**Attachment 27: Humanitarian atrocities committed by the Crown against southern Africans**

Introduction.

The human atrocities which the Crown committed against people in southern Africa fall within the nature of the Crown. See Attachment 4 - The Crown is a habitual perpetrator of Human Atrocities.

The Crown warred with people in southern Africa to enrich herself during which she:

Acquired slaves as a commodity for resale;

Acquired land as a strategic asset;

Acquired land from which she made profits;

Acquired sole mandate on the mineral wealth of the land for economic wealth;

Acquired the treasuries of South African states and republics for monetary wealth;

Acquired control of the governance of the states and republics in southern Africa through which she installed laws and regulations whereby she maintained control of South Africa.

This document is broad based, and calls for additional information from leadership of southern African nations to be included, without prejudice, for greater clarity on the circumstances of their communities, past and present, to be reached. Here for, a Truth and Restitution Tribunal is called for, as discussed in Attachment 23 - The call for a Truth and Restitution Tribunal in South Africa

In this document, we discuss some of the humanitarian atrocities committed against the people of southern Africa, which are not easily noticed, as they have been side stepped by the leadership of South Africa since they occurred.

We divide this discussion on inhuman behaviour by the Crown towards South Africans into the following parts:

Part A: The Crown instigated warfare in South Africa which killed and maimed South Africans.

Part B: Regulations were established by the Crown which caused human atrocities in South Africa

Part C: The Crown channels the wealth of South Africa to its own treasury at the expense of South Africans

The attack on South Africa by the Crown has been an ongoing war of various facets.

**Part A: The Crown instigated warfare in South Africa which killed and maimed South Africans.**

During the annexation period of southern Africa between 1795 and 1910 by the Crown, the British Crown was openly represented by leaders who instigated wars and carried out wars on the lives of southern Africans, which is discussed briefly in Attachment 6 - War against Southern Africans and mass extermination of indigenous tribes for the creation of the Union of South Africa.

The allegiance of the leaders who instigated and carried out wars on the lives of southern Africans after the Union of South Africa was established in 1910 to the Crown has been increasingly camouflaged, but can be followed when we observe the influence of members of the Crown on the political arena of South Africa until today, which is discussed in Attachment 10 - South Africa is bound as a possession by the Crown; Attachment 12 – Zionists supported the pre-1994 reigning NP South African government and the anti-government movement; Attachment 9 - Objections to the formation of the Union of South Africa, and Attachment 18 - Impact of the Union of South Africa on the nation created a select elitist ruling society.

Actions of the representatives of the Crown which directly or indirectly caused physical harm to the lives of southern Africans through acts of war have never been addressed in a Court of Law, neither the affects of these actions on the lives of southern Africans who were injured, directly or indirectly. To digest the full extent of the physical harm caused to southern Africans through the actions of the Crown, and the extent of the responsibility the Crown should bear with reference to their actions, directly and indirectly, calls for reports from and by affected southern Africans and their descendents. We call for additional information to be included to this discussion from variable sources up to and including such time that a Truth and Restitution Tribunal in South Africa addresses all claims within a reasonable time period as of writ of this Attachment.

**I. Wars on southern Africans on which the Union of South Africa was based**

The Union of South Africa was anchored to the Peace Treaty of Vereeniging between the Boers and the Crown following the Second Anglo-Boer War, which ended in 1902.

**1. With regards to the Second Anglo-Boer War, which was instigated and waged directly by representatives of the Crown, we point out the following, over and above information already provided within the Attachments already mentioned earlier, that:**

**(i) Justice has not been served to Boer sympathizers who were not born inside South Africa.**

Justice has not been served to the Boer sympathizers of the Second Anglo-Boer War. To point, Emily Hobhouse was penalized for the role she played in exposing the atrocities within the British concentration camps.

Furthermore, wealth of the Boers which had been in the treasury of their Republics was never returned to them after the Crown seized it illegally. No wealth was made available to the Boers to enable them to repay debts they made during the Second Anglo-Boer War, or to pay men for their services to the Boers during the Second Anglo-Boer War, such as the men who left their homeland to assist the Boers during their war against the Crown. To point, the Irishman Michael Davitt, who came to Southern Africa in 1899 to assist the Boers and fought throughout the whole was as an efficient officer, as described in the book ‘The Boer Fight for Freedom’**,** received no renumeration for his expenses and labour, and died in poverty**.**

**(ii) The Crown conducted illegal inquests and carried out illegal sentencing.**

Many foreigners who sympathized with the Boers and took up arms against the British Military were shot and hanged after the war by the Crown for ‘Treason’. However, as these men had not been registered as soldiers in the British Army in the first place, they could not possibly have been guilty of treason, as they had not sworn allegiance to the Crown.

The British Crown conducted illegal inquests in the land owned by southern Africans during which they ordered and executed the deaths and imprisonments of Boer leaders, soldiers and sympathizers. These executions have never been investigated by an enquiry independent of the Crown, and justice has never been served upon the victims and their dependents. The Crown was not the owner, nor the recognized government of the land on which they conducted their inquests at the time of the carrying out the sentences they laid down.

**(iii) Justice has not been served to farmers who were forced to leave their farms and fight as soldiers**

The Second Anglo Boer War was instigated by the Crown in its bid to annex the Boer Republics, which is discussed in Attachment 6 - War against southern Africans and mass extermination of indigenous tribes for the creation of the Union of South Africa. The Boer Republics did not have organized military armies as such which the Crown had. In fact, the Boer soldiers were farmers, who had to leave their farms to take up arms to protect their land against the Crown. During this time, their farms were neglected, pilfered and destroyed by representatives of the Crown.

These Boer farmers have never been compensated for the losses they suffered as farmers while having to take part in a war forced upon them by the Crown.

**(iv) The Crown was responsible for Black soldiers killing women and children**

On the morning of the 25th of November 1899, women, children and other residents of Derdepoort, which lies close to Rustenburg along the Marico River, were attacked by Blacks who had been hired, and who was under the direct control of, British officers. Forty-five men, women and children were murdered during this operation. More information on this is recorded on page 84 of the book ‘Derdepoort-Skandvlek op die Engelse Militêre Geskiedenis’ written by JP Botha.

The Crown has never been exposed, nor held responsible, for master-minding this slaughter of innocent and defenceless people in South Africa, which caused tremendous heartache, loss and fear amongst the South African communities, and fueled racial tension.

**(v) Boers were driven to hatred and murder through the acts representatives of the Crown performed on the Boer nation**

Young Boer men, such as Fritz Joubert Duquesne, were filled with so much hatred towards representatives of the Crown who led military operations against the Boer nation after they saw the destruction of the Boer Republics that they became murderers. Duquesne developed a pathological hatred for Lord Kitchener, who lead operations including the scorched earth policy and incarceration of Boer prisoners, to the point that he became a key role player in sinking a ship on which Kitchener sailed during the First World War, along with 675 other passengers, as recorded in the book called “Boerespioen-Fritz Joubert Duquesne - Geen Vergifnis vir Kitchener” written by Hans Strydom. Although Duquesne spied on America on behalf of Germany during the Second World War, an American espionage expert summed up the war activites of Duquesne as “The old Boer was simply the best.”

**(vi) Peaceful farmers from the Cape colony were also drawn into the war to protect their loved ones after they heard about the deaths of thousands of people inside the British concentration camps in South Africa.**

Farmers sympathetic to the circumstances in which the Boers from other regions in southern Africa found themselves, especially those incarcerated inside the British concentration camps after their farms had been burnt to the ground, rebelled against the Crown in what was called the ‘Cape Rebellion of the Hantam Karoo’, during which 50 000 British soldiers were withdrawn from the war in the Boer Republics to fight against the farmers in the Cape, as described in the book ‘Die Kaapse Rebelle van die Hantam Karoo tydens Die Anglo-Boereoorlog’ by Eben Nel. Not only did the Crown fight against these farmers in battle, but they also confiscated the farms of these farmers. These farmers have never been compensated for their personal pain and losses thus suffered at the hands of the Crown.

**(vii) Boer prisoners were sent to various prisons world wide**

At least 25 000 Boers were sent to international prisons, of which we give examples in the following books:

\* ‘Die Vyf Swemmers’ by ProfessorJohan Barnard describes the journey of five brave men, who fought in the Boer War, got caught and was send as Boer War Prisoners to Ceylon;

\* ‘Op Kommando met Steyn en De Wet’ reports the memories of F.F.Pienaar, who worked as the Boer telegrapher before he was caught and sent as prisoner of war to Portugal;

**\*** ‘Hoe Ek Ontsnap Het’ byJ L de Villiers tells of the escape by a Boer prisoner out of British-India.

\* ‘Joop gaan op Kommando’, wherein M. Jos Venter reports on his experience, as a young boy, of being captured and sent to Bermuda.

The families of these Boer prisoners did not receive any help in managing their farms while their men were working as prisoners for the Crown in other countries, neither were these prisoners ever given any recompence for their time and losses while forcefully removed from their homes by the Crown. Many of these Boer prisoners died in exile, with little, or no record, as to how and from what, and where, they perished.

**(viii) Boer prisoners were released long after peace had been declared**

The historical book ‘Fishan’ bySebastiaan Basson relates Boer history through the eyes of the teenager Cornelius Janse de Jager - nicknamed Fishan – which includes the collapse of the unified Boer Republics; his experience as a farmboy who had never seen a city before he was caught at Badplaats and sent as a prisoner to a place he had never heard of before – Bermuda; and notes that Boer prisoners were released long after peace had been made, and only after they swore not to lift up weapons against the Queen; the terrible sight of black windows from every farmhouse which had been burnt down, and the challenges of starting a new life and creating a new agriculturally based Boer nation.

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Keeping men imprisoned as prisoners of war long after peace had been declared, is tantamount to slavery and kidnapping. The negligence and serve serving action of the Crown to deny the Boer soldiers their freedom, and the Boer nation their bread winners, has never been addressed and no recompence has been made by the Crown.

**(ix) Boer soldiers were forced through circumstances to turn against their own nation**

The three year war by the Crown against the impoverished Boer nation took its toll on many Boer farmers fighting in the fields against the British army to the extent that for many, survival demanded their surrender, and allegience to the Crown was forced upon them by the British military in exchange for the survival of these farmers and their families. Allegience to the Crown as opposed to allegience to their own Boer nation, were acts which were denounced by fellow Boers, and brought upon these farmers who had surrendered to the British military great embarrasment and shame, including labels (equivalent to that of a highly contagious disease) such as ‘Hensoppers’ (hands uppers) and Joiners, as discussed in the book ‘Die Hensoppers en Joiners’ by professorAlbert Grundlingh.

**2. With regards to wars against Black South Africans, which was instigated and waged directly by representatives of the Crown, we point out the following, over and above information already provided within the Attachments already mentioned earlier, that:**

**(i) Most of the wars between the Crown and the Black South Africans were initiated by the Crown**

Representatives of the Crown generally introduced themselves as missionaries to Black South Africans when initial contact was made between themselves. Hereafter, they would offer the Blacks protection from other communities, often based on unfounded speculation and lies of proposed attacks from such communities. In affording the Blacks protection, the Crown annexed the land they were ‘protecting’. The Crown would then change the system by which the Blacks were living on their land by changing their governmental structure (replacing royal chiefs with British loyal subjects who had no traditional authority); introducing hut and road taxes; and demanding favours and free labour from these Blacks they were protecting. This eroded the economic structure of the Blacks, who rebelled against the laws enforced on the by the Crown, and led to war between the Blacks and the British military. This is discussed broadly in Attachment 6 - War against southern Africans and mass extermination of indigenous tribes for the creation of the Union of South Africa.

To date, no investigation has been made into the deceit of representatives of the Crown during their dealings with the Black leadership of southern Africa before the illegal Union was enforced on them.

**(ii) The Crown used wars she initiated against Africans as an excuse to govern over them**

Representatives of the Crown reported their experiences to the Crown wherein they complained bout the way they were treated by Black communities. However, the Black communities had leadership structures, which included kings and their chiefs. The Crown did not respect the authority of these kings and their chiefs, and made decisions concerning the lives of the Black communities without taking part in respectable negotiations with the Black leaders, but rather opted to use any discrepancies as excuses for war. The Crown called for requirements from Black Kings which were impossible to satisfy, and used the non-compliance of these Kings as an excuse to war against the Black communities. After such wars, the Crown annexed the land of the Black communities and enforced their government onto them. This is further discussed in Attachment 7 - Land annexed and the colonies established by the Crown to form the Union of South Africa.

