of the account than actually scrutinising it. Although former finance minister Dr Olusegun Aganga says he can account for every penny, the suspicion is that spending was less about returns on investment and more about the accumulation of political capital – a rather less tangible commodity.

This is about to change, however. Nigeria's parliament in April approved the establishment of a Sovereign Wealth Fund (SWF), a legally constituted account to manage the country's oil revenues, and the government is now going through the teething processes necessary to establish it. Predictably, state governors in particular aren't very happy, as the SWF will be managed on a federal level with maximum transparency, meaning they probably won't be able to dip into it whenever

they need to fix a road or build a hospital before an election.

The SWF, to be known as the Nigeria Sovereign Investment Authority, will start with seed money of \$1 billion and be split into three parts: a savings component, an infrastructure investment component, and a fiscal management component. It should perform better than the troubled Excess Crude Account, especially as it's being overseen by President Goodluck Jonathan's revamped economic team, which includes Aliko Dangote and Ngozi Okonjo-Iweala. Dangote is one of Africa's richest men, a man who knows how to make money, while Okonjo-Iweala's efficiency and reputation for honesty will ensure the money is made – and spent – properly.

Nigeria's SWF will be only Africa's fifth, after the Libyan Investment Authority (valued at \$70 billion), Algeria's Revenue Regulation Fund (\$56.1 billion), Botswana's Pula Fund (\$6.9 billion) and the Mauritanian National Fund for Hydrocarbon Reserves (a mere \$300 million).

Sovereign Wealth Funds started off as the

playthings of the super rich nations, a place where countries gorged on oil revenue could stash the cash and make it grow. Countries like Kuwait or the UAE, which have more money than they know what to do with, put a portion of their excess income into state-run investment funds, which then buy up stocks, bonds and property across the globe. They've swiftly become the financial instrument of choice for countries with any kind of cash surplus; there are over fifty of them today, with combined assets of US\$4.7 trillion. The really big boys in this market are China and the Gulf States.


Of course, SWFs aren't just about making money. Increasingly, they are being used to buy up valuable land and infrastructure, or as a means of encouraging the cooperation of other governments. Qatar's fund, for example, has bought up huge parcels of land in Sudan, a way of insuring against future food shortages. Libya's fund – before it's activities were put on hold by the little matter of a revolution – was one of the cornerstones of Gaddafi's influence in Africa, used to fund infrastructure developments and investments in countries that were friendly to the Libyan leader.

With starting capital of just \$1 billion, it's unlikely that Nigeria's SWF – when it finally gets off the ground – will have any immediate political ramifications in Africa. However, the fund is likely to grow swiftly, and as it does, we may see Nigeria starting to properly flex its economic muscle in Africa.

In the meantime, however, it will be watched carefully for its commitment to transparency and to see if it can help Nigeria

**... Qatar's fund, for example, has bought up huge parcels of land in Sudan, a way of insuring against future food shortages.**

properly manage its massive oil revenues in a way it's never managed before. Ghana in particular will be paying close attention – its recently-discovered oil is about to come online, and the country is desperate to avoid all the mistakes made by Nigeria.

For Nigeria, the hope is that the SWF can finally bring the development that has held the country back for so long, and that Africa's most populous country can enjoy the growth it needs, as well as become the economic engine for the entire west African region whose economy's are so interlinked with Nigeria's. 

#### READ MORE:

1. Sovereign Wealth Fund Ranking from the [Sovereign Wealth Fund Institute](#)
2. Govs seek clarity on SWF in [Nigeria's Vanguard](#)
3. Ten reasons for Nigerian sovereign wealth fund in Nigeria's [Daily Trust](#)
4. How sovereign wealth fund can drive Nigeria's infrastructure growth, development in Nigeria's [Business Day](#)





## TRIPOLI FALLS, TRIPOLI RISES: A REPORTER REMEMBERS A DRIVE PAST BAB AL-AZIZIYAH

In 2009, driving by Gaddafi's Bab al-Aziziyah fortified compound, his regime looked secure. Now, in a lesson in the arbitrariness of a strongman's rule, it has fallen. What, one wonders, shall rise in its place?  
By RICHARD POPLAK

Several years ago, I sat in a battered Volkswagen Jetta and glanced across four lanes of furious Tripolitan traffic.

"These are the rules," said Eder, the Berber. He readjusted his mirrored shades and settled low in the driver's seat. "We look straight ahead. We don't stare at the guards. We play careful, careful."

I adjusted my own shades, pulled the brim of my cap low. "Roger that," I said, like a cast member of CSI: Tripoli.

"There, ahead," he barked. "You see it?"

I did. Behind the pell-mell tangle of traffic, a vast, fortified compound, the walls indented with the occasional Islamic tessellation. There were slats for gun barrels, turrets manned by men with machine guns.

"That's what we call al-Qa'ida. The Fortress. Or Bab al-Aziziyah. Splendid Gates.

Photo: A rebel makes victory signs as he stands between the Qatar flag (top L) and the Kingdom of Libya flag in front of Muammar Gaddafi's residence at the Bab al-Aziziyah complex in Tripoli August 24, 2011. (Reuters)

Seven checkpoints you have to drive through to get to the house. A very nice place, you would not say?”

I would not: Bab al-Aziziyah resembled nothing so much as San Quentin on steroids. As we drove by, a gate opened to admit a small convoy of armored trucks; I glimpsed another series of gates, another contingent of armed men. We had approached the compound from the north, along a traffic-clogged ring road that changed in character from Mediterranean boulevard to desert highway in the space of a couple of miles, embracing downtown Tripoli in a languid hug. Now, at high noon, the city was stunned into torpor by the bright North African sun; men sat idly along the sidewalks on their haunches, shading their scalps with scraps of cardboard. Dozens of muezzins called the faithful to midday prayer. In response, Eder turned up Rihanna’s “Umbrella”.

I’ve written the following in these pages before, and they bear repeating: “Bab al-Aziziyah is one of history’s punching bags. At precisely 2pm local time, on the clear morning of 15 April 1986, the compound became the focal point of an undertaking called Operation El Dorado Canyon. Lasting all of 11 minutes, and unbeknown to Tripolitans and those who learned of it over coffee and Frosted Flakes in the United States, El Dorado Canyon was the most intricately choreographed bombing run in the 70-odd-year history of the art. This was the era of go-big-or-go-home: A great airborne armada was dispatched to provide a “measured response” to the extracurricular antics of a man President Ronald Reagan dubbed “the mad dog of the Middle East”. This was one Muammar

**That the Colonel would become an “ally” of the West after the fall of Baghdad now seems like a horrible geopolitical joke.**

Abu Minyar al-Qadhafi, Brotherly Leader and Guide of the Revolution, hereafter referred to as “the Colonel”.

That the Colonel would become an “ally” of the West after the fall of Baghdad now seems like a horrible geopolitical joke. The man was a thug and a murderer, and we pandered to him wholesale. But America would get the chance to bomb Bab al-Aziziya again, this time with the backing of the most formidable armed alliance in history. And bomb it they have.

I can’t be sure what Eder the Berber was thinking as we drove by the compound in 2009, but I wonder if he’d considered that within a matter of a few years, people not unlike him—armed with their own AKs—would knock down those seven gates and shoot their way inside, backed in turn by Nato airstrikes and the goodwill of the free world. There were very few people in Tripoli, I’d wager, who saw this coming. They may have dreamed about it, but they never articulated or acted upon that dream. They did not, however, ever mistake the Colonel for a benign dictator, or an avuncular if eccentric leader, or a friend. They knew him for the monster he was, and they played careful, careful.

## Now, the Splendid Gates are flung open, and another Middle Eastern strongman's compound is bared for all to see.


Now, the Splendid Gates are flung open, and another Middle Eastern strongman's compound is bared for all to see. Memories of the fall of Baghdad, where Saddam Hussein's garish homes held impromptu open houses, and caches of weapons and bad art were looted and redistributed amongst the boss's enemies. Inside Bab al-Aziziyah, there stood a sculpture of a giant golden hand crushing an American war plane (anti-aircraft fire brought down an F-14 during the El Dorado campaign, and The Colonel went on to insist that he had smashed the forces of imperialism.) That sculpture is now strewn across the lawns. Also, note the head of Gaddafi, kicked around the grounds like a soccer ball; it once belonged to another gold sculpture, also defiled.

The rebel army is now in possession of the fur coat in which the Colonel issued his infamous televised fulmination as war broke out last March. They also own a gold-plated AK-47, a golf cart, and sundry other dreck for which the compound was once a repository. What they don't have at present is full control of the Bab al-Aziziyah; nor do they have the Colonel's

actual head. He is MIA, as are two of his sons. In a humiliation for the rebels—and perhaps a harbinger of what is to come – both Saif and Mahmoud were allowed to escape from rebel clutches, most likely by buying their way out of trouble.

As for Eder the Berber, he is experiencing his first day in a free Tripoli, where he no longer has to play careful, careful as he drives by The Colonel's fortified shag pad. Whether Tripoli will remain free for long, and whether he will have to lower his eyes for some future thugocrat, is anyone's guess. The rebel army's far-off backers have no real notion of the mettle of the men they are dropping bombs for. In the months ahead, we will find out exactly who they are, and what they expect for Libya's future.

I know what Eder expects. He wants the freedom afforded those in the West. He wants to watch movies, he wants to listen to hip-hop, he wants to say what comes to his lips without the fear of a brutal reprisal. But Eder is not a Westerner, as he made perfectly clear to me. "I am a tribal guy," he said one night. "If my sister married outside the tribe, I'd fucking kill her."

Indeed, Libya has a long way to go. Let's hope that the euphoria of freedom becomes entrenched in the memory of those who experience it, and that Bab al-Aziziyah will not rise again, as the home of some future regime, different from the Brother Leader in name and aesthetics only. 

### READ MORE:

1. Mad Dog Gaddafi and his equally Mad Reign in [The Daily Maverick](#)
2. Gaddafi Defiant as Rebels Seek to Consolidate Power in the [New York Times](#)



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# WORLD



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**LIBYA**

Forget Where's Wally, where's Muammar? With Gaddafi's compound finally overrun by rebels, the Brother Leader is still nowhere to be seen. On Wednesday afternoon he released a broadcast saying that he'd left the compound in a "tactical move", but that he'd been out and about – incognito – around Tripoli and "did not feel that Tripoli was in danger". That's kind of a niche opinion, Muammar.

**USA**

Oy vey. Associated Press has been investigating the NYPD for a month and has discovered that they're spying on predominantly Islamic neighbourhoods for evidence of terrorist activity. In this, they've been assisted by the CIA, who isn't allowed to spy on Americans themselves, but happy to let NYPD do their dirty work. NYPD is unrepentant, saying they are doing everything they can "to make sure there's not another 9/11".

**USA**

Civil rights activist Al Sharpton is to become the host of a new nightly MSNBC series, "PoliticsNation", as of next Monday. It'll be a current affairs discussion show. But the good Rever-



Ben Bernanke (Reuters)

end's appointment hasn't been without controversy, with some suggesting it was a result of Sharpton's close ties with the channel's holding company, Comcast, and his cosy relations with the White House.

**RUSSIA**

North Korea's leader Kim-Jong Il met Russian president Dmitry Medvedev today in the first encounter of its kind for almost a decade. Kim was in cooperative mood, telling Medvedev he was ready to resume talks and even – gasp – halt nuclear production. Must be something in the Russian water.

**CHINA**

The Chinese are buying more computers than the Americans, for the first time ever. China

shipped 18,5 million units in the second quarter, compared to the US's 17.7 million. But it's predicted the Yanks will still finish first in the end by the time 2011 is done. However it's clear evidence that in terms of China's economy, the tiger is stirring.

**USA**

The markets are holding their breath for a speech that Federal Reserve Chairman Ben Bernanke will give on Friday, addressing the US and global economies. It's suspected, though, that he's not likely to unveil any drastic new steps. Nothing showy, just some moderate steps to bolster growth, like reinvesting bond holdings into longer-term securities. Oh sorry, we appear to have nodded off.

**USA**

Dominique Strauss-Kahn was on Wednesday collecting his passport from police in New York in order to fly home to France after a judge dismissed the rape case the former IMF head was implicated in. His friends back home say he is "blanchi" (whitened – i.e. vindicated), but most people seem to think that his presidential dream is over. For now.

**SUDAN**

Satellite images of Sudan reveal evidence of at least eight mass graves in the Sudanese province of South Kordofan. The Satellite Sentinel Project (which has an unlikely funder: George Clooney) says that their images also show body bags and human remains. The Sudanese government says they're fighting rebels in the area, but human rights groups say that they're killing civilians.

**RUSSIA**

Oh dear. A Russian space vehicle carrying supplies to the International Space Station failed to get into the correct orbit – picture yourself trying to change lanes in peak Johannesburg traffic – and fell back to Earth. It smashed to pieces in Russia's Altai province, but there were no casualties. Don't worry, though – the astronauts on board the ISS won't starve. They reportedly have enough food to last another

few months. Bet there were a few DVDs on the cargo ship they couldn't wait to get their gloves on though.

**JAPAN**

Japan isn't happy: two Chinese ships entered their waters in the East China Sea on Wednesday, close to the Senkaku islands. The problem is that China also considers the islands theirs, and so does Taiwan, so pretty much everyone wants a piece of the Senkaku pie. This is because the islands are near rich gas reserves. The Chinese boats were only there for a short time though.

**SYRIA**

Syrian rebels have taken inspiration from their Libyan counterparts, setting up a national council. They're pro-democracy and anti-President Bashar Assad. Assad's forces have been attacking protestors pretty systematically over the course of the Arab Spring. The EU has proposed a full arms embargo on Syria, including freezing Assad's assets. Let's hope what worked for Libya works for the Syrian dissenters.

**USA**

Hurricane Irene is getting angrier. It's up to a category three cyclone now. It already lashed the Turks & Caicos and is currently over the Bahamas en route to the US. And that's

not the only weird weather happening in the States – Tuesday's 5.8 magnitude earthquake in Washington damaged the Washington Monument and the Washington National Cathedral. It was largely harmless though, and hardened San Francisco earthquake veterans mocked the skittish Washingtonians.

**FRANCE**

Zut alors, whatever happened to ruthless capitalism? It's like an epidemic: first Warren Buffett was begging to pay more tax, and now some of France's wealthiest citizens have asked Sarkozy to consider taxing them more. The gang of richies, which includes the L'Oreal heiress, the head of Air France and the Total oil chief, have signed a petition calling for a "special contribution" from the wealthy as a response to worsening state debt.

**JAPAN**

Japan glumly joins the US and Venezuela as the latest country to be taken down a peg in the credit rating stakes. Ratings agency Moody's cut its rating from Aa3 to Aa2, citing concerns about the size of the country's deficit and borrowing levels. It can't help the impression of instability that they're about to appoint their sixth PM in five years.




## KIM GOES OUT TO BUY GAS – OR SO HE SAYS

The official word is North Korea's leader Kim Jong Il visited Russia this week to secure a gas deal. The whispers in the corridors are Muammar Gaddafi's imminent fall unnerved him, and he went to see Medvedev to secure an ally for his successor. By SIPHO HLONGWANE.

Kim Jong Il travelled to eastern Siberia via armoured train and met with Russia's President Dmitry Medvedev in Ulan-Ude near Lake Baikal, to discuss an electricity and gas deal. Some of the gas may not even be for North Korea. Kim could have been securing a deal which would allow Russian gas to run through his almost globally alienated country to South Korea, which would earn the North state about R720 million a year.

Lee Jong Min, dean of international studies at Yonsei University, believes Kim's visit to Siberia may have been motivated more by events in Libya than anything else. Kim has appointed his third son [Kim Jong Un](#) as his successor - a surprising move given that hardly anybody believes the fat young man has what

it takes. "That dynamic is probably much more alarming to Kim Jong-Il than anything else," Lee said. "He's prompted by the need to bolster his power."

Kim senior has reportedly secured the grudging support of China, and now seeks that of Russia as well. He may not be on speaking terms with most of the world, but shouldn't he wait for the International Criminal Court arrest warrant before freaking out about his dynasty? 

### READ MORE:

1. Kim Jong Il visits Russia for talks with Dmitry Medvedev in [Guardian](#)
2. Visiting Russia, Kim Jong-il casts nervous eye on Tripoli in [Christian Science Monitor](#)




## STILL INDIA'S NEW GANDHI

Everyone's so busy watching Libya that it's easy to forget that there's some pretty interesting stuff happening in India, where one man's Gandhi-like protest has galvanised the nation. By REBECCA DAVIS.

Anna Hazare must be hungry. The anti-corruption campaigner is midway through a 15-day protest hunger-strike which has captured the public's imagination in a way the subcontinent hasn't seen for many years. He wants to see the establishment of an anti-graft watchdog to try to halt the epidemic of corruption currently gripping the country. It's serious: a 2005 study found that 62% of Indian citizens had paid bribes at some point.

One factor that makes the success of Hazare's campaign unusual is that he has managed to rouse the often sleepy Indian middle-class. This is a pretty hefty demographic: economic growth has raised their numbers to 50 million and growing. The voting rate among this class is relatively low – they tend to keep their heads down and get on with business. The fact that it is these white-collar workers who are massing to support Hazare is testament to exactly how gatvol Indians are with their country's corruption problem.

But not everyone is in favour of Hazare's movement. Prominent Indian lawyer Yasser Latif Hamdani told *The Hindu* he found it "very dangerous to have a concocted saint riding the tiger of self-righteous middle-class opinion". Booker prize-winning author Arundhati Roy wrote a scathing newspaper column on Monday about Hazare: "While his means may be Gandhian, Anna Hazare's demands are certainly not", she said. Her objection is to the idea of an omnipotent, centralised corruption ombudsman, which she feels is unfeasible and will merely become a bloated ineffectual administration orbiting the bloating ineffectual administration it is meant to protect.

Nonetheless, it's undeniably heartening to see ordinary Indians coming together to counter corruption. South African, take notes. 

### READ MORE:

1. Anna Hazare's campaign awakens middle class, on [Reuters](#)

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## PHONE-HACKING SCANDAL: LIES, LIES AND MORE LIES

The murky News Corp story just gets murkier and dirtier with every passing week. Rebekah Brooks and Andy Coulson are both back in the spotlight over revelations that Murdoch's media company carried on paying Coulson after he left to work for the Conservatives. By REBECCA DAVIS .

Probably the most sinister implication to emerge from the News of the World's demise has been the exposure of the chillingly chummy troika between the UK media, politicians and the police force. The Telegraph revealed this week that David Cameron would routinely sign his letters to former News International CEO Rebekah Brooks with the words "love, David". Aww.

And now it seems that News Corp and Cameron's Conservative party essentially joint-funded former NOTW editor Andy Coulson after he left the tabloid to become Cameron's spin-doctor. The BBC's business editor, Robert Peston, reported on Monday that Coulson received several hundred-thousand pounds from the media group after beginning work for the Tories. For the next three years he continued to receive employment benefits, like medical aid and a company car, from the Murdochs.

This is troubling for a couple of reasons, all of which amount to a patchwork of lies. Lie 1: Coulson, to the Commons culture committee in 2009. When asked if his "sole income" was the Conservative party, said yes. Lie 2: Rebekah Brooks, giving evidence to the same committee in July. When it was suggested that News Corp had subsidised Coulson's salary after he left the paper, she responded "that's not true". Lie 3: the Conservative party, which told The Guardian in July that "we can give categorical assurances that he wasn't paid by any other source".

Did Cameron know about the funding overlap? And what other deceptions are yet to be uncovered? Hang on to your seats – this show is far from over. **iM**

### READ MORE:

1. Call for inquiry into News International payments to Andy Coulson, in [The Guardian](#)



## PETA DOES PORN


Animal rights group PETA is courting controversy again. Their latest stunt is the launching of a porn website, an antic likely to earn them further ire from feminists. By REBECCA DAVIS.

Coming to the Internet shortly is [www.peta.xxx](http://www.peta.xxx). The organisation People for the Ethical Treatment of Animals, is taking advantage of the new xxx domain name set, which is due to arrive December. The activists' site will lure individuals panting for some smut with content from some of their sexy campaigns in the past, but then abruptly switch to its more conventional gruesome footage of animal mistreatment, guaranteed to douse the ardour of even the most perverse porn connoisseur. Spokeswoman Ashley Byrne said: "Our racier actions are sometimes a way to get people to sit up and pay attention to the plight of animals". to group and regulate pornographic websites.

Feminists aren't going to be thrilled by this development. In PETA's important pursuit of rights for animals, has been dogged by a history of riding roughshod over the rights of women. PETA has run a string of campaigns objectifying women in their

attempts to gain attention for their cause. Their "Milk Gone Wild" TV ad a few years ago featured women flashing their "udders" to sleazy male barflies. Its aim was ostensibly to highlight the most offensive elements of the dairy industry, but even network TV channels refused to air the ad.

Then, of course, there's their classic "I'd rather go naked than wear fur" ad series, starring female celebrities nude except for a fur coat. Another anti-fur ad in 2000 pictured a woman wearing panties, around the hem of which protruded unwaxed pubic hair. Their tagline? "Fur trim. Unattractive".

PETA'S argument would be that they are simultaneously critiquing the treatment of women and animals, but that's a tough case to make when you have to go hunting for visible irony in these depictions with an electron microscope. 

### READ MORE:

1. PETA to launch porn website, in [the Herald Sun](#)

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## REPORT SHOWS A MURDER EVERY HALF-HOUR IN VENEZUELA


A study by the International Crisis Group has revealed a person is murdered every 30 minutes due to gang and drug-related violence in Venezuela. It doesn't help that Venezuela's neighbours have great crime problems of their own, of course. It's no surprise then that the study finds that international organised crime filters into Venezuela from Colombia leading to even more kidnappings, drug trafficking and homicides.

While President Hugo Chavez reels in Venezuelan gold stocks from around the world, the report from the ICG has raised deep concern about the incidence of violence in the socialist state. Billed as one of the world's most dangerous countries, Venezuela's organized crime gangs, police corruption, a culture of impunity and millions of firearms in civilian hands all contribute to a rampant rate of murder.

Chavez is blamed for not taking the problem seriously enough, but the study cautions that the high rate of homicide in the country did not coincide with Chavez's ascendancy to the presidency of the country. Organised crime syndicates have grown during the past decade contributing not only to the rise in homicides, kidnappings and extortion rates, but also to a growth in small-scale drug trafficking. The brunt is felt by poor and urban neighbourhoods where violent crime is more severe than anywhere else in the country.

Much of the problem was inherited by Chavez when he took over the country in

1999. At the time he was faced with a country in which homicide rates had tripled in less than two decades and many institutions were in the process of collapse, eroded by corruption and impunity. It is believed that under the "Bolivarian revolution", the problems have become substantially worse. The report reveals that more people have died in violence in Venezuela than in Mexico's drug war.

So severe is the problem that presidential elections scheduled for 2012 may have to be postponed as violence threatens to undermine the electoral process. Chavez has attempted to address the problem by instituting a special police force trained in Cuba. The police force is criticised for being ineffectual in addressing the issue more comprehensively, but the study reveals that areas in which the special unit patrols has seen a drop in murders. 

### READ MORE:

1. Venezuela, More Deadly Than Iraq, Wonders Why in [The New York Times](#)
2. Violence in Venezuela in [Al Jazeera](#)
3. Violence threatens Venezuela vote outcome – report in [Reuters](#)



## LONDON TO NEW YORK BY TRAIN – RUSSIA’S CRAZY ENGINEERING DREAM

Forget the Concorde, the Hoover Dam or the International Space Station. If this project goes through, it will be humankind’s greatest engineering achievement. The Russian government is planning to connect Siberia to Alaska via an underground rail tunnel, which would - theoretically - connect London to New York via Earth’s most efficient transport method. The idea is fantastic and completely crazy. Then again, so was putting a man on the moon. By SIPHO HLONGWANE.