The deceitful and disrespectful actions of the Crown towards the Black communities and their leaders, has never been addressed, nor been justified, nor vindicated.

**(iii) Representatives of the Crown used deceit to engage the British Military in wars against the Black communities**

‘The Bambadha Rebellion’ in 1906–1907, as discussed in Attachment 6 - War against Southern Africans and mass extermination of indigenous tribes for the creation of the Union of South Africa, was a rebellion by the Black communities against hut taxes imposed on them, and not a rebellion against the authority of the Crown.

Hut taxes were imposed on the Black communities by representatives of the Crown in the areas where Blacks had been living for centuries and lived by subsistence farming. They did not use a monetary system to survive and lived from the land.

Imposed taxation was foreign to their culture. However, when the Blacks did not have money to pay these taxes imposed upon them, the representatives of the Crown confiscated the cattle and livestock of the Blacks, and burnt down their land. This behaviour of the representatives of the Crown created unhappiness within the Black communities. The Black chiefs were divided in finding solutions to this problem, not wanting to steer their people into war with the Crown, and not wanting to see their people die from starvation. As in the Bambadha Rebellion, where the Blacks were rebelling against the way they were robbed of their livelihood by the representatives of the Crown, these representatives did not portray the difficulties the Blacks were experiencing, and pretended that these rebellions were against the Crown, thereby engaging the British Military in warfare against the Blacks for so-called war against the Crown, rather than rebellion against inhuman regulations made by the representatives of the British Crown.

**(iv) The Crown initiated wars to imprison Black leaders while they anexed their land**

King DinuZulu was imprisoned by the Crown on the charges of ‘treason’ for allowing a woman and her children to sleep on his land during the aforementioned Bambadha Rebellion. He, and other Black leaders like himself, were only released after the Union of South Africa had been completed by the Crown. They were in poor state of health, and some of these leaders had also died during imprisonment. This matter has never been investigated, and no justice has been met with regards to the unfair imprisonment and denial of rights to the Black leaders, and their communities, which had been left bereft of their leaders, at the time their land was annexed into the illegal Union of South Africa.**II. Wars on southern Africans after the Union of South Africa was established in 1910**

The wars into which the Crown forced southern Africans after it annexed the land of southern Africans by forming a Union of South Africa is discussed in Attachment 9 - Objections to the formation of the Union of South Africa.

1. With regards to the Maritz Rebellion of 1914-1915, wherein Boers rebelled against warfare enforced on them by the Crown against their fellows in Southwest Africa (now named Namibia) during the First World War, we refer to the inhuman circumstances the Boers experienced, which included:

**(i) Riding 700km through the desert on horseback**

The book ‘Generaal JCG Kemp en die epiese Woestyntog’ byMCE van Schoor reports on the journey which 600 Boers made under General Jan Kemp in their rebellion against orders from the Crown to make war on Southwest Africa, where their fellow Boers lived. This 700km journey to warn and defend their fellow Boers which started on the 2nd of November 1914, was through the Kalahari desert by horseback, proved physically gruelling for both man and beast, before they reached the Southwest Africa border near Nakop on the 29th of November 1914, after which they were hunted down and warred on by the defences forces of South Africa under control of the Crown at Nous, Lutzputs and Upington.

As these Boer leaders were taking part in action to retreive their land which had been annexed illegally by the Crown, they were, in fact, serving their country, and therefore, should have been honoured, and paid for their service, as servicemen to the country. As yet, no investigation has been made into the actions taken against these Boer leaders of the ‘Maritz’ Rebellion, which would expose their cause for action, their intent, and the suffering they endured at the hands of the Crown, as well as the effects it had upon the rest of the Boer nation by not regaining their freedom from the Crown in 1914.

**III The Crown has created hatred amongst South Africans which has led to civil war**

Hatred amongst people in South Africa has been created by the Crown which has led to domestic and border wars. Not only has there been hatred between the supporters of the Crown and the Boers during the Anglo Boer Wars, but there has been hatred between the various tribes in South Africa, after they had been classified into different colors by the Crown, because of the color of their skin.

Preserving education, jobs and salary scales for certain people in South Africa according to the color of their skin, has led to strike actions of workers, wherein workers of different colors have had wars against each other, and the government, in its loyalty to the mine and big business owners who are members of the Crown, has been at war with the workers in South Africa.

Warfare of the South African government to protect the assets and monopoly of wealth of Crown members against the South African nation has led to the bush war on the borders of South Africa, as well as black-on-black violence inside South Africa, as well as the present day black-on-white violence in South Africa, which is discussed in Attachment 14 – MK Soldiers.

**Part B: Regulations established by the Crown which caused human atrocities in South Africa**

**Government and politics**

The main concern of British policy in southern Africa was economical administration. The British decided to take control of the Cape Colony (1806), as a temporary measure against the French, to protect the trade route between Europe and Asia. As time progressed, British policies such as Proclamation 14, the Black Flag Revolt and the Franchise Dispute caused tension between the British Cape Colony leaders and the Southern African communities.

The British Crown established regulations in South Africa which alienated South Africans from their land, the right to work their land, the right to benefit from work on their land, and their right to benefit from the treasures of their land, which led to hatred and warfare between people inside South Africa.

The Crown attained power which enabled her to establish regulations whereby she could control southern African through deceit and warfare. This is also discussed in Attachment 6 - War against Southern Africans and mass extermination of indigenous tribes for the creation of the Union of South Africa;

Attachment 7 - Land annexed and the colonies established by the Crown to form the Union of South Africa;

Attachment 8 - Final steps to complete the formation of the Union of South Africa for total annexation by the Crown; and

Attachment 9 - Objections to the formation of the Union of South Africa.

Regulations established by the Crown which alienated South Africans from the right to live on and work on their land, to benefit from work on their land as well as to benefit from the wealth of their land, include the following:

* In 1809 the British government established the Native Pass Law in South Africa;
* In 1865 the British governor Theophilus Shepstone declared that Blacks in Natal cannot vote;
* In 1894, Cecil John Rhodes prohibited Krom Hendricks to accompany a Cape team to Britain;
* The South African Native Affairs Commission was established by Lord Milner in 1903, and this served as a judicial base for racial separation in South Africa;
* In 1905, compulsory separate schools was established in the Cape by Cecil John Rhodes; Lord Balfour warned against voting rights for ‘naturel’s’; and Chamberlain, Lord Milner, Trollope, and Lord Bryce were all vehemently opposed against voting rights for black people;
* The South African Law of 1907, accepted by the British government, declared that only people of European descent could be elected to the South African parliament;
* The Native Land Act no 2 of 1913 prohibited property ownership by Blacks;
* The concept of job reservation was introduced in 1925 by minister HW Sampson, and implemented in the mines, and industries;
* Sex and marriages across the colour line was declared unlawful in 1927 by the Natal Immorality Act of 1927;
* During Jan Smut’s last term of office, the Native Urban Act 25 of 1945 was implemented, that stated a Black person could not be present in any White areas for longer than 72 hours without a permit.

To note that there were NO such laws in the Boer Republics.

**Newtown is an example of the manner in which the Crown annexed land for expanding its industries in South Africa, and forced segregation on the nation of South Africa**

After gold was discovered along the Reef in the Zuid Afrikaanse Republiek of the Boers, members of the Crown indulged in taking over industry in the Reef areas, and annexed land therein to expand their industries. This land was then regulated to enforce segregation on the nation. Newtown is an example hereof.

**Newtown**

Newtown offers a unique insight into the development of Johannesburg and modern South Africa as well as the key social, political, industrial, artistic and cultural trends that have come to be associated with Johannesburg’s evolution from a Victorian mining camp to one of the world’s major urban centers. Newtown also provides an understanding of how wider industrial and political forces came to disrupt and destroy poorer communities from racially mixed backgrounds – sometimes carried out in the name of urban regeneration, while essentially serving colonial and apartheid racial policies.

Equally significant, the suppression of labour rights became a recurrent theme in the history of Newtown.

**The history of Newton**

The discovery of gold in the 1880’s and the subsequent building boom that followed drew hundreds of miners – to be joined by traders, adventurers and a displaced rural peasantry seeking fortunes and employment.

As the town known as Johannesburg formalized into a cosmopolitan centre, workers – both black and white and almost exclusively male – flooded in. Most settled in workers’ compounds run by the mines or in the numerous ‘boarding houses’ for white workers that mushroomed all over the mining town and in the two main working-class suburbs; Jeppe to the east and Fordsburg to the west of the town.

As a result of the perpetual shortage of accommodation, informal settlements developed around the Fordsburg area, the largest of them being Brickfields.

**(i) Brickfields**

**Brickmaking became a major industry for the City’s poor Boers.**

Brickfields was home to a large Afrikaans-speaking Boer community, mostly from poor, rural and uneducated backgrounds – and hence considered unemployable by the mining companies. In 1887, the community lobbied the ZAR government of President Kruger for the right to manufacture bricks on government land bordering the Braamfontein spruit.

Due to the high demand for bricks at the time, brickmaking became a major industry for the City’s poor Boers. As Brickfields and the adjoining areas of Fordsburg, Vrededorp and the Indian location grew, these mixed informal settlements became known as Poverty Point.

By 1892, Brickfields was already home to an estimated 7 000 people. However, the Crown wanted to expand its railway capacity.

**The Crown annexed land in the Boer town of Brickfields to expand its railway system**

On Wednesday, the 19th of February 1896, an explosion ripped through Braamfontein and surrounding Burgersdorp, Vrededorp and Fordsburg. The blast had been caused by a train ramming into trolleys packed with 55 tons of dynamite, and could be heard in Klerksdorp 200 km away. The resultant crater was 61 m long, 15 m wide and 8 m deep and claimed the lives of an estimated 130 people. 1 500 homes were destroyed. *The Star,* voice box of the Crown, reported on the 19th of February 1896 that, “Half of Fordsburg is practically laid low, and the native locations are simply a heap of iron.” Yet, no reparations were claimed from the Netherlands South African Railway Company (NZASM) of the Crown. Displaced residents had to find their own way to survive, and most of them moved into adjacent areas unaffected by the explosion. As they moved away, a major part of Brickfields was annexed by the Crown, and the Kazerne marshalling yards were ‘officially’ established by the NZASM.

As the war against the Boers began in 1898, brickmaking activity ceased in the area. The Brickfields area at this stage was best described in “T.R. Adlam during the South African War (1899 - 1902)”, as follows:

*I went over to Doornfontein Monday, wandered about in solitude almost. The houses are all right and gardens kept in good order. I went down as far as the reservoirs, top one empty, lower one full. The Brickfields are a sight. Quantities of bricks set out to dry, some burnt, all work stopped.*

Although it was obvious that these homes belonged to people who intended to return to them, and who had the legal right to return to them, the Crown had no qualms about stealing the land with the houses on them in the absence of their owners. A concerted effort was made by the NZASM railway company, and the Crown established Sanitary Board, to get the self-appointed government of the Crown in the ZAR during the war to cancel the brickmaking concessions, and to relocate the brickmakers elsewhere. Lord Milner, and his elite kindergarten group, set upon redesigning the borders of the original mining town of Johannesburg, and incorporated parts of Brickfields, Aaron’s Yard and the Indian (or ‘Coolie’) location. Once again, South African communities were displaced by the Crown in its expansion movement, in particular the poor white Boers eking out a living from brickmaking along the banks of the Fordsburg spruit, the Zulu amaWasha, washing the city’s laundry in nearby Braamfonteinspruit, and the Indian and Muslim communities, from whose midst passive resistance leaders such as Mahatma Gandhi would later emerge.

**(ii) Expansion of Crown business in the ZAR Boer Republic city of Johannesburg created a shortage of housing for the locals.**

Following the end of the South Africa War, the destruction of the multi-cultural Brickfields, and subsequent development of Newtown, was an attempt by the post-South African War administration of Lord Milner to refashion Johannesburg along ‘modern’ lines. This involved formalizing the townscape, developing infrastructure and strictly enforcing racial segregation.