There’s no gentle way to break this, so we’ll come out up front with the figure: The 103km tunnel that will connect Alaska to Siberia is projected to cost R468 billion. The tunnel would be the most technically challenging bit of the 6,260km between Moscow and Uelen, the last town before the Bering Strait, but the project will definitely run up to the trillions of dollars. The actual tunnelling itself will cost something around R86 billion.

The idea is to finally have a continuous

railway line from London to New York to be able to move raw materials from Russia to the US at a far more cost-effective rate than is currently possible. If reports coming out of Russia are to be believed, the plan has all but been approved.

The tunnel under the International Date Line won’t be a continuous line, but will be divided into three sections, linked on two

Photo: The new high speed rail link, the Allegro train between Helsinki, Finland and St Petersburg, cuts the travelling time between Helsinki and St Petersburg by two hours. (Reuters)

islands in the Bering Strait. Russian Railways, the government-owned national rail carrier, is reportedly thinking of connecting Yakutsk, which sits on the Trans-Siberian Railway, to Uelen via a 3,500km rail line. On the Alaskan side, the tunnel would connect to a 2,000km line at Cape Prince of Wales West Alaska to Fort Nelson in British Columbia, Canada.

Just to make the project that much more ambitious, Hydro, a subsidiary of Russia's main electricity producer, Unified Energy Systems, is planning to build two gigantic tidal wave power plants in the far east of Siberia, and then use the tunnel to channel electricity to the US and Russia, at a combined cost cut of R144 billion a year. Vasily Zubakin, deputy CEO of Hydro, said these plants could be operational by 2020.

There is nothing new about the concept. The idea was first mooted by Tsar Nicholas II, but was shelved following the October Revolution and World War I. Following the collapse of the Soviet Union, the idea resurfaced, but fell flat on its face once more when Russia's economy [tanked](#) in 1998.

The idea is being championed by Viktor Razbegin, deputy head of industrial research at Russia's economic and trade development ministry, who wrote a feasibility study in the 1990s. The project will be constructed and run as a private-public partnership, and a conference is being organised for the final week of August to bring US stakeholders on board.


The idea has its detractors. One of them is Sergei Grigoryev, vice president of the state oil pipeline monopoly Transneft, who believes the eastern Siberian oil fields aren't developed enough for the trans-Bering railway idea to hold water.

Since Alaska and Canada both contain oil fields, some wonder whether the demand for Russian oil will be as high as the project optimists think it will be.

Also, the world is only just emerging from a bruising recession and the appetite for era-defining engineering projects may be too low for such a project to be successfully attempted.

What we can safely assume at this point is that this idea won't trigger a similar feat in the US. We probably will never see another engineering soft "war" of one-upmanship between the US and Russia, as we did when the Soviets became the first to put a satellite into space. The most ambitious thing that Nasa did in recent years was poke the moon to discover [water](#) – and that was before Congress drastically [cut back](#) on Nasa spending. Unlike Nasa's space adventures, however, a London-New York railway would have very real and immediate commercial benefits for the countries involved.

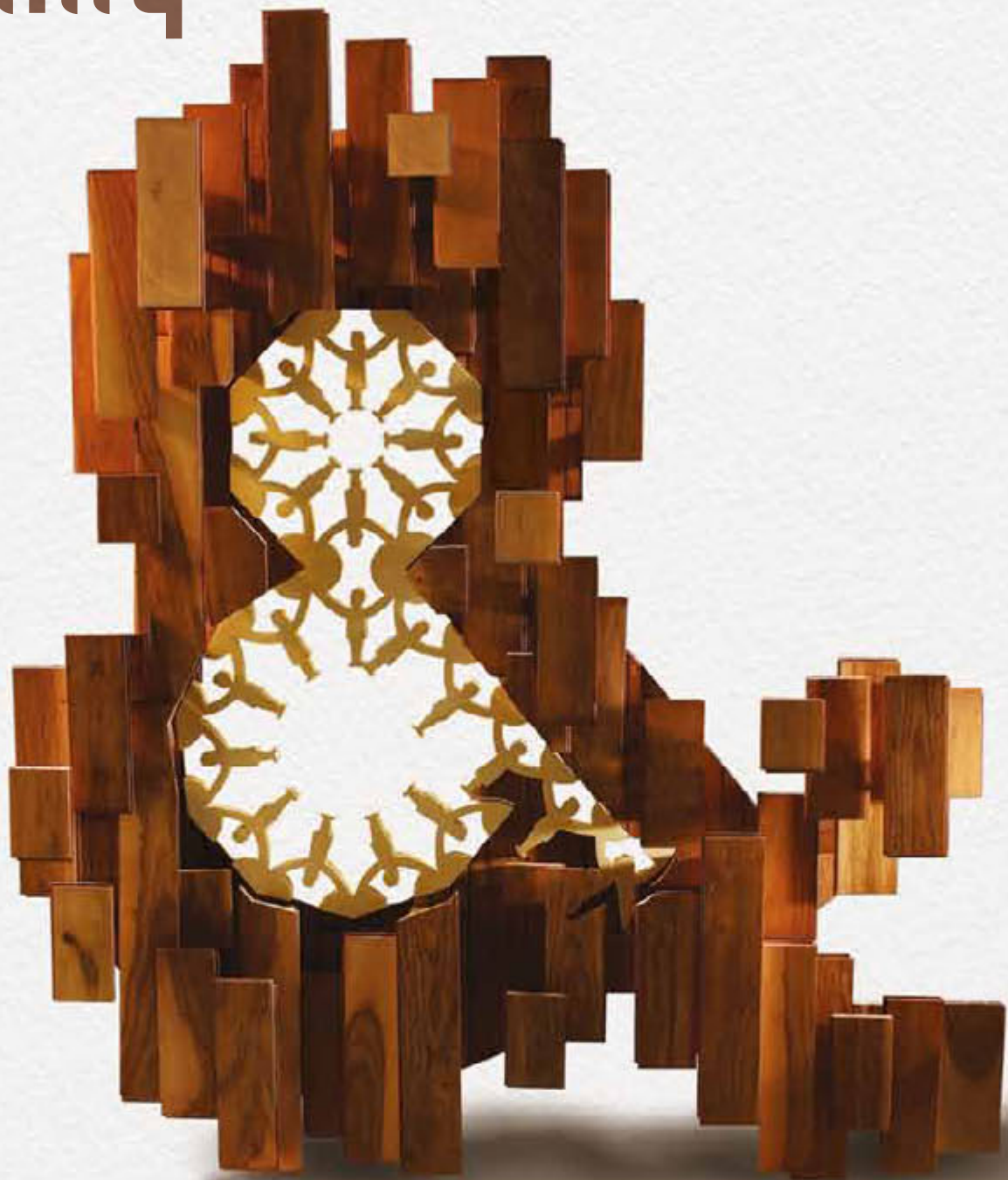
It seems like all the chest-thumping is coming from Russia these days. Not only is their space programme alive and well and their entrepreneurs are planning space hotels, but now one of the most ambitious engineering projects of all time is being spearheaded from Moscow. You can bet that those of a jingoistic turn of mind in Washington won't like it, but what can they do beside grind their teeth?

Unless, of course, they can find enough money to put a man on Mars. 

### READ MORES:

1. Russia plans \$65 billion tunnel to America in [The Times of London](#)
2. Russia Green Lights \$65 Billion Siberia-Alaska Rail and Tunnel to Bridge the Bering Strait in [inHabitat](#)

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## RUSSIANS WANT YOU TO STAY AMONG THE STARS – FOR R7 MILLION A WEEK

Yet another company has announced plans to commercialise space. This time it is Orbital Technologies, a Russian company that says it will be launching a satellite hotel. Is this going to beat the old bugbear of commercialising space, ambitious but rubbish? SIPHO HLONGWANE doesn't think so.

Orbital Technologies says a seven-room luxury hotel orbiting 352km above Earth may soon be a reality. A five-day stay will cost you R7.2 million and includes a jaunt around the moon, three months' training beforehand and a return flight (thankfully) aboard a Russian Soyuz rocket or on one of the many commercial spaceships being planned.

Despite the “luxury hotel” moniker, the amenities aboard this space hotel would shame a hospital. There are no showers (sponge bath only), a vacuum toilet and everyone eats the ominously-named “space food”. And there is absolutely no alcohol, not even vodka miniatures on board.

Which is all very well. Except we have become increasingly bad at succeeding in

ambitious space projects. We couldn't even save [the Concorde](#), and now we want to have space sleepovers.

More troublingly, the [commercial space travel programmes](#) on which the Russian space hotel will rely to ferry guests to and from Earth are still in their infancy.

Could we sort out the transport first before worrying about the conditions at the destination? [iM](#)

### READ MORE:

1. Want a space vacation? Russia luxury hotel in orbit will start at \$1 million a week in [Christian Science Monitor](#)
2. Russia plans orbiting hotel in space in [Reuters](#)



## WEST WANTS LOCKERBIE BOMBER BACK FROM LIBYA

Politicians on both sides of the Atlantic want the national transitional council of Libya to hand over the Lockerbie bomber back to Scotland or to the US. The problem is that Scotland released him from prison on compassionate grounds two years ago - in a case echoing South Africa's own Schabir Shaik fiasco. By SIPHO HLONGWANE.

Abdel Baset al-Megrahi pulled a Schabir Shaik con when he turned up very much alive at a pro-Gaddafi rally in Tripoli on 26 July, two years after he was released from prison in Scotland on compassionate grounds due to prostate cancer, apparently with scant months to live.

Politicians in Britain and the US - which has an outstanding criminal indictment on Megrahi - say that the rebels should send him to the US to stand trial. There are calls for Gaddafi to appear before the ICC for [the Lockerbie](#) terrorist bombing of a Pan-Am flight that claimed 270 lives.

The transitional council rightfully pointed out that Megrahi was the least of their

problems. "Before we can deliver justice to Gaddafi's many victims, we must first bring down the regime and then turn to the important work of forming a new government, writing a constitution and establishing the rule of law," it said in a statement.

There's also the question of which law would be used to bring Megrahi to the US to face trial. He can't exactly be dragged back to Scotland as he hasn't breached the conditions of his release. [iM](#)

### READ MORE:

1. US lawmakers urge new moves against Lockerbie bomber in [Reuters](#)
2. Should the Lockerbie bomber go back to jail in [Christian Science Monitor](#)

# BUSINESS



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**SA**

The JSE All Share index rose 1.18% to close 29,604. Volatile coal producer, Optimum Coal, rose 7.2% in trading. The coal supplier released a cautionary notice last week saying it was engaged in talks that could affect its share price.

Avusa, the listed media company, led the losers on the JSE south, shedding 4.6%. Avusa is currently being courted by Capita, having previously asked for the suitor to make a firm offer prior to the due diligence deadline of 7 September.

Gold producer, Goldfields lost another 4.6% after a rally that saw its share price climb 25% in just over a month.

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**GLOBAL**
**UK**

The FTSE 100 index ended up 1.5% to close at 5,205. Man Group, the world's largest hedge fund manager rose 10% after an HSBC analyst changed its rating of the stock to "overweight". The Royal Bank of Scotland rose 9.3% after shedding more than 20% of its value in the last week of trading, as bargain hunters came



Rick Perry (Reuters)

into the market looking buying opportunities.

Regulators are imposing more reporting rules in attempts to monitor the \$600 trillion off-exchange derivative market. In 2008, when Lehman Brothers collapsed, regulators were alarmed to realise no measure existed to assess which banks were at risk due to the investment banks demise, thanks to the derivatives market.

**EUROPE**

Automakers across Europe advanced as carmakers on the continent saw the benefits from strong international demand materialise into strong order books. Daimler (makers of Mercedes Benz) rose 5.5% while Fiat climbed 6.2% in trading. Orders for motor vehicle parts

also jumped 12%, the most since 2003.