However, the encroachment of business enterprises into the dwelling areas of the locals, created many slums as people flocked to the city, only to be met by an acute housing shortage - a shortage that would last for more than a century and is still present in contemporary Johannesburg. The city now known as Johannesburg is criss-crossed with railway lines and businesses owned by the Crown to such an extent that the roads cannot carry the traffic comfortably, even though the largest highways in South Africa have been constructed in the Johannesburg area to relieve this congestion.

**(iii) Newtown culture**

'Newtown had become the home of many Litvak retail and wholesale merchants and grain brokers who came to work and competed with one another, and here they formed a subculture with its own idiosyncrasies - jokes, special events and, most importantly, the 'University of Newtown', which awarded a fictitious certificate to all those entrepreneurs and millers who learnt the grain trade on the job.' Georgina Jaffee, 2001

The 1920’s and 1930’s saw the emergence of a growing black middle class which gathered around organizations such as the Gamma Sigma Club, the Joint Councils, the Bantu Men’s Social Centre and the Institute of Race Relations.

The Bantu Men’s Social Centre located at No. 1 Eloff Street promoted music, visual arts and literature.

Newtown was an industrial extension of the Central Business District, and home to the city’s main ‘port’ as well as key industrial utilities including a power station, workers’ compounds, municipal fresh produce market, tram sheds and major milling centre. During the Second World War, manufacturing in Newtown was even redeployed to support the war effort.

The presence of industrial and commercial functions, however, would also mean that Newtown became a focal point for many of the industrial strikes witnessed by the City during the first half of the 20th century.

Labour activists such as Mary Fitzgerald as well as South Africa’s major labour movements developed associations with Newtown that still resonate today.

**(iv) Johannesburg communities that were influenced by businessmen who belonged to the Crown**

British Crown members were quick to investigate the possibilities of expanding their wealth within the Johannesburg communities. Although the land and surrounding area of Johannesburg factually belonged to the Boer Republic, the land was sold to Crown businessmen by their associates with the British government in South Africa.

The various communities effected by Crown development, is further discussed in Footnote 1 - Boer land of Johannesburg annexed by Crown members

**I. Mining in South Africa**

Governments in South Africa installed by the Crown awarded all mining rights to members of the Crown. Direct ownership of any diamonds or gold by a South African who found such minerals in the ground was outlawed, and such ownership was punishable by a Court of Law.

Land, hut and road taxes were imposed on people living in southern Africa, by representatives of the Crown in South Africa. Where people were unable to pay such taxes, their livestock, moveable property and land was attached.

To avoid starvation, breadwinners went to the mining communities in search of employment, where they worked under dire circumstances for minimal wages.

Objections to mining and government regulations were met with military retaliation.

**a) Proclamation 14**

In August 1872, the British Cape Colony officials brought in legislature known as ‘Proclamation 14’, which was a decree to pacify the Kimberly diggers, and control black labour. It stated that “servant” could be black or white, but that all blacks must carry a pass with them all times to cross the Kimberly pass point.

These could be day passes to find employment or work passes (labour contracts).

The labour contract would be signed by the “master” and had to show the black worker's name, wage and length of employment. These contracts had to be carried on their persons at all times or they could face imprisonment, fines or a flogging. Colonial officials did excuse some blacks from this requirement if they deemed them “civilized”.

**I.1 Black Flag Revolt**

“The Black Flag Revolt” in 1875 was between the diggers and the Cape’s colonial government. The head of the colonial government was Sir Richard Southey.

Southey wished to curb the independence of the diggers.

The revolt was led by Alfred Aylward. Other major players in the revolt were William Ling, Henry Tucker and Conrad von Schlickmann.

By 1975, the diggers working in the mines in southern Africa had become upset about high taxes, increased rent and colored unrest.

Aylward was pushing for a Republican form of government, and preached of revolution. He formed the Defense League and Protection Association, which pledged action against taxation. Aylward inspired the diggers to take up arms in March, and formed the Diggers’ Protection Association that was paramilitary.

A black flag was the signal for Aylward’s supporters to revolt.

William Cowie, a hotel owner, was arrested without bail for selling guns to Aylward without a permit.

Aylward mounted the “black flag”, the signal to revolt, in response to Cowies’ arrest. The rebels blocked the prison upon the arrival of Cowie, led by Police escort.

Cowie was eventually acquitted.

Southey asked for British troops to be sent to help control the situation. Volunteers from the Cape also assembled to assist.

The rebels held control of the streets for ten weeks. They surrendered upon the arrival of the British Red Coats on the 30th of June, 1875. The rebel leaders were arrested and put on trial, but were found not guilty by a jury of their peers.

London was not happy with the way that Southey had handled the situation and the costs of sending troops, and he was removed from his position.

The significance of the “Black Flag Revolt” was a victory for Crown interests, the end to independent diggers, and signaled the rise of diamond magnates.

Proclamation 14 and The Black Flag Revolt greatly increased hostility between Southern Africa's native inhabitants and the British leaders.

**b) Rhodes supported mine and industry owners to the detriment of the South African communities**

In 1890, Rhodes became Prime Minister of the Cape Colony. The Cape Colony is considered “one of the great paradoxes of South African history for having spewed forth the forces of dispossession and subjugation, and yet remained a bastion of egalitarianism embodied in the nominally non-racial Cape Constitution of 1853.”1

Rhodes implemented laws that would benefit mine and industry owners, first and foremost.

While representatives of the Crown grew rich on the wealth of the land of Southern Africa, the indigenous people of the land were living in abject poverty.

From his prominent position in the Cape, Cecil Rhodes introduced the Glen Grey Act to push black people from their lands and make way for industrial development.

As the conditions inside South Africa became more and more known in the media abroad, international pressure for change became an embarrassment to the British Crown. She habitually changed her tactics - shifting blame from one community to another; characterizing community leaders from foe to friend, and vice versa, according the public opinion she wished to create; re-established borders and established regulations to justify her actions.

Although Rhodes was the prime minister of the Cape Colony, he didn’t have full control over the Boer Republic of the Zuid Afrikaanse Republiek (ZAR). In 1895, he supported the infamous Jameson Raid against the ZAR Boer Republic in the Transvaal area, wherein the British lost badly, but this skirmish eventually led to the Second Matabele War and the Second Boer War.

Dr. Leander Jameson was notorious for his abortive raid into the Transvaal to overthrow the Boer government of Paul Kruger in 1895, where after he was convicted of violating the Foreign Enlistment Act, and sentenced to 15 months in prison.

After the abortive Jameson Raid by the Crown of the ZAR, it became apparent that the Crown were searching for a reason to go to war against the ZAR again, which is discussed further in Attachment 7 - Land annexed and the colonies established by the Crown to form the Union of South Africa.

What is not commonly discussed, though, is the effect the rumours of war had on the economy of the ZAR, and the influx on Chinese in the Rand which followed after the Crown gained possession of the ZAR after the Second Anglo-Boer War.

**c) The Chinese on the Rand**

**(i) Background**

As the Boer War loomed in 1899, there was a mass exodus of labour from the mines in South Africa, both white and black. As a result, all of the mines on the Rand were shut done for the duration of the hostilities. This caused an immediate drop of taxes to the ZAR treasury, and was an unaccounted loss for the Boer nation.

**(ii) The Crown was desperate to produce revenue from the ZAR mines**

At the end of the war in 1902, both the mine owners – who were members of the Crown, and the new British administration in the Transvaal – who represented the Crown, were desperate to get the mines back in production as quickly as possible, which would re-start producing revenues, which they took to replace the funds they had spent on the war against the Boers. However, they found that there was a shortage on labour. The African workforce they had employed in the mines prior to the war, had found higher paid work was plentiful in other regions and industrial sectors throughout South Africa, which was experiencing a general boom in development.

The new working class was sourced from across southern Africa and the larger

British Empire, and was a multinational and multiracial mass that continuously flowed through the vast human rivers of migration and regional and global labour markets. Skilled workers were whites, mainly from Britain, but with a significant number from Australia and New Zealand, continental Europe and the United States.

Within South Africa, Southern Rhodesia and South West Africa, farms competed with mines for labour, while the mines strove to prevent the outflow of labour to the growing manufacturing sector. At the same time, the mines in southern Africa were competing with mines abroad for skilled labour. In the 1890s and early 1900s, not only did skilled white miners typically earn about five times the wages of African miners, but wages for skilled miners and some categories of artisans were generally at least double – and sometimes up to five times – higher than wages for comparable categories in mining areas elsewhere.2

Faced with the mismatch between labour markets and state boundaries, big capital began to form its own regional organizations for managing labour flows. In South

Africa, the Chamber of Mines set up the Witwatersrand Native Labour Association

(WNLA) in 1901 to organize the recruitment of African workers in the Transvaal, Bechuanaland, Mozambique, Namibia, Northern Rhodesia, and Nyasaland, while the Native Recruiting Corporation, established in 1912, focused on Natal, the Cape, Basutoland and Swaziland.3

Employers in Southern Rhodesia and South West Africa established similar bodies, with government help, in order to channel labour, reduce workers’ choices, and prevent the loss of labour to other areas.

Even so, competition continued: in South Africa, for instance, the collieries – facing low prices for their product and unable to compete with the relatively high wages of

the goldmines – sought to attract experienced African miners by allowing a substantial number to settle permanently with their families near the mines from 1907, providing land for housing and small-scale farming.4

By 1904, perhaps eighty-five per cent of the white underground miners on the gold mines were British-born (often arriving via other mining regions in the Americas and Australia), 5 and a similar pattern prevailed on the collieries.6

**(iii) The Crown imported Chinese labour and treated them as slaves**

Unskilled, low paid workers, who did the bulk of the hard, manual labour, were still very short in demand for working the mines in 1904. Competition between the higher paying gold mines, and lower income coal mines, as well as between mines in Lorenzo Marques, Rhodesia and South Rhodesia, as well as mines in South West Africa, forced the Transvaal government and the mine owners to take drastic measures to solve the issue. In so doing, they looked to China, where there was a large source of surplus cheap labour, in order to recruit a new workforce of indentured labourers for the mines.

In May 1904, the first 10,000 Chinese labourers arrived to work on the Witwatersrand gold mines. They continued to come for the next four years, and by 1908, their number totalled nearly 100,000.

Most of the Chinese workers were recruited to serve three to four-year contracts. They also had to agree to work at special, low rates of pay for at least six months to pay back the costs of recruiting, and their passage from China.  
Once in South Africa, the Chinese were treated almost as slaves by the representatives of the mine owners. Many of them did not like their new work, but were unable to return home. They had no means of getting out of their contracts; their work was hard, their living conditions basic, and their mine-supplied food, often sub-standard.

Like the African miners, once their shift was finished, their free time was normally restricted to their own specially built living-compounds, adjacent to the mines. The compounds were also run in a similar way to those built for the African miners, wherein trusted workers were set-up as "house captains" or compound officials/policemen.

**1.2 Go Slow protests to improve conditions for hammer men in 1905**

The mine and Transvaal authorities adopted special measures to ensure the Chinese were kept under full control. Despite this, they did have limited success on odd occasions in their fight for better pay. One such example was demonstrated in an organised "go slow" in protest of terms and conditions for "hammer men" at the North Randfontein Mine in 1905.

**The Crown denied the Chinese labourers human rights to ensure they can only get low wages**

While the Chinese workers did help in the efforts to get the Rand back into production again after the Boer War, they became a political disaster and nightmare for the new British Crown administration in the Transvaal. Many white workers became concerned about the increasing presence of the Chinese on the Rand, bearing in mind that their Republic was becoming occupied with foreigners, and that this new source of low-paid labour would threaten the job security and wage levels of other South African mine workers. The Transvaal government helped to ease these fears by listing 44 jobs, which were reserved for whites only. Furthermore, the Chinese were not allowed to do any skilled labour, buy land, trade, or pay rent for land.

At this time, anti-Asian racism and hysteria was at a peak in Anglo-Saxon countries, and the Chinese workers were accused of introducing vices to corrupt the local population, being disease ridden and rapists etc. The situation was not helped when growing numbers of Chinese mine workers started to desert from the mines to live life on the run. Several grouped into outlaw gangs which threatened the local farming communities. This spread yet more alarm and threat to the Transvaal communities and government.