UBS's decision to cut 5% of its workforce has seen the casualty rate in European banks rise to 40,000 in the past month alone. Switzerland's largest bank said it would be cutting 3,500 jobs, mainly from its investment bank. On 1 August, HSBC announced plans to cut 30,000 workers, a move followed by Barclays and RBS. European Banks are cutting jobs six times faster than it US counterparts.

Ageas, majority owner of the largest life insurer in Belgium, rose a staggering 21% after saying it would buy back 250 million euros of its own shares. The company also reported a net-loss of 58 million euros, about half what was expected by analysts.



Carlos Slim (Reuters)

Apple won an injunction in a Dutch court to prevent rival Samsung from releasing three smartphone models in Europe, citing patent infringements. Apple and Samsung are fighting it out for majority share of the smartphone market in most developed markets.

### US

Gold plunged in New York trading, heading for its biggest drop in 18 months on speculation the worst is over for financial markets. Bullion has lost over 5% in two days of trading, after hitting a peak of \$1,917 per ounce.

The dollar rose in trading against major currencies, as the market did not expect quantitative easing would be on the cards, when the Federal

Reserve meets on Friday. However, gains were small with little conviction, as the greenback moved back and forth in a fairly tight trading range.

Groupon, the world's largest daily deals website, has appointed executives of Citydeal, the European company it bought last year, to help stimulate its slowing US business. Groupon shares have lost 20% in recent private auction and secondary market trades, to a valuation of \$16 billion. The company filed a motion to raise \$750 million in the most highly anticipated IPO of 2011.

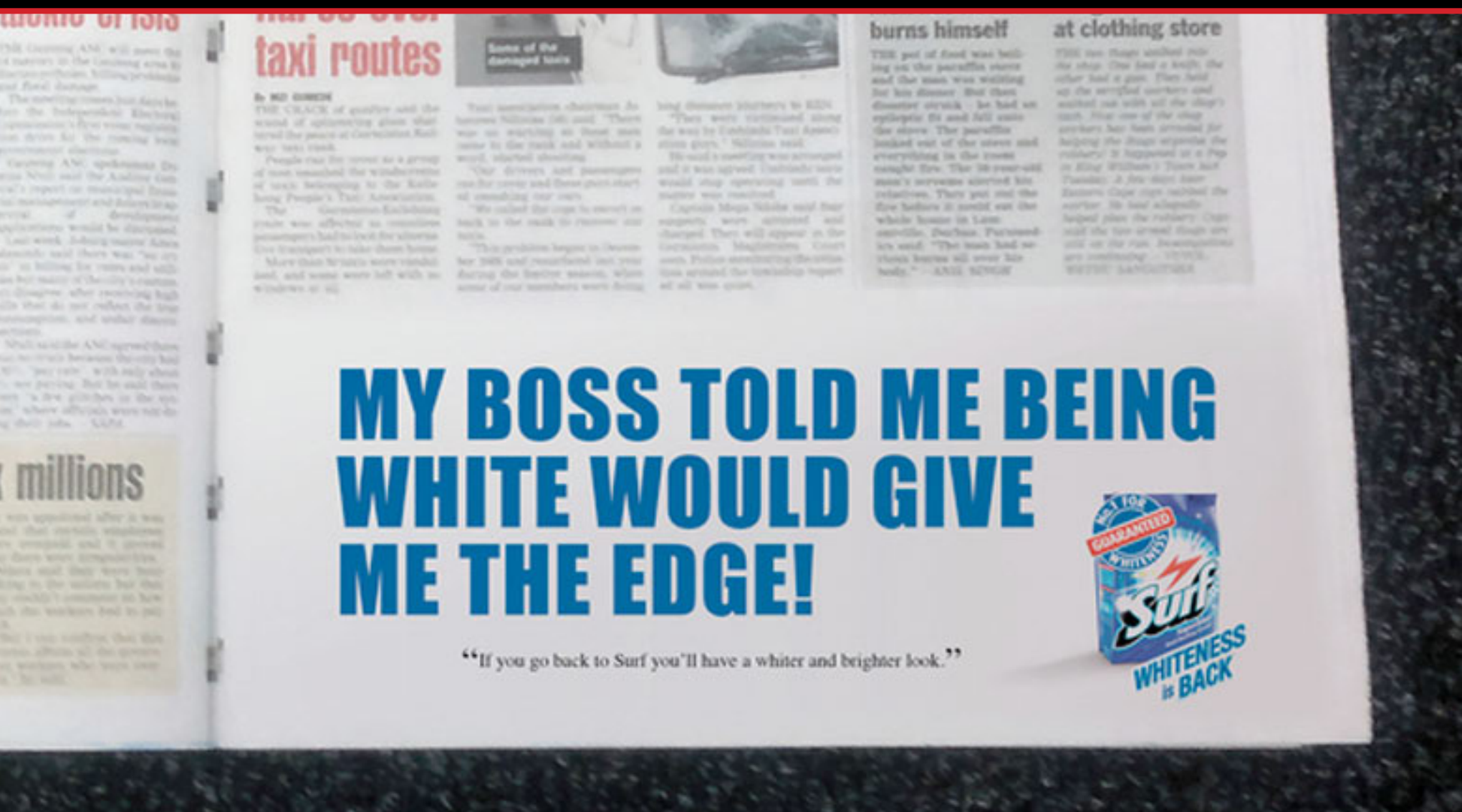
Mexican billionaire, Carlos Slim, continued his purchasing spree of New York Times stock, raising his total investment to 7.5% ownership of the company. Up-market retailer, Saks Inc. has also been on the shopping list, now

16% owned by Slim.

Deep Shah, the former Moody's analyst found guilty of insider trading, has been ordered to pay \$35 million in an SEC lawsuit. Shah, was fingered in a SEC probe in 2009 that involved Galleon Group Hedge Fund founder, Raj Rajaratham. Since implicated, Shah has fled to India where he continues to evade authorities.

### CHINA

Ministry officials said Google had failed to lodge an application for regulatory approval for its planned purchase of Motorola. Under Chinese law, businesses that earn annual revenues in excess of \$1.5 billion globally, must seek government approval for the proposed acquisition.



## SURF WASHES BAD NEWS COPY WHITER THAN WHITE

“My whites work for me.” That’s one of the many risqué lines Surf used in a brave ad campaign that recently saturated the Daily Sun, and poked fun at the medium and SA’s racial divide. But when a cringe-worthy release from Surf’s agency JWT started appearing on local news sites, Unilever was not amused. After carrying the story for a few days, a couple of news sites hit delete when JWT asked them to expunge all record of the story. By MANDY DE WAAL.

Something was definitely up when news and marketing sites deleted a story about a sizeable campaign Surf ran in the Daily Sun last Friday. Surf had done something brave by parodying their legendary position on whiteness in a series of ads in SA’s most popular tabloid. The series of 12 ads ran through the paper and rather cheekily included bold headlines that read: “Whites are suffering”, “I am jealous of the whites next door”, “Most of my friends are white”, “Is it because she’s whiter than me?” and “My whites work for me”.

The campaign was created by JWT, and on the Thursday before the campaign launched JWT’s spin doctors sent out a media release saying: “Be prepared to have your understanding of whiteness challenged as a tongue-in-cheek pro-white campaign by JWT Johannesburg targets readers of the Daily Sun.”

The release by Owlhurst Communications quotes Diane Fraser, business unit director at JWT Johannesburg, “It is possible that you are

Photo: One of many Surf "white" ads

the whitest person you know right now, even if your name is Tshabalala.” (Ouch.) JWT gives itself a firm pat on the back by saying how humorous and edgy the campaign is, before Fraser rubs in the praise with another quotable quote: “Surf is the number one washing powder for guaranteed whiteness and it’s back with a new campaign that is sure to get tongues wagging as we encourage Daily Sun readers to be ‘whiter’ than everyone else.”

The campaign is hardly original because people have been satirising that “whiter than white” pay off line since Verwoerd separated colours. Where the campaign is brave and innovative, is in terms of the social statement it makes about the Daily Sun. It is also brave in that it attempts to get people to laugh at the racial stereotypes they use, which in the fraught tenseness of race relations in South Africa must be applauded .

That PR release is, however, another story. But even badly written releases are good fodder for most marketing sites, and that’s how the story found itself almost verbatim into Financial Mail’s “AdFocus”, along with a couple of other sites. The weekend came and went, and on Monday a rather sheepish Owlhurst started doing the rounds asking the news and marketing sites that carried the story to please remove it.

FM gladly complied without even knowing why. “I had a request to remove the story, but I am still waiting to hear what the reason is. I don’t know the reason yet because I am waiting for the PR people to get back to me,” said “AdFocus” editor David Furlonger. When questioned about whether it was standard FM policy to pull stories when PRs request this, a



tetchy Furlonger said: “This was my decision and I am not going into the rights and wrongs of my decisions. I pulled the story because it wasn’t well written.” When asked why the FM published a badly written story and then pulled it, the editor got even grumpier and said. “We were in a rush at the time and I was on deadline. Listen I am deadline[sic], I don’t have time for this.” He then put the phone down.

The story was also readily deleted by The Media Online which in a tweet said: “We pulled it pending clarity from the PR, which we now have, and are working on a piece engaging with the issue.” The site, however, neglected to tell readers why the story was pulled at the time.

iMaverick put in a call to JWT’s Fraser and it appeared she too was not in the best of moods. When asked about the campaign, Fraser replied “I will have to say no comment. No comment,” before putting the phone down.

The Surf story is hardly ground-breaking or paramount to the future socio-political survival of this country, but the fact that a publication like FM would delete it without informing its readers why it was doing so raises issues of editorial integrity.

If you extend this editorial decision-making process to the political sphere it becomes plausible to wonder what would happen if Floyd Shivambu had phoned the FM and said: “You know that story about Botswana. Well, our bad. We’d like that deleted from your site and will let you know why a bit later. Ta muchly.” Sounds implausible, but if editors are deleting stories at whim, where do you draw the line?

Herman Manson, editor of edgy marketing site, [MarkLives](#), who first alerted iMaverick to the Surf situation says this editorial decision is concerning because it positions online news media as an environment where people can remove a story from what is public record without explanation. “After publication editors have a responsibility to inform readers about the changes they make to a story, or about removing a story. This policy comes from the traditional print policy which states that if it is in print, it becomes a matter of

editorial{sic} record.”

Online media who want the same credibility as printed newspapers need to have the transparency and integrity to act in accordance with the same journalistic standards. “You can’t just delete a story at whim. Where would this lead us if every site did that? What if that someone in government made a request for a story to be deleted? Would an editor allow them to do that?”

William Bird, director of Media Monitoring Africa, says the matter raises ethical issues. “If the ANC realised the error of its ways with regards to Botswana, would they be right in asking to remove statements to this effect from news web sites? If news sites put up something that was wrong or ill advised, they need to make changes through updates. To simply remove stories without offering any context or comment is concerning,” says Bird.

“This is a similar issue to that of images that are deleted because the media get complaints from readers and decide to remove the image to stem these complaints. The issue is about process and explanation, and about acting in a manner that is ethical,” he says. “If you follow a standard of journalism where you tell the truth

**... What would happen if Floyd Shivambu had phoned the FM and said: “You know that story about Botswana. Well, our bad. We’d like that deleted from your site and will let you know why a bit later. Ta muchly.”**

as fully as possible, and then go and remove stories or photographs from your site willy-nilly, it is unethical," says Bird.

One site that didn't bow to PR pressure was BizCommunity, which ironically runs PR offices on its site yet has a strong policy when it comes to changing stories after they've been published. "We can't take out a story without giving a reason to our readers," says Simone Puterman, managing editor of BizCommunity.

"What I have been trying to do is be transparent and show corrections with strike outs, and indicate updates at the bottom of the story. Online media is so easy to change and it is easy to change facts that other media may be quoting. Unless you are transparent and show what has changed, you are doing yourself a disservice. That is important for record, but more importantly as a matter of editorial integrity."