**The Chinese labourers were used as a political tool**

In Britain the question of the Chinese workers in South Africa became a major political issue. Trade unionists, and many Labour Party politicians, supported the white miners and condemned the use of Chinese labourers. In fact, the issue was exploited very broadly by both the Labour and Liberal Parties, and it added to the growing unpopularity of the Conservative-Unionist government.   
  
Eventually, the various campaigns in both South Africa and Britain which were opposed to the use of Chinese labour on the mines were so successful, that the Transvaal Administration was ordered to stop all further contracts. All the Chinese workers in South Africa were to complete their contracts, and were then to be repatriated to China. The last batch of Chinese workers left South Africa in 1910.

**Postcards relating to the lives of Chinese on the mines were sold**

Although the Chinese spent only a comparatively short period on the Rand their stay represented an important period in the Goldfield's history. This is reflected in the number of postcard issues that relate to them. Their suffering and living conditions were displayed on these postcards. The proceeds thereof did not go to the Chinese laborers.

**The Crown allowed globalization to develop within the workers field**

Globalization of work interest was created by forming Unions which represent workers in Crown colonies founded on Socialist and Communist principles. Unions were used to motivate workers to action in Russia to overthrow the Imperial government of the Tsar in Russia, and they were motivated to overthrow the government in South Africa with the intent of creating a communist state. The first globalization by transnational labour activism in South Africa is discussed in detail by Lucien Van Der Walt from the University of the Witwatersrand in his book called ‘The First Globalization and Transnational Labour Activism in Southern Africa: White Labourism, the IWW, and the ICU, 1904–1934’.

In the website of The International Socialist League and the Communist Party of South Africa, 1914 – 1932, an article named ‘Raising the Red Flag’ by Sheridan Johns explains that the strike action in South Africa from the beginning of the 1900’s was instigated by Communist activists. In consideration that Communism is a tool of the Crown for levelling society, as discussed in Attachment 11 - The modus operandi of the Crown, it becomes clear that the strikes of workers in South Africa was caused by the members of the Crown, both those who owned the mines, railways, and other businesses where working conditions were so terrible that they caused workers to strike, as well as by members of the Crown who funded activists to initiate movement against these terrible working conditions.

The global movement of workers in search of employment, as well as the Unions – funded and initiated by Crown members - which spread worldwide, was influenced heavily by the press. Not only were work opportunities shown in the press, but also strike actions against employers. Unions depended heavily on the press to incite workers to strike action.

The development of various Unions at the turn of the 19th Century is discussed in Footnote 2 – Various Unions developed at the turn of the 19th Century in South Africa, which altered the political arena of Africa.

**The Crown caused conflict in South Africa which cost the lives of the nation by using the military and Unions**

As the mining industry in South Africa was developing under the control of the Crown, it enforced conflict onto the people in South Africa, which caused the lives of many people who were unaware of the manner in which they were being manipulated. The old adage of “divide and conquer” can clearly be seen where the Crown, through instructions to the mine managers, called upon the government in South Africa – which was also controlled by the Crown – to call in the state security services, which also included the military, to fight with the workers inside South Africa, who had been incited to take part in, or had been drawn into, strike actions, which had been called for by the Unions. The Unions were supposed to have been established to protect the workers, but, in fact, had been established by the Crown to protect the big business of the Crown, and to introduce and enforce acceptance of the ideals of Communism within the working class of society. Communism as a tool of the Crown is discussed in Attachment 11 - The modus operandi of the Crown, Section B.3 The influence of Zionist reformation political strategies on different countries of the world, with reference to Reformists guilty of genocide, Sub-section (ii) The ideal of Communism enters the political arena.

**The Crown took advantage of people who cared about others to further the ideals of the Crown**

How the Crown took advantage of people who cared about others, is epitomized within the life of Mary Fitzgerald. She was a person who proved that she cared about her fellow man, and put her life at risk on various occasions to try to better the lives of her fellow man, even though she was, unwittingly, used as a puppet of the Crown by being a member of the Unions as well as the printing press. The life of Ms Fitzgerald is discussed in Footnote 3: [Pickhandle Mary – suffragette, politician, Union member and master printer](http://ancestry24.com/pickhandle-mary/); from which we take the following facts:

1. Union members were working under appalling conditions, which included:

* numerous accidents at the workplace;
* a prevalence of the incurable phthisis contracted from dust at the workplace; and
* No compensation for the dependants of deceased miners.

2. The families of miners had to finance the medical and funeral expenses, even when resultant from their work environment, themselves.

3. To survive financially, women joined the workforce at the mines, which destroyed the family unit.

4. The press had a very large influence on workers, and incited strikes.

5. Mine workers who were striking were shot dead by the government, and no care was given to their children by the government, or the mines, afterwards.

6. The government deported striking workers without giving them a fair trial.

7. Despite her reputation of being a trouble maker and a supporter of Communism, the government employed Mary to the City Council.

8. After working for the government for 6 years, Mary retired. The government gave her a car when she retired, which was paid for by with state treasury. In the same year that she had retired, Mary took part in another strike in Durban. Soon after the strike, also still in the same year, the government employed Mary again, as an official adviser the International Labour Organization conference at Geneva.

**1.3 Railway strike in 1911**

From the time that the first tram rolled onto the tramlines in 1902, Newtown’s workers made their presence felt through strike action. In 1911, Johannesburg saw its first major strike by white tram workers.

Mary Fitzgerald spoke at a protest meeting while holding a pick handle that had been dropped by mounted police to break up the strike. This became her trademark, and she is still referred to as ‘Pickhandle Mary’. She famously led a group of women to lay on the tram tracks and stop the trams.

Mary Fitzgerald organized the Industrial Women’s League, was President of the South African branch of the International Workers of the World and was also the first woman printer in the country having acquired Modern Press which published the Voice of Labour.

**Workers were killed and jailed to please members of the Crown**

To please the members of the Crown who owned the mines and railway systems in South Africa, the government in South Africa used the police and military force to squash striking workers in rebellion to their working conditions. Such action was described in the Auckland Star, 7 mouthpiece of the Crown in South Africa, as follows:

*JOHANNESBURG STRIKE.*

*RUSH ON THE POWER STATION DISPERSED BY MOUNTED POLICE. (Received 8 a.m.)' JOHANNESBURG, May 14.*

*The streets are patrolled and barricades erected at the danger points. The tram sheds have been converted into a camp, and the military are ready to reinforce the police. Public opinion is against the strikers owing to the inconvenience caused. Glynn, the leader, who is out on bail, headed the strikers, who attempted to rush the power station, stoppage of which would plunge Johannesburg streets, shops and houses into darkness, in addition to stopping the trams. Mounted police dispersed the strikers. The town prison is full, and other strikers arrested are being taken to the fort. Many police were on duty for 36 consecutive hours.*

To note, in the above article, the press refer to Tom Glynn as the leader of the strike action. Glynn was a known Socialist activist who had travelled from country to country, initializing strike actions against government industries, and is discussed further in Footnote 4 -The founding roles of socialist dissidents in the workers fields of South Africa.

By the 16th of May 1911, the Auckland Star reported that strike rioters were charged by police8 with batons, injuring several.

The 1911 strike of Johannesburg tramway workers was the first of many labour disputes which culminated in the General Strike of 1922.

**I.4 The 1913 miners’ strike**

Besides internal political party struggles, Smuts had to contend with threats to his authority, and that of the government, from the general public. Socialist restlessness had spread from Europe, and, inflamed by the split within the Afrikaner leadership and the dispute over cheap Asian labour, caused great social unrest amongst South African miners.

By the end of 1912, the general mood of unrest which permeated all groups of white workers in the mining industry was indicative of future trouble. The contributory causes of the miners’ strike were:

the high cost of living on the Witwatersrand;

the demand for the establishment of a minimum or subsistence wage for whites;

white miners’ fears of being replaced by cheap black labour and their insecurity of tenure;

the demand for overtime payment and for night work in trades or industries;

the demand for an eight-hour working day for all underground mineworkers, because of their susceptibility to miners’ phthisis;

the unhealthy mining conditions that created occupational miners’ phthisis; and

the refusal of the Chamber of Mines to recognize trade unions.

**A Mine manager’s decision to cap wages led to the strike**

In 1913, a mine manager's decision to cap wages and alter working hours at his mine led to a strike. The dismissal of five underground mechanics on the New Kleinfontein goldmine near Benoni, who refused to comply with altered hours of work after they had lost their Saturday half-holiday, was taken up by the ‘Federation’ - The Transvaal Federation of Trade Unions, which consisted of a coordinating body of Witwatersrand trade unions, which had come into existence formally in 1911. A strike committee consisting of delegates from the various trade unions was appointed under the auspices of the Federation.

**The Chamber of Mines refused to co-operate with representatives of the miners**

The Chamber of Mines refused to discuss the dismissal of their mining staff with the strike committee of the Federation, and took on “scabs” (strike-breakers) to do the job. However, the strike escalated and became more violent. By the beginning of July 1913, 19 000 white workers from the gold mines and power stations were on strike.

Smuts attempted to maintain a policy of neutrality, but the dispute soon got out of control, with recriminations from both sides.

**The Crown ordered the arrest of trade union leaders**

Governor-General Gladstone demanded an end to Smuts' non-interference, and ordered him to mediate. He ordered the arrest of [trade union](http://en.wikipedia.org/wiki/Trade_union) leaders, as requested by Gladstone, but the troubles escalated further.

The Crown demanded military interference and martial law from the Smuts government to protect their interests

**The Crown instigated civil war through their newspapers in South Africa**

The uprising in South Africa during 1913 was by the workers against the working conditions enforced on them by their employees within businesses owned by members of the Crown. Before, during, and after the strikes, the Crown channeled the attitude of the workers and the public through their newspapers. The Star was the main mouthpiece for the Chamber of Mines, wherein misinformation was given, including the return of workers was announced, irrespective if they had returned to work or not, which let the strikers feel isolated. Facts on events were sometimes excluded from their articles, and they laid down their demands to the strikers through their newspaper as well. On the other hand, the press which incited the workers to strike was handled mostly by Communists and Socialists, whom had clearance cards from the London Society of Compositors (LSC). The press in South Africa which led up to, and during the strikes at the beginning of the 1900’s, is discussed in FOOTNOTE 4a - Censorship of news during workers strikes in 1914.

Socialism is the bridge between any existing form of government, and Communism.

It is common practice of the Crown to align with other organizations to enforce Communism onto a country, and in the case of South Africa, this is further discussed in

Attachment 10 – South Africa is bound as a possession by the Crown, Section: The Crown aligned with other organizations to enforce Communism on South Africa Sub-section (i) Political, media and intelligence organizations.

**The Crown refused an organized meeting at the last minute**

In May 1913, White miners declared a strike at the New Kleinfontein mine. Industrial action spread, and by July the miners were preparing to declare a general strike.

A mass meeting for workers and their Unions was scheduled for the 4th of July, 1913 in Johannesburg, but, at the last minute, Smuts, under direction of Gladstone, refused it permission. However, the meeting went ahead, under close police scrutiny, and striking soon turned to rioting. At the climax of the strike, on 4 and 5 July 1913, a mob set fire to the goods shed at the Johannesburg station and burnt down the premises of *The Star* newspaper (the mouthpiece of the Chamber of Mines).

Smuts had not foreseen such a violent reaction, and responded by sending in the army, even without Gladstone’s permission.

That night, the rioting intensified into running battles with the police and army.

**The Crown used South African police to open fire on demonstrators**

Things came to a head outside the Rand Club, as an angry crowd refused to disperse, and soldiers opened fire. 21 demonstrators were killed, and 51 were wounded.

**A meeting with the strike committee forced the Crown to give into their demands**

When reports of the incident at the Rand Club reached Pretoria by telegraph, Smuts resorted to personal action. He and Botha grabbed a car, and drove to Johannesburg, without accompaniment by assistance or bodyguard. They drove slowly and quietly to the centre of Johannesburg, as best as they could without being seen. A meeting with the Strike Committee was arranged, but what Smuts and Botha had assumed would be a professional meeting, turned into a hostage situation, as the two were held at gun-point as they were dictated the unions’ terms.

With the authorities being beaten on the streets of Johannesburg, secondary strikes breaking out across South Africa, and guns literally pointing at their heads, Smuts and Botha were forced to meet the strikers’ demands.