Puterman says she was under some pressure to remove the piece. "I told the PR person that they would have to put up a retraction rather than leaving it there. If it was a press office, it could be different, but it is an editorial piece that has been up since Friday."

So why was the PR agency so desperate to get the offending copy removed? Owlhurst states that the release wasn't approved by Unilever.

The British-Dutch multinational now says it had second thoughts about the campaign. "Surf Washing Powder has always been famous for its whitening power," a statement from Unilever to iMaverick read. "Our advertisement that appeared in the Daily Sun on Friday, 19 August, aimed to be tongue in cheek, while communicating the efficacy of the Surf brand to our consumers. However, given the issues that have arisen in the past weeks, Unilever felt the campaign may be taken as offensive by some

# SURF IS BACK - NOW MY WHITES WORK FOR ME!

"Surf is all about whiteness and brightness. That's why we are 'No. 1 for whiteness guaranteed'. If you want guaranteed whiteness, you need to go back to using Surf - today."



## It's a pity the brand managers at Surf are so skittish because Twitter feedback on the ad was, for the most part, positive.


of our consumers. Hence we have decided to replace it with a standard campaign.”

It's a pity the brand managers at Surf are so skittish because Twitter feedback on the ad was, for the most part, positive. Cartoonist Jerm (@mynameisjerm) tweeted: “Actually, while opportunistic, it's funny. Of course, politically correct sheeple will get all offended and stuff.” iMaverick's own Siphon Hlongwane (@comradesiphon) said on Twitter: “Black guys were having a fat laugh about it over the weekend. I don't think it's a big deal. Lazy, not insensitive.”

Journalist, author and satirical writer Gus Silber says JWT's play on whiteness is hardly original. “That Surf line has been used so often particularly in the apartheid days by the anti-government spectrum. Every satirist worth his salt had a gag about Surf washing whites, whiter. It was an obvious point of amusement, particularly with the play on separating your whites from other colours. It's just such an obvious metaphor.

“What does work about the campaign is

that they're also having a laugh at the medium and the Daily Sun style. For a brand play this gives the campaign some fun and because it uses the bold, brash Daily Sun style the campaign takes an old recycled gag and makes it a little more original,” said Silber

It takes a brave global brand to present society with a satirical mirror in which it can find a little comic relief in a newspaper that largely carries stories of battles, bribes and loads of bad news including stories of racial strife. Too bad Surf didn't have the strength of its convictions and pulled the campaign at the first frothy of controversy. 

### READ MORE:

1. Unilever Reports Highest Quarterly Price Growth Since 2009 in [Bloomberg](#)
2. NPR not the only news org in need of modern, realistic ethics guidelines for its journalists at [Poynter](#)
3. Shouldn't giving sources their due credit be the same online as in print? at [Editor's WebLog](#)
4. The Donald W. Reynolds Journalism Institute's collection of 400 codes of ethics from [newspapers across the globe](#)

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## BIO-OIL, SA'S GLOBAL GREAT

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Justin and David Letschert were two merger and acquisitions lads who happened upon a brand called Bio-Oil during the course of their business some ten years ago. What came next is the story of legend as the brothers not only took this brand global, but pioneered a new product category that's spawned a sea of copy cats around the world. By MANDY DE WAAL

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How do you run a successful, lean global operation from Cape Town without becoming a staff-stuffed multinational? When you create a new international product category and everyone else wants to cut in on the action, how do you stay ahead of the game?

Justin Letschert, CEO of Union Swiss has the answers, because since 2000 after he quit mergers and acquisitions to buy out the Bio-Oil brand from Union Swiss, he's been effectively wrestling with those questions. Today Bio-Oil is a brand that sells well in excess of a million units a month to consumers who love this

product in 20 countries around the world.

And, despite spawning a mass of "me too's", the product's growth is speeding up, not slowing down. "We were in 20 countries and realised that we needed to accelerate our growth because we live in an internet age where everyone knows our product before it is even on a retailer's shelf," says Letschert.

Before 2011, Bio-Oil, the only brand currently owned by Union Swiss, was launching in two to three new countries a year. The process was

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Photo: From two thousand units a year, to a million, with a projected growth of two million, Justin Letschert has created a global brand

driven by people who'd fly or call around the world, and a lot of knowledge passed between staff and distributors wasn't recorded and was being lost in the growth process.

"We started building an extranet called Biooilbrandmanager.com about three years ago, which was completed earlier this year. Our distributors log onto the site with a password, and while we're sleeping they can get whatever information they need about our product," says Letschert.

The extranet contains product manuals, over 40 clinical trials for the tissue oil, specific use guidelines, together with all the marketing material and advice that distributors need to localise marketing in their region. "We reduced our staff by ten people in the past ten years. It took three years to get everything online and a lot of thinking to plan for the extranet so that it is intuitive, accessible and user friendly. It needed to be a complete knowledge management system with all the management accounts, newsletters and information our distributors require across the world."

From education to inspiration the extranet includes the answers to every single query that's been logged since the system was set up. Distributors can look at PR and marketing lessons from other territories, together with information about how challenges in other parts of the world are successfully overcome. "It took us a long time to create this, but I can now say that in the skin care market we are a leader in the way that we run this global brand online," says Letschert.

"Other skin care brands have evolved out of a traditional market, whereas we grew up in the internet age which has been a distinct

advantage for the brand." Letschert says the extranet is based on the psychological understanding that distributors don't want to be hounded by a head office, but rather want firm boundaries and solid direction, and want to conquer local markets independently.

"We work with a single distributor in each country, where as a huge company like Unilever would work with subsidiaries. There has to be a very strong dividing line in terms of ownership as to what we do and the distributors do. Our experience is that it is about drawing a line in the sand and not being variable, if this is to be successful," says Letschert.

This is a far cry from the challenges that Letschert and his brother had some ten years ago when they acquired the Union Swiss business and Bio-Oil was selling a modest 2000 units a month. Justin and his brother David Letschert were running a boutique mergers-and-acquisition firm specialising in the pharmaceutical and personal care industries when Union-Swiss was up for sale. The company had a sizeable brand portfolio with ten brands that had spawned 120 products. A lot of the products were not performing.

The owner wanted out, but didn't want to split up the brands. The merger specialists got great interest, but everyone wanted to bits of the company, rather than the entire company which the owner would not allow.

"At that point we had done so much work on the business we decided to buy it. We bought a business we knew nothing about and my brother literally climbed in his car and drove across South Africa to take ownership. It was three years before he returned," says Letschert.

If you're unfamiliar with Bio-Oil, it is a tissue

oil that operates in a category that is dominated by creams. About 95% of the skin care sector are creams which are made with water which carries oxygen and has an oxidising effect which reduces the efficacy of additives like vitamins, botanicals and other special additives markedly.

What's unique about Bio-Oil is that it has a unique viscosity that is easily absorbed thanks to PurCellin Oil, a breakthrough pioneered by the founder of the product. To set themselves apart in a very saturated market the Letschert brothers market Bio-Oil as an accessible medical product rather than a beauty product.

"We realized that no one was playing in the scar market because commercial products to treat scars didn't exist ten years ago. The skin care industry was saying 'scars are a medical problem' and not doing anything about it, while the pharmaceutical industry didn't think scars were a big enough medical problem or market to focus on." With research showing that every person has an average of three scars, the market potential was overwhelming. Males proudly show off their war wounds, but women often want to lessen scar tissue.

"What we did was simple. We repositioned Bio-Oil from being a tissue oil that was used

for special occasions to a scar and stretch mark product. Clinical trials had yielded incredible results, so we knew people would take to the product," Letschert says. "All we did was to give people a reason to use our product."

The result is a runaway brand success that pioneered a new skin care category. But although this was a lucrative new niche, other skin care brands didn't understand the global opportunity that Bio-Oil had created, and so other market entries didn't rush in to challenge Bio-Oil immediately.

"It took a while for people to understand the product. We had a situation where the product is different to everything else on the market. We are an oil while everything was creams and lotions. For this reason our product was seen as an aberration in many respects because oil wasn't on their radar," says Letschert.

What has proved fortuitous for Bio-Oil is its clinical flavour. This has created huge loyalty and trust in the brand. "People will not readily believe that if Vaseline brings out the same product that it works. There is a scientific basis to our brand that affords it credibility," says Letschert.

Bio-Oil has established this credibility

**The result is a runaway brand success that pioneered a new skin care category. But although this was a lucrative new niche, other skin care brands didn't understand the global opportunity that Bio-Oil had created,**

## Others could try and copy us, but they just don't have our focus. Focus is everything in our business.

through investment and hard leg work. Union Swiss invests in clinical trials with medical universities in each new territory Bio-Oil enters. Bio-Oil is represented at as many relevant medical conferences in each territory as possible. “We go to nurses, midwives, and make huge effort to spend time with doctors and skin care specialists. When consumers hear the first recommendation on our product, it is moreover a medical or quasi-medical recommendation. You have to do the advertising because if you want to be listed on the shelves of large retailers this is obligatory. There is no slow burn in retail, everyone wants instant gratification,” says Letschert.

Union-Swiss has spent millions on clinical research. A case in point is the acne scar trial currently being conducted in China. “Acne is prolific in China. When you see Bio-Oil being used in the west it is because of a burn, stretch marks or surgery scar. But in China when you need a treatment for scaring people will automatically assume this is because of acnes. That's how prevalent it is.

“Bio-Oil is an education based product, so if we're talking to a doctor in China we have to have done a trial on acne. It is embarrassing not to do it,” he said. Clinical trials are done

in each new territory before launch, and it can often take years for a trial. This means by the time Bio-Oil has entered a new market there is significant knowledge about the skin care issues in that market.

Another lesson in the Bio-Oil success story is strength of focus. “Others could try and copy us, but they just don't have our focus. Focus is everything in our business. We only have one brand so it is an obsession with us. We don't want to leave any stone unturned because excellent foundations are the basis on which this global business was built and has grown,” says Letschert.

This year the brand will enter Singapore, Mexico, Norway, Sweden and Denmark with the aim of doubling production volumes in the next ten years. Letschert says this will see Bio-Oil increase from one million to two million units a year in a market that's now saturated with copy cats. Not bad for two merger and acquisitions guys who traded that in for a small skin care business. 

### READ MORE:

1. We did it our way in [Sunday Times](#)
2. Smooth operator in [Financial Mail](#)

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# LIFE, ETC



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**USA**

Facebook has announced a new set of privacy features, probably partly as a result of everyone being paranoid that Mark Zuckerberg is selling all their personal details to cold-calling companies, and partly because they're scared about Google+. The new settings allow you to specify exactly who sees individual posts and pictures, which is exactly Google+'s USP.

**USA**

A US interstate highway was temporarily shut down on Tuesday as a result of canisters of frozen bull semen rolling off a Greyhound bus. There are many elements of this story that are confusing, not least why a Greyhound bus was carrying bull semen in the first place, but we are only ignorant South Africans who cannot possibly fathom the workings of our sophisticated American friends.

**VIETNAM**

American doctors are traveling to Vietnam to remove a 90kg tumour from a man's leg. It's the biggest tumour ever recorded in Vietnam, which makes you wonder what size the biggest ever tumour globally was. If you are remotely cancer-phobic you are advised



Facebook's Mark Zuckerberg (Reuters)

not to search on Google Image for "Nguyen Duy Hai's right leg".

**CANADA**

A new study by Canadian researchers has estimated the world's total number of species at 8.7 million, but they say 90% of those have yet to be discovered, which is a bit confusing. We're sure they're using some highly reliable algorithm to calculate all these "unknown unknowns", to quote Donald Rumsfeld, but it does kinda sound like a thumb-suck figure.

**USA**

Everyone keeps saying that Will Smith and Jada Pinkett-Smith are divorcing, except the couple in question, who have categorically denied it. Suppose we'd better take their

word for it, as they do seem best placed to comment. The rumours started because In Touch magazine, not known for being a bastion of journalistic credibility, said they were in splitsville.

**BANGLADESH**

Spare a thought for Bangladesh's cricketers. They just lost to Zimbabwe in a one-off match, and upon their return to Dhaka were met by a crowd of enraged fans holding placards and... shaking broomsticks at them. And there we were thinking that the only connection between sport and broomsticks was Quidditch.

**USA**

Lady Gaga is receiving the ultimate accolade: appearing in an upcoming Simpsons episode,



Lady Gaga (Reuters)

in which she smooches Marge. The hussy! Bet it won't be as good as the episode where Paul McCartney told Lisa that if she played the record of "Maybe I'm Amazed" backwards she'd hear a really ripping recipe for lentil soup.

#### **SOUTH AFRICA**

Iconoclastic chicken-makers Nandos was quick off the mark in response to "Ardgate", Ard Matthews's butchering of the national anthem on Tuesday night. By Wednesday they had released a print ad reading:

"ARD, we've got two words for you, but we forgot them". What kind of a name is Ard, anyway?

#### **UK**

Another unsurprising research finding of the year: a UK survey for the National Literacy Trust has established that the youth don't read. Sorry, to clarify: they do read, but in chunks of no more than 140 characters. The exposure of English youngsters to the written word centres on Facebook, Twitter and texting. No wndr they ryte lyk dis.

#### **USA**

Guinness has launched a black lager, which sounds like a contradiction in terms but apparently isn't. Makers Diageo plan to conquer the US beer market with it. They say the beer "combines the refreshing taste of lager with the unique character of Guinness". But if you take away that coffee-esque Guinness taste, what exactly does the unique character consist of? Working class Irish mothers being force-fed the stuff for strength after giving birth?



## O BROTHER, WHERE ARD THOU?

Just Jinjer frontman Ard Matthews has taken it upon himself to rewrite our national anthem. The Presidency urges all South Africans to acquaint themselves with the lyrics to the revised version as soon as possible for the sake of national unity. By REBECCA DAVIS.

For the benefit of younger readers, Just Jinjer was a band who satisfied the SA music market's aching hunger for anodyne, sub-Bryan Adams soft-rock before handing over the baton of musical mediocrity to The Parlotones and pissing off to America. Even though Matthews and his buddies are really, really proud South Africans. Never forget that. He even has a tattoo of Africa on his arm, which in terms of evidence of commitment is practically the same thing as single-handedly driving a truck of supplies to Somaliland.

Just Jinjer used to spell their name Just Jinger, but changed it because their cretinous fans kept thinking it was pronounced to rhyme with "singer", which is what Ard Matthews hopes to be when he grows up. It's

so irritating when people pronounce things wrongly, isn't it, Ard?

But mi scusi, Ard, because really we owe you heartfelt thanks for your re-tooling of the anthem. Whites always struggled with those pesky words in – what is that language, anyway? Fanagalo? Matthews's new version makes it much, much easier for mlungus to be able to join in the pre-rugby singing before the Die Stem bit finally kicks in to put them out of their embarrassment.

Pay attention, now. Second verse, old version: "Morena boloka setjhaba sa heso, O fedise dintwa le matshwenyeho". We're finished with that. New version: "Morena baloo ke, na na sari steve, opec di say peeper lemur train yeah ho".

Got it? Good, there'll be a test after class. **IM**



## ANOTHER ROCK 'N' ROLL LEGEND GOES ON TO PERFORM AT THAT FINAL CONCERT IN THE SKY

Jerry Leiber, the man who penned the lyrics for dozens of the songs that defined an era, died on Monday at the age of 78. Rock 'n roll's been around for 60 years and Jerry Leiber and his composing partner, Mike Stoller, were surely in the delivery room, watching its birth. By J BROOKS SPECTOR.

Leiber wrote the lyrics for songs like “Hound Dog”, “Jailhouse Rock”, “Stand By Me”, “Yakety Yak”, “On Broadway”, “King Creole” and dozens more and his words became the stories that spoke to millions around the globe.

Leiber was born in Baltimore, but he and Stoller met up in Los Angeles back in 1950. They later moved to New York where they set up their composing “shop” in the Brill Building, like so many other Tin Pan Alley musical maestros since.

While Jerry Leiber was still in high school and working part-time at Norty’s Record Shop, he met Leonard Sill, a promoter for Modern

Records. He wanted to become a songwriter and Sill advised him to find a pianist who could work with him to put his ideas to music. Meeting Stoller the two hit it off and began writing together. Much later Leiber would describe their working style: “Often I would have a start, two or four lines. Mike would sit at the piano and start to jam, just playing, fooling around, and I’d throw out a line. He’d accommodate the line — metrically, rhythmically.”

Song writers Mike Stoller (L) and Jerry Leiber arrive at the 25th Annual ASCAP Pop Music Awards at the Kodak theatre in Hollywood, California, April 9, 2008. REUTERS/Danny Moloshok

Together, these two street-savvy, smart-aleck, young Jewish kids kept churning out wonderfully suggestive, bluesy tunes with their street-smart lyrics – with black singers and groups in mind to perform them. Thinking about his lyrics, Leiber explained that “Pure and simple, ‘Poison Ivy’ [their 1959 hit for The Coasters] is a metaphor for a sexually transmitted disease – or the clap – hardly a topic for a song that hit the Top Ten in the spring of 1959. But the more we wrote, the less we understood why the public bought what it bought.”

Leiber and Stoller wrote their first huge hit, 1952’s “Hound Dog”, for Big Mama Thornton, well before Elvis Presley covered it in 1956. Leiber told Josh Friedman, the author of “Tell the Truth Until They Bleed: Coming Clean in the Dirty World of Blues and Rock ‘n Roll” that, “I yelled, he played. The groove came together and we finished in 12 minutes flat. I work fast. We raced right back to lay the song on Big Mama.”

“Hound Dog” changed pop music forever, turning the pair into the hottest songwriting team in the business. They turned out songs like “Jailhouse Rock,” “Loving You”, “Don’t”, “Treat Me Nice” and “King Creole” for Presley, despite their publicly expressed loathing for his interpretation of “Hound Dog”.


Their hits for The Drifters became some of the most admired songs in the rock ‘n roll canon, like “On Broadway,” written with Barry Mann and Cynthia Weil, and “Stand By Me” with Ben E. King. Then, with Phil Spector, Leiber wrote “Spanish Harlem.” And if this body of work wasn’t enough to mark the two men as central to the development and flowering of rock and roll, they also

wrote “Charlie Brown”, “Young Blood” with Doc Pomus, “Searchin’”, “Poison Ivy” and “Yakety Yak.”

From the mid-1960s, Leiber and Stoller increasingly worked on the production end of hit making. They founded Red Bird Records and turned out hit records with girl groups like the Dixie Cups and “Chapel of Love” or the Shangri-Las with “Leader of the Pack” and “Walking in the Sand”. After selling their record label, they worked as independent producers and writers. Peggy Lee, who recorded their song, “I’m a Woman” in 1963, also recorded “Is that All There Is?” in 1969.

“Smokey Joe’s Cafe,” their 1954 hit for The Robins, became the title of a successful Broadway musical based on their awesome songbook. Back in 1987, when the two men were inducted into the Rock and Roll Hall of Fame, it was announced: “Jerry Leiber and Mike Stoller have written some of the most spirited and enduring rock ‘n roll songs. Leiber and Stoller advanced rock ‘n roll to new heights of wit and musical sophistication.”

And of his longtime partner, Mike Stoller told Rolling Stone: “As would-be songwriters, our interest was in black music and black music only. We wanted to write songs for black voices. When Jerry sang, he sounded black, so that gave us an advantage. His verbal vocabulary was all over the place – black, Jewish, theatrical, comical. He would paint pictures with words.”

Mark Stoller remains with us still, but Jerry Leiber has now definitively left the building. 

#### FOR MORE, READ:

1. Jerry Leiber, Prolific Writer of 1950s Hits, Dies at 78 in [The New York Times](#)
2. Songwriter Jerry Leiber Dies at 78 at [Rolling Stone](#)



## 'RAIN' – A TRIBUTE IN NEED OF 'HELP!'

Two things The Beatles had by the bucketloads were character and thick Liverpudlian accents. Take those away and you're left with four men singing some excellent songs and sporting a range of wacky outfits, but lacking the charm and charisma that helped make the Fab Four so memorable.  
By LESLEY STONES

The result is "Rain – A Tribute to The Beatles". The musicians on stage work hard, but fail to achieve much rapport with the audience. Instead, the early scenes set in a TV studio with flashing "clap now" signs are followed by the band urging us to clap, sing, stand and dance long before any party mood has crept across the audience.

For me the greatest flaw is the show is so utterly America. That explains the dodgy mangled accents, yet it also jars to see these British icons against an American backdrop.

The show begins with film clips from 1964 and '65 showing their arrival in America when they played the "Ed Sullivan Show" and staged a massive concert in Shea Stadium. Large panels at the side and behind the band are used well to add to the atmosphere by showing the events of the time. They're particularly effective in the shorts breaks when the band changes for the next era, with amusing adverts interspersed with news reels taking us a few years forward.

But all the clips are of events unfolding in America. Maybe I'm the only one who found

that annoyingly incongruous, but if you're going to impersonate a band then at least get the setting right too. "Rain" was running on Broadway before coming to Johannesburg, where it may draw an audience because South Africa never had the real thing. But I'd love to see the audience reaction if it ever makes it to England.

Musically the performers are great, and their singing is spot on, so you're seeing Beatles' songs performed in a very authentic way. They look the part too, with wigs and costumes perfectly capturing their evolution through various styles.

At first you're waiting for the individual characters to emerge, but they never really do. There's no sharp, cynical wit to make the John character John Lennon, nothing that gives Ringo his wackiness, makes George the enigmatic one or brings Paul to the fore as the guy you weren't really sure you liked.

Oddly none of the performers is named in the programme, although each gets a brief name-check at the end. Surely not because we're suppose to almost forget this is not

the genuine item? Anyway, the mystery men are great musicians and obviously try hard – probably a bit too hard, if anything.

The Beatles wrote so many brilliant songs that no single show could hope to give you all your favourites. It starts with those catchy numbers like "I Want To Hold Your Hand" and later puts a heavy emphasis on the psychedelic era, which wasn't the period that made them so enduring. There are a few unknown songs too, which The Beatles recorded, but never performed for an audience. That was a nice touch to expand our appreciation of their music.

It's all put together very well and hopefully less pedantic fans will find it a thrill. But without any of the dry humoured banter you'd expect and too little interaction between the band members it all feels rather flat.

The moment I'll remember is where Mac Ruffing as Paul quietly begins to sing "I'm not half the man I used to be." Which sums up the whole thing perfectly. **FM**

*"Rain – A Tribute to The Beatles" runs at Montecasino theatre until 4 September.*





## JORGE LUIS BORGES: GOOGLE'S SHREWDEST DOODLE YET

Did you know that in the last thirteen years Google has commissioned 300 doodles for its US search page and a further 700 for its international assets? Did you care? Neither did we, until we saw the remarkable doodle commemorating Jorge Luis Borges's 112th birthday (24 August, 2011), which kind of got us thinking. By KEVIN BLOOM.

Since Larry Page and Sergey Brin introduced the tradition in 1998, when they placed a stick-figure drawing behind the second "o" to indicate they were at the Burning Man festival, the doodle has become a hallmark of the world's most successful search engine. In the early years the principle that drove the Google doodle

was the celebration of fairly obvious holidays, like Bastille Day or Christmas, but with their takeover of the planet the company got the confidence to expand – the Winter Games, the Mars Rover landing, the 50th anniversary of the discovery of DNA; almost any event of world

Photo: Borges and the then President of Argentina, Raoul Alfonsin (Reuters)

historical significance was seen as a wonderful opportunity for the California-based behemoth to further embed itself in the mass consciousness of a newly-wired humanity. Of course, Google itself was never about to cast the history of the doodle in quite these terms. The official view is heavy on benign phrasing and upbeat punctuation, as in the claim that “doodles on the Google homepage have made searching on Google more fun and enjoyable for its users worldwide,” and the assertion that, nowadays, “many users excitedly anticipate the release of each new doodle and some even collect them!”