Smuts and Botha communicated the terms to the mining magnates, located on the other side of Johannesburg, but, on their way back to the union leaders, they were confronted by a group of armed rioters. The crowd, unaware of the mediation in which the two were playing a part, bayed for blood. Just as it seemed the end was near, Botha stood up and declared his intention clearly and plainly, and both he and Smuts were allowed to leave unscathed.

**The South African nation picked up the tab of expenses for strike breakers which the Chamber of Mines (which belongs to the Crown), employed**

Altogether 25 people, including innocent bystanders, were killed during the strike related unrests in 1913. It was agreed that all the strikers would be reinstated and that a judicial committee would be appointed to investigate the workers’ grievances.

The strike-breakers were to be dismissed, but were to be paid a year’s salary. This salary was paid by the government, taken from the nation’s State funds, and was not paid by the Chamber of Mines, who had, in fact, employed these strike-breakers.

**I.5 The 1914 strike**

**Nationalization of state assets created job losses**

The end of the 1913 rioting in Bloemfontein was by no means the end of South Africa's civil strife. In the first days of 1914, when nationalization of the South African railways brought about job cuts, the Amalgamated Society of Railway men and Harbor Workers objected, and went on strike.

**Representatives of the Crown in South African government refused to help the workers, which led to a general strike in South Africa**

By 1914, Jan Smuts took over responsibility from the Minister for Railways in the position of Finance Minister of South Africa, and, characteristically, refused to budge to the complaints of workers. In response, Hessel Poutsma - a man described as ‘firebrand Afrikaner’, led the railway men went on strike.

On the 8th of January 1914, the Railwaymen's Union ordered a strike.

On the 9th of January 1914, there was an attempted sabotage of the Cape mail train.

Poutsma requested that the Transvaal Federation of Trades Unions intervene. On January 13, they did, by calling a general strike. The Smuts Union Government placed the Johannesburg district under Martial Law.  
The GTUC quickly built an efficient organization, complete with military structure, distributing small arms and issuing propaganda inciting the overthrow of the South African government. On the same day, a general strike was declared.

**On behalf of the Crown, the state seized important economic assets in South Africa and used the military to prevent an overthrow of the government**

As Defense Minister of the government on behalf of the British Crown in South Africa, Smuts called up 10,000 reservists, instituted martial law, and seized the most important economic assets: the railroads and mines. Furthermore, Smuts dispatched an infantry detachment, armed with artillery and put them under the command of Koos de la Rey, to surround the strike leaders holed up in Johannesburg. De la Rey reached his position on January 18, where after Trade Union leaders and members, who had gathered at the Union Hall, were surrendered to Government troops armed with a twelve-pounder field gun. Therefore, by 18 January 1914 – 4 days into the strike - the strike had been crushed with the loss of only two lives.

The strike collapsed and many of the leaders were forcibly placed aboard a mail-ship at Cape Town and illegally deported to Britain.

**On behalf of the Crown, the government in South Africa gagged newspapers that did not support the Chamber of Mines ‘under martial law’**

Under martial law the press was strictly censored. Cables which had been sent from England for the information of the South African public on protest meetings in the United Kingdom condemning the South African government’s actions were suppressed.

The controlling officers were responsible for censoring all communications and newspapers. In this way any possible focus for the organization of strikers or mobilization of support was made ineffective or at least extremely difficult.

**On behalf of the Crown, the government in South Africa deported Union leaders without warrant or trial – the Umgeni steamship**

On suspicion, but without any proof, that certain foreign strike leaders were dangerous men who had revolutionary syndicalist ideas of fomenting revolution and of overthrowing the state through industrial action, Smuts took nine of the leaders from their prison cells on the 27th of January 1914, and ordered them to be deported to Britain, without warrant or trial. The steamship *Umgeni* was to leave Durban for London on the morning of the 30th, and Smuts was determined that it take the nine passengers. The captain of the *Umgeni* refused to comply, seeing it as an illegal act for which he would be held responsible.

Smuts cleared the captain and his company of any potential wrongdoings, and took responsibility himself, allowing the union leaders, including Poutsma, to be deported without delay.

Smuts was widely condemned from almost all quarters. The courts, the trade unions, the Labour Party, and the Old Boers complained, but Smuts could still rely upon the support of his own party. His own party is discussed further in Attachment 8 - Final steps to complete the formation of the Union of South Africa for total annexation by the Crown; Sub-section **7:** Direct results of the Union of South Africa in 1910.

With a working majority, Smuts presented a bill, the *Indemnity and Undesirables Special Importation Bill*, to Parliament that would retrospectively make his actions legal and clear Smuts and the government of any wrongdoings. Despite the howls of protest from the two major opposition parties, his bill was passed. In Smuts' own words, "A smashing blow had to be struck at syndicalism in South Africa. I gave that blow." It was this forceful attack on trade unionism that forged the Old Boers, the Unions, and the Labour Party together, as a united front against what they saw as treason and tyranny committed by Smuts against the South African nation, in his bid to please the Capitalist businessmen from the Crown.

**d) On behalf of the Crown, Smuts explained that segregation was needed to civilize Africa from the south up towards the north, and that people would be sick of the Old World after World War 1**

Before the country had time to settle down under Union, South Africa was fighting in World War 1. After the conquest of both German South West and East Africa, General Smuts proceeded to London to join the Empire War Cabinet, and to render brilliant services to the Allies. One of his most notable, and prophetic, speeches on African problems was delivered at a dinner, given in his honour under the chairmanship of Lord Selborne, at the Savoy Hotel on the 22nd of May 1917. In it he referred to people, after World War 1, wanting change from the Old World, and referred to Africa as a new home for people, but that Africa would need to be civilized from the South towards the North. Smuts explained that separate development of different colors of nations would be required to achieve such civilization. We offer the complete speech in Footnote 5, from which we have taken the following extract:

*You will see very large numbers of people, after this war, sick of the Old World and looking to the young countries for a new home where they may find peace.*

Furthermore, Smuts made his stance clear that it was not in the interest of creating a united Africa for the civilized world, that white communities remain independent and isolated to preserve their culture, but that such communities should embrace a new culture created by a combination of all white communities within the Union of South Africa. That an independent Boer nation was not in the interest of the plans of the Crown, to use Africa as part of its ‘new civilization’, is apparent in the following extract of the speech referred to above by Jan Smuts:

*We have people in South Africa who prefer isolation, who prefer to stand aside from the great currents that are carrying South Africa to her new and greater destiny.*

*We have also a large section of my own people, the Dutch people in South Africa, who think that the best policy is for them to stand aside and to remain, in isolation. They think that in that way they will be better able to preserve their language, their traditions, and their national type, and that they will in that way not be swallowed up and be submerged by the new currents. They point to the precedent of Canada, where French-Canadians are also standing aside from the general current of Canadian life and national development for the same reasons.*

*...National unity in South Africa as the one true basis of future stability and strength, and that national unity is entirely consistent with the preservation of our language, our traditions, our cultural interests, and all that is dear to us in our past.*

*We want to create a blend out of the various nationalities and to create a new South African nation out of our allied racial stock...*

*We have started by creating a new white base in South Africa and today we are in a position to move forward towards the North and the civilization of the African Continent.*

**e) Segregation created divided workers, which led to strikes, labour migration and Unions**

Enforced segregation by the Union government on behalf of the Crown in South Africa, created division amongst workers in southern Africa. Certain jobs were held for certain races, and the most skilled – therefore highest paid – jobs, were reserved for the British race. Jobs which required non-skilled workers were reserved for Africans or destitute Boers.

Search for higher wages caused a migration of workers throughout southern Africa, which brought new political dimensions back into South Africa.

Demands for better working conditions gave rise to Unions, and Unions called for nationwide strikes, which affected the economy of South Africa, as a whole, negatively. Besides the damage to property during strikes organized by Unions, bread winners and policing officials were killed during such strike action. This could all have been avoided, had the Crown members with vested interests in South Africa, been prepared to pay wages on which the workers could have enjoyed a comfortable life style, and had these Crown owners of businesses and industries in South Africa, provided a safe working environment for workers.

**F.1 The regional strike wave of 1917–1925**

From 1917, a large strike wave swept through parts of southern Africa. Out of 199 strikes recorded in government yearbooks for 1906 to 1920, a full 168 took place between 1916 and 1920.9

There were 205 strikes from 1916 to 1922, involving 175,664 workers.10

Unionism also grew rapidly, with union membership rising from perhaps 9,178 in 1914 to 40,000 in 1917 to 135,140 in 1920.11

**F.2 Hundreds of people were arrested for taking part in organized anti-pass demonstrations.**

Segregation in the work force brought along with it the pass law.

Africans were forced to carry passes which identified who they were, and where they worked, when moving in White areas. If found without such passes, Africans were thrown into jail immediately. In 1918, a protest was held in the Orange Free State against the carrying of passes by women. Soon after, the South African Native National Council organized an anti-pass campaign nationwide. The Union government made more than 700 arrests of these campaigners in Johannesburg alone.

Soon after, the Bantu Purity League was formed by Sibusisiwe Makhanya, with the aim of protecting young women.

**1.6 The Crown had striking workers arrested and sentenced to hard manual labour – the Masters and Servants Act**

Strike action by sanitary workers in South Africa led to their sentences to hard manual labour during 1918. This strike, which became known as the “bucket strike”, started on the 6th of June 1918, when fifty Johannesburg municipal sanitary workers went on strike for an extra 6d a day. By the 8th of June, the number of striking municipal sanitary workers on strike had increased to 4000. Hereafter, over 150 African workers were arrested and sentenced to two months’ hard labour for breach of contract under the “Masters and Servants Act”.

Following the arrest of African municipal workers for strike action, a series of mass meetings were held in Johannesburg in June 1918, presided over by the Industrial Workers of Africa, the ISL, and the Transvaal Native Congress, a section of the African nationalist South African Native National Congress.

A general strike was proposed by members of the Industrial Workers of Africa, supported by the ISL and the left wing of the Transvaal Native Congress, and set for 1 July.

It was called off at the last moment, but several thousand African miners did not hear the news on time, and clashed violently with armed police.

Soon afterwards, the authorities arrested and charged five Africans and three whites for incitement to public violence for their role in the strike movement.

Six of the arrestees were members of syndicalist groups, and included Cetiwe and Kraai in their number, as well as other ISL activists like SP Bunting; the remaining two people arrested were Thomas Levi Mvabaza and Daniel Simon Letanka, who produced the South African Native Congress paper, ‘Abantu-Batho’. A matter of exceptional interest in this case is the fact that for the first time in South Africa since the Union was established, members of the European and Native races, in common cause united, were arrested and charged together for their political activities due to their work circumstances.12

**g) The Crown ignored the loyalty of South Africans during the First World War – Appeal to King George V**

After their people had fought on the side of the Crown during World War One, SANNC sent an appeal to King George V on 16 December 1918 to overturn the inhuman policies of the Union of South Africa, listing the African loyalty to the British Crown during the War. The appeal was ignored.

**h) The Crown imported labour from other countries and regions into the Transvaal to maintain cheap local labour**

By 1920, there were two main streams of occupation in the Transvaal, namely the press, and the mines. Skills training of local workers were not encouraged, as the mine owners found it cheaper to use skilled labour drawn from outside the Transvaal, and kept local labour at minimum wage rates. Most often, white workers were replaced with African workers in industries owned by members of the Crown. This caused a vast migration of labour in southern Africa, and is discussed in Footnote 6 - The rise of large-scale migration in Africa at the turn of the 19th Century.

In 1920, only fifty-one per cent of African mine labour in South Africa was drawn from within the country, largely from the eastern Cape African reserves, with a further thirty-six per cent from Mozambique, and thirteen per cent from the High Commission territories: Basutoland, Bechuanaland, and Swaziland. 13 In later years, a growing proportion would be drawn from the ‘tropical territories’, situated north of twenty-two degrees S.L., reaching ten per cent in 1945, as well as a small number from South West Africa.

African workers not employed on the mines tended, to be more heavily drawn from South African sources than the miners.

In 1931, for instance, 47.4 per cent of newly arrived African labour on the Witwatersrand, not working in mining, came from Natal, with a further 44.2 per cent from the Transvaal, while only 3.6 per cent and 10.6 per cent of African mineworkers were from Natal and the Transvaal, respectively. 14

As the local labour became more efficient and demanded greater wages, they were simply replaced, sometimes overnight, by new, inexperienced recruits at rock bottom wages.