Yay! But whatever Google may have done to let us know that its intentions aren't always as pure as it makes out – for instance, a privacy policy that allows individual search histories to be used for targeted advertising – the fact of the matter is that some of the doodles have been impressively thought-provoking. On 2 August this year, Internet users in Kenya awoke to find that their favourite search engine had designed a tasteful panorama of horns and heads, a celebration of the annual Wildebeest migration; on 9 June, users worldwide were confronted with logo letters made up of guitar strings and frets, to commemorate the 96th birthday of Les Paul.

Today, however, 24 August 2011, may mark one of Google's best doodles yet. A magical realist montage shows an aging man with a walking stick; his back is turned to the audience, and he is looking out over a vista of labyrinths, arches, domes, staircases, and forking paths. The different architectural styles represent an array of regions and languages, and the room the man is standing

**...“doodles on the Google homepage have made searching on Google more fun and enjoyable for its users worldwide”...**

in contains a vast library. If you click on the doodle (a poor word for this exquisitely detailed illustration), you will be taken to the first page of search results for the Argentine author Jorge Luis Borges. Wednesday would have been Borges's 112th birthday.

An odd anniversary to observe, perhaps, but a shrewd move nonetheless. Already favourably appraised by international artists, the illustration reflects the enduring literary concerns of the blind author – the common themes in Borges's stories involve dreams, labyrinths, libraries and fictional writers. He was also (and this is where Google's shrewdness comes in) a champion of “hypertext” in literature; his most esteemed works, the short story collections *Ficciones* (1944) and *The Aleph* (1949), interweave all of the above elements, while commenting subtly on mysticism and God. Prefiguring the digital age, Borges envisioned “a massive branching structure as a better way to organise data and


**“When I was a young man I was always hunting for new metaphors,” Borges told the interviewer, at a point when the conversation had turned to the dangers of being misunderstood. “Then I found out that really good metaphors are always the same.**

to represent human experience”. In a similar vein, his famous story *The Library of Babel* imagined a library so huge it was constructed of innumerable hexagonal galleries.

Still, leaving Google’s veiled references to its own mastery of hypertext aside, what the doodle does on a purely literal level is remind us of one of the twentieth century’s most imaginative minds. Without the doodle, how many of us would have been thinking of Jorge Luis Borges today? How many of us would have taken the trouble to do a search on the author, and to thereby stumble across forgotten gems, like his 1966 interview with the *Paris Review*?

“When I was a young man I was always hunting for new metaphors,” Borges told the interviewer, at a point when the conversation had turned to the dangers of being misunderstood. “Then I found out that really good metaphors are always the same. I mean you compare time to a road, death to sleeping, life to dreaming, and those are the great metaphors in literature because they correspond to something essential. If you invent metaphors, they are apt to be

surprising during the fraction of a second, but they strike no deep emotion whatever. If you think of life as a dream, that is a thought, a thought that is real, or at least that most men are bound to have, no? ‘What oft was thought, but ne’er so well expressed.’ I think that’s better than the idea of shocking people, than finding connections between things that have never been connected before, because there is no real connection, so the whole thing is a kind of juggling.”

What metaphor would Borges have used to describe Google? Given the man’s incredible range and faculties, it’s almost impossible to guess. But we can be fairly certain that he wouldn’t have portrayed the search engine in utopian terms – even if he did once say, “I have always imagined that Paradise will be a kind of library.” 

#### READ MORE:

1. “Jorge Luis Borges, *The Art of Fiction* No. 39,” in the [Paris Review](#)
2. “Jorge Luis Borges’ Google doodle celebrates the master of magical realism,” in [the Guardian](#)



## A BRIEF LOOK: INFINITELY JESTING DECEMBERISTS PLAY ESCHATON


The Decemberists have pulled off the ultimate hipster reference – the band's latest music video pays homage to David Foster Wallace. Enjoy, as tennis meets the end of the world. By THERESA MALLINSON.

On Monday indie-folk band The Decemberists released the video of “Calamity Song”, from album “The King is Dead”. The lyrics specifically refer to David Foster Wallace's epic “Infinite Jest”, with the line “In the year of the chewable Ambien tab” mimicking the “subsidised time” found in the novel.

Colin Meloy, the Decemberists' frontman, who is a real Foster Wallace fan (that is, someone who's actually read “Infinite Jest”, and not just pretended to), told [National Public Radio](#) “I had this funny idea that a good video for the song would be a recreation of the Enfield Tennis Academy's round of Eschaton.”

But what exactly is Eschaton? Well, since Foster Wallace took 21 pages (not including footnotes) to depict how this highly complex game plays out, it's probably easiest to stick with Meloy's pithy description: “a global thermonuclear crisis recreated on a tennis court”.

Director Michael Schur, of Parks and Recreation fame, and also an “Infinite Jest” aficionado, jumped at the chance to make the video. “Infinite Jest’ geeks will hopefully enjoy all of the specific references and small details, but we tried to design it so that those with no knowledge of the book at all would be able to understand and enjoy it, as well,” he said.

Schur told [The New York Times](#) he had “recently acquired the film rights” to “Infinite Jest”, although he has no immediate plans to make the movie. It's hard to imagine how the book's structure – inspired, Foster Wallace once said, by [the Sierpinski gasket](#), – would translate on screen. But it would be ace if Schur could tease us with a few more shorts. 

### WATCH MORE:

1. [YouTube](#)



## THREE DAYS LEFT TO BID ON PHILIP K DICK'S 'BIBLE'


Science fiction writer Philip K Dick famously had a religious epiphany in 1974 and spent the remaining years of his life attempting to rationalise it. Now his personal "Bible" is up for sale on eBay, but even that masterpiece of fiction doesn't make for such crazy interesting reading as Dick's own oeuvre. By THERESA MALLINSON.

If you have \$6,500 lying around, you have until Sunday at 21:38 (South African time) to snap up Philip K Dick's "Bible" (with holograph notes), which is currently up for sale on [eBay](#). The seller's note claims that it's in generally good condition: "Very minor wear as seen in photo; book's spine is slightly cocked; bookstore label attached within; otherwise very good."

The seller originally bought the Bible from Ken Lopez, purveyor of rare books and manuscripts, in 1994. The catalogue listing read: "The New English Bible, New Testament. Oxford University Press, 1963. 212th printing. Dick's copy, with holograph notes on the front flyleaf concerning, among other things, the

Resurrection, Gnosticism, and the casting out of devils. Bookstore label front pastedown; else very good... An interesting volume."

In response to the eBay listing, earlier this month science fiction author William Gibson facetiously tweeted: "I'll write some really crazy shit in your Bible for \*five\* grand. Paypal." And, as pointed out by Roz Kaveney in [The Guardian](#) "I doubt that the few notes Dick scrawled in his copy of the Bible are more useful in their insights than his own books."

Following Kaveney, we'd advise that you rather spend your money on buying Dick's actual books (the ones he wrote, not the ones he read). 

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**SA**

Rugby: The Springbok selectors on Wednesday confirmed the names of 12 players who have been placed on standby should the Rugby World Cup squad be affected by injury.

South Africa's standby squad: Zane Kirchner, Lwazi Mvovo, Wynand Olivier, Elton Jantjies, Charl McLeod, Ashley Johnson, Jean Deysel, Gerhard Mostert, Alistair Hargreaves, Dean Greyling, Werner Kruger, Adriaan Strauss

**SA**

Rugby: The Lions have named five forwards on their bench for Saturday's clash with defending Currie Cup champions the Sharks in Johannesburg. Skipper Josh Strauss has recovered from the rib injury that forced him off the field during last week's narrow loss to WP, while lock Wikus van Heerden is also back in the team after he withdrew from the clash in Cape Town at the last minute. The Currie Cup leaders welcome back centre, Doppies La Grange, who is amongst the replacements.

**SA**

Football: Orlando Pirates striker Thulasizwe Mbuyane is quietly confident ahead of



Peter de Villiers (Reuters)

Wednesday's Premiership clash with Maritzburg United. Bucs, recent 3-2 victors over Sun-downs in the MTN8, will face the Team of Choice at Harry Gwala Stadium. And while Mbuyane – who netted against Downs – rates United, he backs Pirates to maintain their unbeaten run.

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**GLOBAL**

The Netherlands went top of the FIFA World rankings for the first time, without playing a single match in more than one month. Spain lost their ranking courtesy of a loss to financial economic brothers in woe,

Italy. The top 10, with previous rankings, are:

1. (2) Netherlands
2. (1) Spain
3. (3) Germany
4. (6) England
5. (5) Uruguay
6. (4) Brazil
7. (8) Italy
8. (7) Portugal
9. (10) Argentina
10. (9) Croatia



Tottenham's Gareth Bale (Reuters)

**UK**

Football: Tottenham Hotspur won the legal right to challenge the awarding of the Olympic Stadium to London-rivals, West Ham United, post-2012. The notice comes only a day after audit firm, Moores Stephens, cleared the body responsible for awarding preferred bidder status to applicants of any wrongdoing.

**UK**

Rugby: Wales will host Australia in a once-off Test at the Millennium Stadium on Saturday, 3 December, it was confirmed on Wednesday. The now customary post-World Cup fixture will come just six weeks after the final of the global show-piece event in New Zealand. The teams are likely to face each other in the quarter-finals of the World Cup. Wales will also be out to avenge the 25-16 defeat in Cardiff by the Wallabies in November 2010, mean-

ing Australia are the current holders of the James Bevan Trophy.

**UK**

Formula One: McLaren are optimistic they will be in a position to challenge Red Bull during qualifying at the next two races.

The Woking-based outfit has caught up with Red Bull in terms of race pace and went into the summer break with back-to-back victories at the German and Hungarian Grands Prix. However, Sebastian Vettel and Mark Webber still hold the advantage in qualifying, having claimed the 11 pole positions between them this year.

Cricket: England captain Eoin Morgan is under no illusions as to the challenge that his inexperienced side face against the country of his birth on Thursday. Morgan was appointed

captain against Ireland, for whom he first played international cricket, after England's selectors opted to rest the majority of their stars following the Test series whitewash of India.

**US**

While the FedEx Cup play-offs offers a potentially very lucrative payday, Luke Donald is concerned about the demands it places on an already jam-packed schedule. "Since they arose a few years back it has made my schedule busier," said Donald, who has the opportunity to top both the PGA Tour and Race to Dubai money lists at the end of the year.

**SPAIN**

Atletico Madrid have given Uruguyan striker and World Cup Golden Boot winner, Diego Forlan, permission to seek employment elsewhere. The 32 year old has been left out of the team squad to face Portuguese side, Vitoria Guimaraes, after Spanish media linked Forlan to interest by Inter Milan.

**INDIA**

English Premier League giants, Liverpool, launched their first football academy in India. The club also said that they hoped to have similar "footprints" on every continent by 2014. Next stop, though, is China.



## ALL BLACKS HUNGRY FOR TRI-NATIONS

The All Blacks have named what appears to be their first-choice XV for Saturday's Tri-Nations decider against the Wallabies in Brisbane.

The side includes 10 of the starting XV who featured in the 30-14 victory over the Wallabies in Auckland earlier this month, with Richie McCaw returning to captain the side in his 98th Test.

The most notable absentee is Jerome Kaino as Adam Thomson moves to blindside flank. Owen Franks returns to the front row alongside prop Tony Woodcock and hooker Keven Mealamu, who started last week's Test against South Africa.

Brad Thorn is back at lock together with Sam Whitelock, who was in last week's run-on team, while in the loose forwards McCaw is at openside and Kieran Read is at number eight.