In 1921, 59.8 per cent of all typesetters, 55.8 per cent of all fitters, 52.1 per cent of barbers, 48.3 per cent of carpenters, and forty per cent of electricians were foreign born. 15

The mines proved an exception: Boers, already a significant component of the underground white miners by the start of the twentieth century16 became increasingly important; by the 1920s, around seventy-five per cent of white underground miners were Boers17, rising to perhaps ninety per cent by the 1940’s. 18 Skilled positions were mainly filled by Cornish men, and management positions by the British. Unskilled workers were mainly male African migrant workers, who worked on the mines as cheap, indentured and unfree labour controlled by pass laws, returning periodically to rural homesteads where their families resided.

This migrant labour system was insatiable, and drew in workers from South Africa and its neighbors, forming vast human rivers that linked South Africa, South West

Africa, the Rhodesians, Nyasaland, and Portuguese East Africa (Mozambique) into a regional political economy that was linked into the capitalist world economy.

**1.7 The Crown had peaceful miners on strike wounded and murdered – January 1919, Witwatersrand**

During January 1919, an estimated 70,000 African miners embarked on a peaceful resistance strike on the Witwatersrand. The strike was highly disciplined and organized. However, the Union government threw police cordons around each of the African housing compounds, preventing coordination of demands and actions. Government Troops broke through the workers` barricades, with bayonets fixed, killing 3 and wounding 40 workers. A further 8 workers were killed during a meeting between workers and the Commercial Union.

**i) The Crown created temporary organizations in government to override strikers - Provisional Board of Control**

In the beginning of 1919, White workers from various industries went on strike in South Africa. On the 1st of February 1919, White building trade workers went out on strike. On the 29th of March 1919, White power station workers went out on strike. They were followed by the White municipal workers who went on strike on the 31st of March 1919. Fearing a national strike, the Crown created a temporary organization to take over power from the Johannesburg Town Council to force strikers to call off their movement. The Johannesburg Town Council set up a Provisional Board of Control dominated by the Labour Party and its sympathizers. This Board then took over the effective running of the town's government.

The Labour Party, a socialist organization, 19 had been established in 1910 and was led by Colonel F.H.P Cresswell.Cresswell had served the Crown in its military operations against South Africans both before, and after, the Union of South Africa had been established. Cresswell is discussed further in Footnote 7 – The Crown put enemies of the Boers and Zulus into military positions within its government in South Africa, with reference to Cresswell.

On the 1st of April 1919, the strike called off, and by the 5th of April 1919, the strikers agreed to a settlement, where after the Board of Control passed out of existence.

**j) The Crown had demonstrators who demanded the release of Union leaders shot to death - Samuel Masabalala**

Like the rest of the capitalist world, South Africa was in the grip of the post-war economic crisis after World War One. Radical ideas and actions given impetus by the October Revolution were spreading among the various strata of the population.

The lCU (Industrial and Commercial Workers' Union) had started its eventful history with a strike of Dockers at Cape Town, and historic strikes of African miners and municipal workers had broken out on the Rand. The white workers, too, were fighting back against the moves of the employers and their government to cut their living standards.

The reaction of the government was one of ruthless repression. After the Union government of Smuts ordered police 'Don't hesitate to shoot', a series of bloody massacres followed.

ln October 1920, Samuel Masabalala, the leader of the ICU in Port Elizabeth, was arrested, and a great crowd of demonstrators gathered outside the police station to demand his release. The police opened fire on the demonstrators, killing twenty-three people, and wounding 123 people.

**k) The Crown had African church members shot to death – The Bulhoek massacre**

In May 1921, at Bulhoek, an African location near Queenstown in the Cape Province, an African separatist Church ('The Israelites') had set up their headquarters, and rejected a police demand that they disperse.

A massive military force armed with modern weapons (they numbered 800 compared with 500 'Israelites') was sent to Bulhoek. They opened fire against the 'enemy'- some of whom were said to have had assegais and knobkerries. *When the firing was over 163 Israelites lay dead and 129 lay wounded on the field. Casualties on the government side amounted to one trooper wounded and one horse killed*.20 The Bulhoek massacre aroused a storm of protest. The ANC denounced it as 'a pogrom.' The Communist Party in Cape Town issued a leaflet headed: 'MURDER! MURDER! MURDER! THE BULHOEK MASSACRE.' for which three of the leaders (W. Dryburgh, D. Dryburgh and W. Harrisson) were arrested and charged with issuing an 'offensive, rebellious and libellous lampoon '.

**l) The Crown opened war on the colored community in South West Africa – The Bondelswarts rebellion**

At around May 1921, a Coloured community in South West Africa, which demanded self-determination and independence, resisted German domination by protesting against the League of Nations decision to hand over the country as a 'mandate' to be administered by the Union of South Africa. This protest became known as the

'Bondelswarts rebellion'.

A virtual state of war was declared against this Coloured community. After they brought bombing planes from Pretoria, the Union government under Smuts raided community on Sunday, the 29th of May 1922, as well as the following day, killing men, women and children, cattle and sheep. The *Bondelswarts* continued to fight a guerrilla war into June, but the air power, artillery, modern machine guns and rifles of the enemy overpowered them. The official casualties were given (apart from women and children) as Bondelswarts: 150 men killed in action; government forces: 2.

**1.8 The Rand Rebellion of 1922 was a cumulative struggle between White workers and the White capital of members from the Crown**

Across the Transvaal region in South Africa, white workers fought bitter battles against employers and the state in the 1910’s and 1920’s, around issues ranging from wages, working conditions, to the replacement of their jobs, often overnight, by African labour, which was mostly imported from other regions and neighboring countries.

The best-known case is the Rand Rebellion, also known as the Rand Revolt of 1922, which was a general strike, wherein the mine-workers on the Witwatersrand, whose accumulated grievances at the hands of the great mine-owners, who were members of the Crown, finally exploded.

The Rand Rebellion of 1922 spiraled into a violent insurrection on the Witwatersrand that was suppressed with martial law. General Smuts, who had become prime minister of the Union on behalf of the Crown after the death of General Botha in 1919, crushed the rebellion with 20,000 troops, artillery, tanks, and bomber aircraft. Smuts had come down firmly on the side of the mine-owners, and the mine-workers were left worse off than ever. Within four days the revolt was crushed. 153 people, including 72 members of the state forces, had been killed and 534 injured.

However, the Rand Revolt was only one episode in the regional wave of class struggles, and only one of a series of dramatic confrontations between white labour and white capital.

**(i) The Rhodesian Mine Owners’ Association was formed to defeat the White miners general Union**

As early as 1916, a European Railway Workers’ Union had managed to establish the job color bar on the Rhodesian Railways, a private company that operated in both the Rhodesias.21

In 1920, however, the (Southern) Rhodesian Mine Owners’ Association was formed to wage an onslaught on white miners, who had organized a general Union from

1919, and the Association succeeded in inflicting a decisive defeat in early 1921, with a three-week lockout.

Inspired by this victory, employers took the offensive on the railways, inflicting a crushing defeat on the railway Union in 1929.

**(ii) Oppenheimer history with the Boers in early mining**

**(a) Boers impoverished by the Second Anglo-Boer War, took positions on the mines as unskilled workers**

The inhumane Anglo-Boer War of 1899-1902, instigated by those with mining interests to gain control of the mineral wealth of the Zuid Afrikaanse Republiek of the Boers, saw more than 24,000 Boer children 4,000 women killed in British concentration camps; and the Boer farm houses, crops and livestock burned down in the British "Scorched Earth Policy". The Boers thus impoverished were after the war, obliged to work in the mines.

**(b) After working on the mines for 20 years, Boer miners were replaced overnight with underpaid Black workers**

In 1922, after these Boers were used to build up these mines for twenty years, Ernest Oppenheimer fired them overnight, and replaced them with Blacks: Boers had worked for £30.00 a month; the Blacks would work for only £3.00 a month.

 This substitution represented a saving of £27.00 per month per employee on the wage bill - an immediate benefit to the Crown owned companies.

The subsequent riot by the Boer miners was put down brutally by General Smuts whose troops, armed with machine-guns, enforced the decision of Mr. Oppenheimer, the London Elite, and the Royal Institute of International Affairs (RIIA), which has directed matters in South Africa ever since, and upon whose Inner Circle, sat Rothschild and his henchman, Lord Milner. After the Anglo-Boer War, Milner whose aim it had been to exterminate the Boers "for ever and ever," declared that, "It is no longer war with guns and bullets, but it is war still." So it has been ever since, and is still so today, though a new generation of Rothschilds and Oppenheimers now direct matters.

**(c) Unfair treatment of the Boer miners created a political alliance between the Afrikaans and English speakers in South Africa**

Workers all over the country were infuriated and rallied to the support of the two opposition parties in parliament to change the system of governance in South Africa. The Afrikaans speakers supported the National Party, and the English-speakers supported the Labour Party. The two opposition parties then formed an alliance, and in the elections of 1924, the Smuts government was defeated. However, this alliance divided the strength of the Boer nation in politics, 22 as Crown influence filtered through the British members in politics into the Boer politics, which culminated into the overbearing presence of the Afrikaner Broederbond in the South African political arena, as discussed in Attachment 18 - Impact of the Union of South Africa on the nation created a select elitist ruling society.

**(iii) The role of Communism during the Rand Revolt**

The rebellion which started as a strike by white mineworkers on 28 December 1921, shortly thereafter became an open rebellion against the state. Some workers, who had armed themselves, took over the cities of Benoni and Brakpan, and the Johannesburg suburbs of Fordsburg and Jeppe. The young Communist Party of South Africa (CPSA) took an active part in the uprising on grounds of class struggle, which were typified by the slogan "*Workers of the world, unite and fight for a white South Africa!*"

Several communists, including the strike leaders Percy Fisher and Harry Spendiff, were killed as the rebellion was quelled by state forces.  This caused a political backlash, and the coalition of the National and Labour parties introduced the Industrial Conciliation Act of 1924, Wage Act of 1925, and the Mines and Works Amendment Act of 1926, which recognised white trades unions and reinforced the colour bar.

Under instruction from the Comintern, the Communist Party of South Africa (CPSA) reversed its attitude toward the colour bar after Jan Smuts lost power in government, and adopted a new 'Native Republic' policy. To note, the CPSA opposed the South African government throughout until it gained governing position in South Africa through the African National Congress in 1994.

**(iv) The arrest of workers left them unemployable**

Upset and disgusted with new policy decisions by the government of the late Genl. Smuts to lower the wages of white mine workers, some of the workers who went on strike were arrested and charged with public unrest, imprisoned for several months, some sentences reaching up to ten years - most often in prisons situated far from their families - and such strikers were given ‘police records’. People, whose names were on ‘police records’ would not be employed by reputable companies. For many, along with their families, these arrests were devastating experiences, since they had no alternative incomes during such times.

**(v) Government gallows for workers after the strike**

After the Rand Revolt had been crushed, the Union government under Smuts set up Special Criminal Courts; eighteen men were sentenced to death and scores were sent to prison for terms ranging from two to ten years. Three of those sentenced to death, Taffy Long, a Welshman, and two South Africans, Hull and Lewis, were executed at the Pretoria Central Prison. They went to the gallows courageously, singing the "Red Flag". The executions caused such widespread indignation that Smuts commuted the other death sentences to life imprisonment.

**1.9 The Crown militarized the railway service in South Africa to evict strikers from their homes**

By 1925, the Port and Railway Employees Association was once again ascendant, and was strong enough to organize a major strike on the railways. However, early in the year, the Union government, in representation of the Crown, militarized the railway service, and crushed the strike action by firing hundreds of workers and evicting them from their homes.

Many key figures in this strike were also deported.

The unprecedented scale of the repression was a ‘shocking example for all workers in the city’, white and African alike, and effectively ended all labour action until the

1930’s.23

**2.0 The May Day Strike of 1931 was caused through hunger after the Crown created a worldwide depression**

On May Day, 1931, there was a joint demonstration of black and white workers on a large scale in the Witwatersrand. According to *Umsebenzi*, some 3 000 Bantu and

1 500 Europeans assembled at Newtown Market Square and "with cheers for the solidarity of black and white workers", moved off in a procession.'24 Thereafter workers marched through Johannesburg**,** shouting 'We want bread'. During a 1931 May Day demonstration in Durban, the Union police murdered a young Zulu, Johannes Nkosi. This murder has never been addressed.