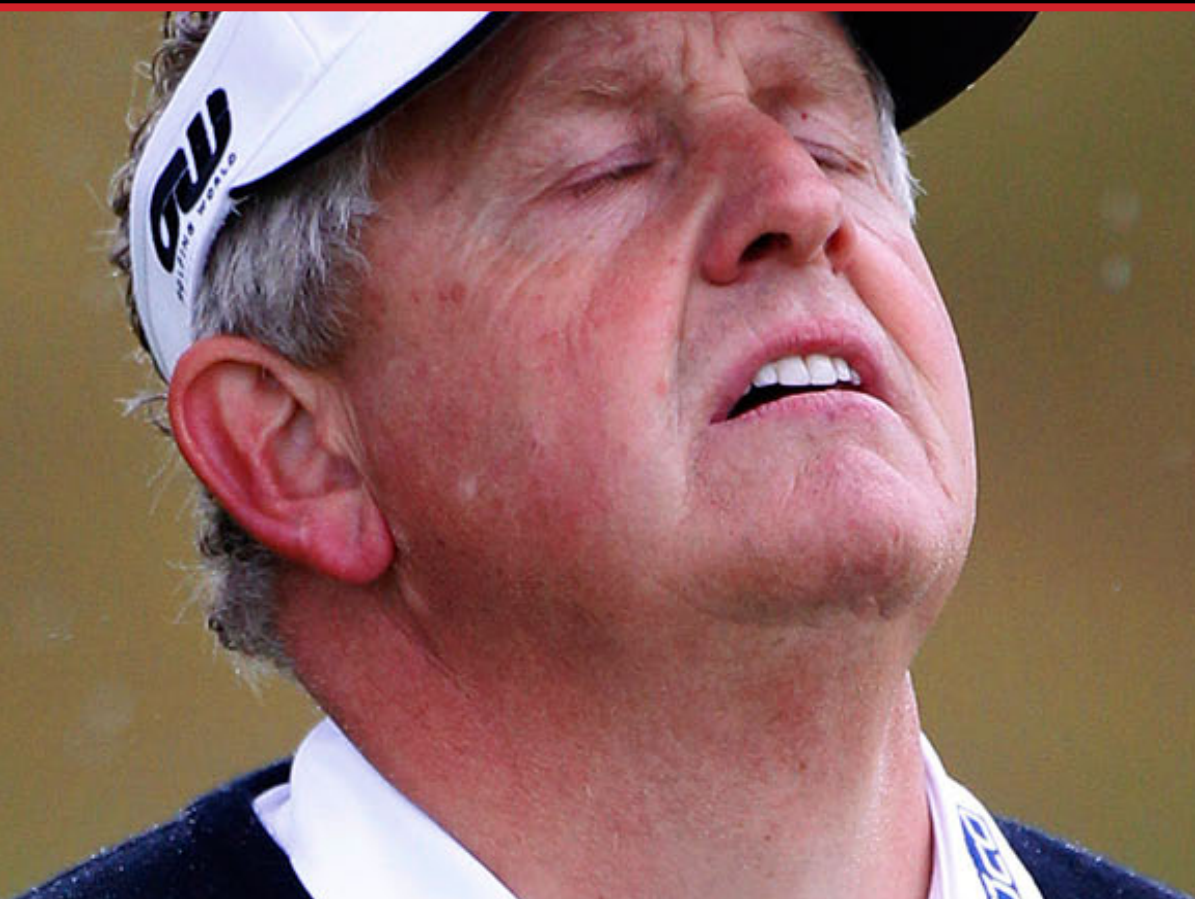
In the backs, Piri Weepu gets the nod at scrum-half and Daniel Carter returns to the 10 jersey. The All Blacks' most-capped midfield of Ma'a Nonu and Conrad Smith are reunited, with Nonu also joining Walter Little as the

most capped All Blacks outside centre (45). Zac Guildford and Cory Jane will start on the wings, with Mils Muliana at full-back.

The All Blacks and Wallabies have played each other 141 times, with 96 wins to the All Blacks, 40 to Australia and five draws. The last Test at Suncorp Stadium was in 2008 when the All Blacks beat the Wallabies 28-24.

New Zealand: 15 Mils Muliana, 14 Cory Jane, 13 Conrad Smith, 12 Ma'a Nonu, 11 Zac Guildford, 10 Daniel Carter, 9 Piri Weepu, 8 Kieran Read, 7 Richie McCaw (c), 6 Adam Thomson, 5 Samuel Whitelock, 4 Brad Thorn, 3 Owen Franks, 2 Keven Mealamu, 1 Tony Woodcock  
Replacements: 16 Andrew Hore, 17 John Afoa, 18 Ali Williams, 19 Victor Vito, 20 Andy Ellis, 21 Colin Slade, 22 Isaia Toeava. 

*(By TeamTalkMedia)*



## RYDER CUP: US-BASED EUROPEANS AT RISK

Colin Montgomerie believes European players based in the US run the risk of not making the Ryder Cup team.

The qualifying race starts next week in Switzerland, and the former Ryder Cup captain has issued a warning to Europe's best after he was forced to make some tough decisions last year, including leaving out the likes of Justin Rose and Paul Casey.

Montgomerie will play alongside new Ryder Cup captain Jose Maria Olazabal in the first two rounds of this week's Johnnie Walker Championship and said, "No doubt we'll have a chat on the way round."


Olazabal will have only two wildcard picks in his team as opposed to Monty's three - and even three picks did not prove enough to see the likes of Casey selected.

Last year, Montgomerie ended up selecting Edoardo Molinari, who produced a great finish to win the Johnnie Walker Championship the same week Casey opted to play in the first leg of the FedEx Cup play-offs.

The first five on the top 10 are based on European Tour earnings during the 12-month race, and the next five from the world rankings.

It's a situation that makes it much harder for some to qualify, including the likes of US-based Martin Laird, the Scot who is ranked 25th in the world. Laird will not start earning points until January, because he did not want to commit to playing 13 European Tour events this season.

"At the same time Molinari managed to make the team starting from the Challenge Tour. He proved to the captain - me - that he was capable of playing the Ryder Cup and it's up to Martin Laird now to do what Edoardo Molinari did.

Montgomerie returns to action this week for the first time since the Scottish Open at the start of July and is searching for his first top-five finish in over three years. 

*(By Team Talk Media.)*



## FROST BITES MAN

This one is for your “WTF” archives: US sprinter Justin Gatlin was frostbitten in both feet, but his wounds aren’t severe enough to end his athletics career. He will still compete in the World Championships in Daegu, South Korea, this month.

Justin Gatlin made world headlines in 2004 when he won the 100m at the 2004 Olympic Games in Athens in 9.85 seconds. Then he made some more headlines in 2006 when he received a four-year ban from competing after he was found to have excessive levels of testosterone. He then almost ended his career after his 2010 comeback two weeks ago when he caught frostbite in both his feet when he had a session in a hyperbaric chamber while wearing wet socks. Unsurprisingly, the socks froze, inflicting bad wounds on his feet.

Gatlin’s injuries weren’t bad enough for him to lose his toes or his ability to compete. “You wake up at 9 o’clock in the morning in Orlando

and it’s already 90 degrees (32 C),” he told AP. “So we’re already hot, drenched with sweat. Get in the booth, socks were wet, socks froze to me instantly... It’s better than it was. It was all puffed up and blistered. It bubbled up and it stayed bubbled up for a good four or five days.”

Athletes tend to use ice baths to cool their muscles after a workout, but the richer ones use the quicker hyperbaric chamber. Apparently those now need to come with a warning about no wearing wet socks. **IM**

### READ MORE:

1. Frostbite hits Justin Gatlin before World Championships in [BBC Sport](#)
2. Gatlin to run at worlds... with frostbitten feet in [CBS Sport](#)



## WHEN MILLIONAIRES STRIKE: THE ODDITY OF A FOOTBALLER'S WAGE PICKET

The Association of Spanish Football is on strike over a wage deal impasse with the Professional Football League; football matches are already being delayed. Are the players right to demand wage guarantees in an age of cuts and austerity? They certainly think that they are entitled. Then again, perhaps even the likes of Lionel Messi are replaceable. By SIPHO HLONGWANE.

Football players are grotesque proof of the rule of supply and demand. There are only a handful of really good ones. And there are billions of people around the globe willing to pay to watch them ply their trade. Hence, as back-of-the-cigarette-box economics go, the exorbitant salaries.

But even the highly-sought after young men of the Spanish football leagues are discovering

that their employer sometimes rethinks the economics of paying them – or just downright can't. Spain is in [a recession](#) you see, and everyone is feeling the pinch. Even football clubs.

The Association of Spanish Footballers (AFE) says that its players are owed a collective amount of R515 million due to the financial struggles of

Photo: Reuters

## “But it isn’t every club that rakes in the billions. Real Madrid, Barcelona, Atletico Madrid, Sevilla and Valencia can afford to give their players wage guarantees – but what of the others?”

the clubs. They want a wage guarantee and the right for a player to break their contract if they are not paid for three consecutive months.

Understandably, the Professional Football League (LFP), which represents the clubs, told the players to sod off. The contract between player and club is an inviolable bond of modern football – mostly because clubs charge each other millions to release players who are still within contract.

In response, the players have withheld their services. The opening weekend of the Spanish season, in both the Primera and Segunda División, was postponed for the first time in 27 years as a result, and there is likelihood that the second weekend could see a number of matches postponed or even cancelled outright.

Six clubs in the La Liga (the oft-used nickname for the Spanish League’s top-flight division) are in bankruptcy protection, according to the BBC, but AFE is still not happy. “The problem is not solved. I would be more optimistic, but I cannot,” said Luis Gil, director of the AFE.

He continued to say that there could possibly be another strike this coming weekend if talks

on Tuesday broke down like they did over the last weekend. “I understand that people want to watch football, but we must think about the players who are suffering,” Gil said. “Presently, I can only speak of a strike for the second round of matches. And it will remain in place if we cannot find agreement on all points. We made another proposal and now must see if an agreement can be reached.”

Real Madrid and FC Barcelona, two Spanish clubs, are both currently top the [Deloitte Football Money League](#), an informal ranking for football clubs based on revenue. Real Madrid sits at the top with R4,5 billion in revenue for the 2009-2010 season, and Barcelona was second at an intake of R4,12 billion. This is after they paid their players.

But it isn’t every club that rakes in the billions. Real Madrid, Barcelona, Atletico Madrid, Sevilla and Valencia can afford to give their players wage guarantees – but what of the others? The AFE want guarantees for all its members. If they have their way, this won’t be over till the poorest club can guarantee pay to its players and give them the right to walk away if it fails to fulfil its end of the bargain.

So should the clubs just bite the bullet and loosen the contractual obligations they put on players? There could be an advantage to being a club that agrees to do this. For instance, players that aren't good enough to move abroad would probably rather move to a lesser side within Spain that is willing to let them go if it can't pay, than stick with a better club that will hold on to them when the coffers run dry. This could very well see players switching clubs based on lax contracts, more than weekly wages.

Or maybe the clubs could make a compelling case to the Spanish government and get them to underwrite player salaries. If they got some boffins together in a room to show how much the football matches contributed to the economy, they might make a case to say that La Liga is vital to Spain's economic recovery, and thus the league's most valuable asset must be taken care of. If football is as big a deal in Spain as they say it is, surely the players have the upper hand in this one?

But it is never that simple in the world of sport. In 1994, baseball players went on strike in the US, resulting in that deathly period, spoken of in whispers as the [1994-1995 Major League Baseball Strike](#) that saw the cancellation of some 940 games, including the entire 1994 post-season and the World Series.

The players eventually won. A US District Court judge ruled in their favour in on 29 March 1995. The people who reacted most angrily about this were [the fans](#).

The Spanish footballers would do well to fit that possibility into their plans. If angry

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fans stopped attending matches and stopped watching the televised matches after the strikes, that situation has the potential to bankrupt the very clubs that the players are trying to get their wages out of.

Or the clubs could keep the fans watching by ditching their old players with their huge salaries in favour of unknowns, and keep the fans happy by selling them the old Disney story: young nobody swoops in, conquers great odds and gets the princess.

This may be resolved by whoever convincingly answers the question of just how replaceable top footballers are. [FIV](#)

#### READ MORE:

1. Spanish players' strike could continue after talks in [BBC News](#)
2. Spanish strike to continue in [Sky Sport](#)



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