The recession in South Africa in 1931 had been caused by the worldwide depression after the Crown had changed the backing of the British pound from gold, to silver. Many companies had suddenly found their stock worth far less than it had been before, and was forced to get rid of staff, in order to meet their expenses. During this time period, many people in South Africa literally starved to death. We discuss the effect of this world economic depression in the South African clothing industry, which brought Boer ladies on board workers’ Unions, in Footnote 8 - Economic depression brought Boer ladies into the workers Unions.

**m) The African Mine Workers Union was established in response to the Chamber of Mines, which was established by the Crown for the mine owners in South Africa**

Crown members who were mine owners in South Africa, established the Chamber of Mines to thwart representation of white workers by Unions. In response to the power of the Chamber of Commerce, and its influence on the Union government in South Africa, people of all colors supported the establishment of the African Mine Workers Union, which is discussed in Footnote 9 - Birth of the African Mine Workers' Union

**2.1 The Crown government in South Africa opened fire on a peaceful meeting of Municipal workers on strike**

In 1943, several hundred African municipal workers at Pretoria came out on strike. A Union government soldier jumped into an armored car and opened machine-gun fire on a peaceful meeting. Fifteen Africans and one European supporter were killed.

**2.2 The Crown used the South African police as well as its Chamber of Mines to force workers to accept wages of less than that paid during the previous century**

At the beginning of August 1946, thirty thousand African miners came out on strike for a small increase in wages. The cost of living was rising and their wages were lower than at the end of the last century. On the 4th of August 1846, a Resolution was adopted by a crowd of more than 1 000 people at Newtown Market Square, which read as follows:

*Because of the intransigent attitude of the Transvaal Chamber of Mines towards the legitimate demands of the workers for a minimum wage of 10 shillings per day and better conditions of work, this meeting of African miners resolves to embark upon a general strike of all Africans employed on the gold mines, as from August 12, 1946.*

During 12 to 19 August 1946, an estimated 100,000 Black miners went out on strike on the Witwatersrand. Hundreds of police were mobilized against them, in which 1,248 workers were wounded and a very large number - officially only 9 - were killed. The rest of the strikers were driven back to work at the point of the bayonet.

During the strike, trade union and political offices, and homes of officials, were raided throughout the country.

The most profound result of the strike, however, was to be the impact it had on the political thinking within the national liberation movement; almost immediately it shifted significantly from a policy of concession, to more dynamic and militant forms of struggle, ultimately leading to Black on Black violence in South Africa, and the South African Bush War, as discussed in Attachment 14 - MK soldiers.

**a. Background to the 1946 strike**

In order to stave off the growing unrest among the African mine workers, the Union government in South Africa appointed a Commission of Enquiry in 1943, with Judge Lansdowne as its Chairman. Among the members of this Commission was A. A. Moore, President of the mostly white Trades and Labour Council.

The African Mine Workers' Union presented an unanswerable case before this Commission in support of the workers' claim to a living wage.

The Chamber of Mines made no serious attempt to rebut the Union's case, reiterating that its policy was to employ cheap African labour.

**(i) The only newspaper which supported workers Unions was penalized by the Union government**

While the African Mine Workers Union was addressing the Commission of Enquiry, the *Guardian* - a progressive South African weekly newspaper - the only paper which totally supported the strike, was sued by four mining companies for 40,000 pounds for publishing the Unions memorandum, on the grounds that it was false, and that the recruiting of mine laborers would be hindered. The Court decided against the Guardian and awarded 750 pounds damages to each of the four companies.

**(ii) The Lansdowne Commission report supported the outrageous claims of the mine owners**

The Commission of Enquiry formed the Lansdowne Commission, which presented its report in April 1944. This report had accepted the basic premise of the mine owners; all its recommendations were made within the framework of preserving the cheap labour system. The miner's wage, said the Commission, was not really intended to be a living wage, but merely a "supplementary income". Supplementary, that is, to the worker's supposed income from his land. The evidence placed before the Commission of acute starvation in the Transkei and other reserves was ignored.

The report of the Commission was received with bitter disappointment by the workers. Even its wretchedly miserly recommendations were rejected, in the main, by both the government and the mine owners.

The recommendations were:

An increase of five pence per shift for surface workers and six pence per shift for underground workers, on the basic rate of 22 pence per shift obtained for nearly a generation;

Cost of living allowance of 3 pence per shift;

Boot allowance of 36 pence for 30 shifts;

Two weeks' paid leave per annum for permanent workers; and

Overtime wages at time and a half.

Towards the end of that year Prime Minister, Field Marshal Smuts, announced that wages were to be raised by 4 pence for surface and 5 pence for underground workers, and that the extra wage would be borne by the State in the form of tax remission to the mines. The Chamber of Mines also agreed to overtime pay. All the other recommendations, miserly though they were, were completely ignored.

**(iii) A War Measure Proclamation was issued by the Union government under Smuts**

To prevent further action by workers to improve their wages through organized strike actions, Smuts issued a Proclamation - War Measure No. 1425 - prohibiting gatherings of more than twenty persons on mining property without special permission.

J. B. Marks, the President, and two other officials of the Union were arrested in December 1944, when they held a meeting at the Durban Deep Compound on the Witwatersrand. A few days later, P. Vundi and W. Kanye, two organizers of the Union, were arrested on a similar charge in Springs. The arrested men were found not guilty on a technicality. The offence created by the Proclamation was that of being present at a gathering of more than 20 persons, whereas the accused had been charged with "holding a meeting".

From that time, the police were more careful to frame their charges in correct legal phraseology, and all trade union meetings in or near mine compounds ceased. Though the international war ended, the Proclamation was not withdrawn.

**(iv) The African Mine Workers' Union was commissioned to demand a living wage on behalf of miners to prevent strike action by the work force**

Despite these difficulties the African Mine Workers' Union increased its following in numerous mines throughout the Witwatersrand. And on May 19, 1946, the biggest conference yet held of representatives of the workers, instructed the Executive of the Union to make yet one more approach to the Chamber of Mines to place before them the workers' demands for ten shillings (one Rand) a day wage and other improvements. Failing agreement, decided the Conference, the workers would take strike action.

From May till July 1946, the African Mine Workers' Union redoubled its efforts to get the Chamber to see reason. To all their repeated communications they received one reply - a printed postcard stating that the matter was receiving attention.

In his evidence at the subsequent trial of strike leaders and their supporters, Mr. Limebeer, secretary of the Chamber of Mines, said that the postcard had been sent in error. It was the Chamber's policy, he added, not to acknowledge communications from the Union.

**b. The decision to strike was to demand a working wage from the mine owners**

On Sunday the 4th of August 1946, over one thousand delegates assembled at an open air conference held in the Newtown Market Square: no hall where Africans could hold meetings was big enough to accommodate those present. The conference carried the following resolution unanimously:

"Because of the intransigent attitude of the Transvaal Chamber of Mines towards the legitimate demands of the workers for a minimum wage of 10 shillings per day and better conditions of work, this meeting of African miners resolves to embark upon a general strike of all Africans employed on the gold mines, as from August 12, 1946."

Before the decision was adopted, speaker after speaker mounted the platform and demanded immediate action. One worker said:

"When I think of how we left our homes in the reserves, our children naked and starving, we have nothing more to say. Every man must agree to strike on 12 August. It is better to die than go back with empty hands."

After the decision to strike was adopted, the President, J. B. Marks, stressed the gravity of the strike decision, and said that the workers must be prepared for repression by possible violence. "You are challenging the very basis of the cheap labour system" he told them, "and must be ready to sacrifice in the struggle for the right to live as human beings." His speech was loudly cheered, as was that of the Secretary, J. J. Najoro, who declared that their repeated efforts to secure improvements by negotiation had always ended in failure, owing to the refusal of the Chamber of Mines to recognize the existence of the Union. There was little doubt, he warned, that the regime would attempt to suppress the strike by brute force. But the meeting was in a militant mood. An old miner shouted: "We on the mines are dead men already."

**c. The Chamber of Mines ignored negotiations with the African Mine Workers' Union**

A letter conveying the decision of the meeting to the Chamber, and adding a desperate last-minute appeal for negotiations, was as usual ignored.

**d. The Press misled the public with false information**

The press and mass media, except the *Guardian*, did not print any news of the decision until the morning of Monday, 12 August, when the *Rand Daily Mail* came out with a front page story that the strike was a "complete failure". The report was obviously mischievous and a lie, as the paper went to bed before midnight, when the strike had not even begun.

*The Star* that evening, however, had a different tale to tell: tens of thousands of workers were out on strike from the East to the West Rand; the Smuts regime had formed a special committee of Cabinet Ministers to "deal with" the situation; and thousands of police were being mobilized and drafted to the area.

The African Mine Workers' Union, mainly because of the very difficult circumstances under which it operated, was never a closely-organized well-knit body. During the strike, the central strike committee was effectively cut off from the workers at each mine by massive police action and the workers had to struggle in isolation. They were continually told that all the other workers had gone back to work, and apart from Union leaflets hazardously brought into the compounds by gallant volunteers - a large number being caught and arrested - there was no system of interchanging information, and no press release could be trusted as accurate. Nevertheless, thousands of miners defied terror, arrest and enemy propaganda, and stood out for five days - from 12 to 16 August. During the strike, 32 of the 45 mines on the Rand were affected according to one report received by the Union, and later confirmed by the Johannesburg *Star*. According to the estimates issued by the Chief Native Commissioner for the Witwatersrand, 21 mines were affected by the strike, 11 wholly and 10 partially. The dead, according to this official, numbered nine, of whom four were trampled to death, three died in the hospital, one was shot dead and one "killed himself by running into a dustbin".

**e. The Union government committed human atrocities against the striking miners on behalf of the mine owning members of the Crown**

During government action on the striking miners, the police battened, bayoneted and fired on the striking workers to force them down the mine shafts.

The full extent of police repression is not known, but reports from miners and some newspapers reveal intense persecution and terror during the week following Monday, 12 August.

A peaceful procession of workers began to march to Johannesburg on what became known as Bloody Tuesday, 13 August, from the East Rand. They wanted to get their passes and go back home. Police opened fire on the procession, and a number of workers were killed.

At one mine, workers forced to go down the mine, started a sit-down strike underground. The police drove the workers up - according to the *Star* - "stope by stope, level by level" to the surface. They then started beating them up, chasing them into the veldt with baton charges. Then the workers were "re-assembled" in the compound yard and, said the *Star*, "volunteered to go back to work".

**f. The Transvaal Council of Non-European Trade Unions** **called a general strike in protest to government brutalities on workers**

In protest against these savage brutalities of the government on the striking miners, a special conference of the Transvaal Council of Non-European Trade Unions (CONETU) decided to call a general strike in Johannesburg on Wednesday, 14 August. The Johannesburg City Council sent a deputation to plead with CONETU to maintain essential services. Many workers heeded the call, but the weakness of the workers Unions generally, and the failure to bring the call home to the workers in factories, resulted in only a partial success of the strike.

**g. Workers supporting the sympathetic to the strike Transvaal Council of Non- European Trade Unions** **were attacked by the Union government under Smuts**

CONETU called a mass meeting of workers at the Newtown Market Square on 15 August. The meeting was banned in terms of the Riotous Assemblies Act, and the decision banning the meeting was conveyed by a senior police officer, backed by a large squad of armed police.

Those present were given five minutes to disperse. Only quick action by people's leaders who went among the angry crowd averted a massacre.

A procession of women tobacco workers marching to this meeting was attacked by the police and one pregnant worker bayoneted.

By Friday, 16 August, all the striking workers - 75,000 according to the government "Director of Native Labour" but probably nearer 100,000 - were bludgeoned back to work.

**h. All organizations suspected of being sympathetic to the mine workers were harassed by the Union government under Smuts**

Throughout the week in mid August 1946, hundreds of workers were arrested, tried, imprisoned or deported by the Union government under Smuts on behalf of the mine owners.

Leaders of the African trade unions, and the entire Executive Committee of the African Mine Workers' Union, the whole of the Central Committee of the Communist Party, and scores of Provincial and local leaders of the African National Congress were arrested and charged in a series of abortive "treason and sedition" trials.

Innumerable police raids, not only in the Transvaal but in all the main cities in the country including Durban, Cape Town, Port Elizabeth, Kimberley and East London, were carried out on the offices of trade unions, the Congresses and the Communist Party.

The homes of leaders of the ANC, the Communist Party, the Indian and Colored Congresses and the trade unions were also raided simultaneously.

The South African security forces were mobilized and rampant in defense of the cheap labour with big dividends policy of the mining magnates and big business owned by Crown members in South Africa. This marked the opening of a phase of intense repression by the Union government on behalf of the Crown, led by Smuts, against the forces for change in South Africa.

**n) The Crown implemented a policy of ‘ethnic homelands’ to weaken the rights of Blacks in the Union of South Africa**

After some 69 residents of Sharpeville – a Black residential suburb near Vereeniging, were massacred by the Union government police during a PAC protest meeting, the Crown government in South Africa appointed the Tomlinson Commission. Its findings provided the intellectual and ideological underpinning for subsequent attempts to implement a policy of "ethnic homelands", which consisted of merely 13% of the land in South Africa, on which Blacks were supposed to etch out a living. To note, no such homelands were offered to the Boers, who had been calling for an independent Boer Republic since 1902.

**o) The Crown initiated clashes between the citizens and police of South Africa**

After funding by Oppenheimer through the Rockefeller Foundation, school children were activated to rebel against the learning of Afrikaans in government schools, which culminated into the Soweto uprising on the 16th of June 1976, during which over 1000 people were killed in the clashes which ensued between citizens and police. The Soweto Uprising is discussed further in Footnote 7: The Soweto Uprising of Attachment 10 - South Africa is bound as a possession by the Crown

**p) Oppenheimer history in South African Mining influences it today**

The Oppenheimer syndicate has arguably taken the most wealth out of South Africa to its coffers at the Crown, throughout all the various governments in place in South Africa, past and present. The influence of Oppenheimer in the South African political arena is discussed in Attachment 10 - South Africa is bound as a possession by the Crown. It is of importance to note the present influence of the Oppenheimer syndicate on the South African government, and we point to the prominent African National Congress leader, Cyril Ramaphosa, with regards to treatment of miners in South Africa today.

Ramaphosa, today one of the Black oligarchs created by the Oppenheimer-Rothschild financial empire, was detained in the 1970’s for his work as a black consciousness movement organizer. He organized and unionized South Africa's mineworkers, who were forced to live in single-sex, military-style barracks under the control of the mining houses. The Machiavellian Oppenheimer profited from cheap labour under the Apartheid government, forcing his workers to live under these conditions; while simultaneously financially supporting the ANC and developing strong ties to their leaders.

Up until today, protests against low wages on the mines in South Africa are met with deadly restraint, as can be seen from the recent Lonmin miners at Marikana who were shot in August 2012. The media reported that the Marikana miner strike in Rustenburg, South Africa resulted in the deaths of at least 34 mine workers and two police officers. The violence on August 16, 2012 was the single most lethal use of force by South African security forces against civilians since the end of the [Apartheid Era](http://en.wikipedia.org/wiki/Apartheid_in_South_Africa).25

The role Cyril Rhamaphosa played in masterminding the shooting of mine workers at Marikana, as well as his connection to the Crown, is discussed further in Attachment 18 - Impact of the Union of South Africa on the nation created a select elitist ruling society; Part 3, Sub-sections as follows:

(iv) Rhamaphosa responsible for Marikana shooting; Ramaphosa in business; The connection between Lonmin and the London elite; Cyril Ramaphosa’s link to labour broking on Lonmin, where he is also a shareholder.

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1 Lodge, edited version of 1986: p144.

xx Thomas Glynn: Tom Glynn was an active organizer for the I. W. W. and a fighter against racism on two continents. Tom Barker recalls that Glynn was an Irishman from Galway, but by the turn of the 20th Century he was in South Africa. After serving as a soldier in the Boer War, he worked as a tramway motorman in Johannesburg, South Africa, and participated in the I. W. W. tramway workers' strike. He was fired, which prompted another strike that was put down by military force. Glynn was arrested and sentenced to three months' hard labor, but won an appeal.

He immigrated to Australia in 1911, where he became editor of *Direct Action*, the Australian I. W. W.'s official organ, and was a leader in the fight against the racist "White Australia" policy. In 1916 he was framed on charges of treason and arson with eleven other Australian Wobblies, and sentenced to fifteen years in prison. When the verdict came down, he told the court, *“Politicians have been responsible for us being where we are today, but so far as I'm concerned, I know that this verdict and the sentences that are to follow will help the working class to understand, better than years of talk would do, the ideas for which we fight.”*

Australian labour rallied to the cause of the Sydney 12, and in 1920 a new Labour government ordered an inquiry into the case with the result that Glynn and most of his co-defendants were freed immediately--though of course the government rejected any possibility of corruption.

Glynn was a founding member of the Communist Party of Australia in 1920, after the I. W. W. had been crushed in Australia, but he left the CPA the following year ("drifted away" according to the Encyclopaedia of Marxism), rejecting the Stalinist "United Front" policy.

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2 Katz 1994:67, 75–7

3 Jeeves 1985; Katzenellenbogen 1982

4 Alexander 2001:510–515.

5 Katz 1994:65;

Ticktin 1973:3, 259–260;

Visser 2001:2.

6 Alexander the First Globalisation and Transnational Labour Activism 225 2004:188–119.

7 Auckland Star, Volume XLII, Issue 114, 15 May 1911, Page 5

8 JOHANNESBURG TRAMWAY STRIKE.

RIOTERS CHARGED RY POLICE.

BLASTING GELATINE DISCOVER-

ED IN TRAM RAIL GROOVE.

[Router's Message.]

Johannesburg, Monday.

The Johannesburg tramway strike is assuming alarming proportions.

Rioters attempted to stop the trams in Market Square to-day, but the po-lice charged them with batons, in-juring several.

Two sticks of blasting gelatine, with a detonator, were discovered in a tramrail groove. They were removed be-fore a tram passed.

9 Pike 1988, pages 103–5

10 Simons and Simons [1969] 1983, page 333

11 Cope c1943, page 200;

Van Duin 1990, pages 640; 39.

12 Skota n.d, page 171.

13 Yudelman and Jeeves, 1986: pages 123–124

14 Freund 1989, page 83

15 Freund, 1989, page 85

16 Visser 2001:4–5

17 Boydell n.d.:191

18 Andrews 1941:20

19 South Africa 1982 Official Yearbook of the Republic of South Africa, published by Chris van Rensburg Publications, page 165

20 W. K. Hancock: Smuts, Vol 11 p. 89.

21 Berger 1974:45.

22 Discussed further in Attachment 10 – South Africa is bound as a possession by the Crown, Sub-section (iv): Afrikaner political opposition to the Crown directly after the Union of South Africa

23 Penvenne 1984, pages 273–4; 278.

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**FOOTNOTES:**

**FOOTNOTE 1: Boer land of Johannesburg annexed by Crown members**

After the Crown annexed the ZAR Boer Republic, it changed the borders of the communities in and around Johannesburg. We discuss the most well-known areas concerned as follows:

1896, February 19: A shunting locomotive reversed into two railway trucks containing 1955 tons of dynamite on a siding

1. **The 'Coolie Location'**

Situated adjacent to the Brickfields, the Indian or ‘Coolie’ location dates back to 1887, the year after Johannesburg was founded. As the area technically fell outside of the official mining camp, the location was largely neglected by the mining authorities, but provided easy access to town and, as a result, attracted a racially diverse population of a mostly lower working-class background.

Over the next decade the adjacent areas of Fordsburg, Vrededorp, Burghersdorp and the Brickfields became in effect co-joined multi-racial informal settlements - which the British government in South Africa after the end of the Second Boer War, indicated was a health risk to the population. This “health risk” was the excuse the British City authorities used to enforce racial segregation, when the City cordoned off Brickfields, as well as the ‘Coolie Location’, evacuated its residents and raised it to the ground in a fire that lasted three days and destroyed an estimated 1 600 structures and buildings, including a temple.

The destruction of these informal settlements, which the British authorities called 'slums', they said had been purportedly carried out in response to an outbreak of bubonic plague, which had resulted in 82 deaths in the same year. This outbreak also led Mahatma Gandhi to establish an emergency hospital on a vacant stand in the area where he treated 14 patients. Once again, the communities were expected to assist their own people without help from the South African government, which was controlled by Crown authorities, and which channeled the wealth of the City treasury to their personal pockets, rather than to serve the South African nation.

In 1904, after the clearance of the Indian Location, Crown member Joffe Marks, owner of Marks Limited, bought property in the newly-declared Newtown.

2. **Fordsburg**

Fordsburg was named after the Crown member Lewis Peter Ford of the Jeppe and Ford Estate Company, who acquired this land on the western side of Johannesburg on which he originally laid out the suburb we now know as Fordsburg.

During the 1922 Rand Revolt, Fordsburg was at the centre of the ‘red’ revolution – an attempt by white mine workers to overthrow the Smuts government. Under apartheid the large Indian community was constantly at risk of forced removals. Fordsburg has, however, remained a centre of Indian culture. Achmat Dangor, an Indian who grew up in Fordsburg, recounted in his book “Apartheid and the Death of South Africa Cities” his home town as follows:

*I grew up in the 1950s, in a suburb called Fordsburg, located on the western edge of the City. From my grandmother’s corrugated-iron and wood house, which dated back to Fordsburg’s old mining days, I could walk to school, to the market, to the cinemas, the sports fields, the dairy, the shops, to the mosque or any number of Christian churches if I so wished. There were even safe places in which to play truant from school.*

**3. Soweto, with reference to Klipspruit Farm**

Ochre Communications noted in their book called *Gandhi Heritage Trail* that, “It is an interesting historical fact that Gandhi was in Johannesburg at the foundation of such places as Soweto (Pimville) and Kliptown – the story of the development of these communities is linked to the destruction of the mixed Coolie Location in 1904.”

The history of Soweto - South Africa’s most famous township, is inextricably linked to the history of Newtown. The British authorities in Johannesburg claimed that in response to an outbreak of the bubonic plague, they set the racially mixed informal settlements of the ‘Coolie Location’ on fire in 1904. As a result, the displaced African, Indian and Cape Malay communities were relocated to Klipspruit Farm, which was 25 km to the south-west of the City. This new settlement became known as Pimville, and formed the nucleus around which Soweto would grow over the next 100 years.

Newtown and Soweto share another historical link in the form of the Jeppe Street Power Station and the Orlando Power Station. By the late 1920’s and 1930’s, the Jeppe Street Power Station had become the City’s main source of electricity supply. By the 1940’s, it was already struggling to keep up with demand, and by 1942, the Orlando Power Station in Soweto came into operation to handle some of the additional burden.

**4. 'Chinatown'**

It is estimated that by 1904, almost 180 Chinese businesses were operating in this part of Johannesburg. Known as 'Cantonese Quarter' or 'Chinatown', this historic area is located in Ferreirasdorp, south of Newtown.

The Chinatown precinct is one of the oldest in Johannesburg, and contains one of the City’s oldest buildings, the Chinese Club Building (substantially altered in the 1940s). Adjacent to this, is the United Chinese Club building, designed by German architect Wilhelm Pabst, and completed in 1948. This is considered a landmark Johannesburg building of great architectural significance.

Although many businesses have relocated in recent years to the ‘new’ Chinatown in Cyrildene, some restaurants and shops remain in Ferreirasdorp, and there are proposals to redevelop the area.

**5. Ferreirasdorp (Ferreirastown)**

Ferreirasdorp (or Ferreirastown) was one of the first mining camps that sprung up at the time of the discovery of gold in the 1880’s. It was named after Colonel Ignatius Philip Ferreira, who set up a prospectors' camp prior to the official proclamation of the Reef as mining land. The camp was named Ferreira’s Camp.

Later, the area was home to a large colored community, and in 1898 a site was set aside for a church (St. Alban’s Anglican Mission Church) to service the colored Anglican community. The original wood and iron structure was replaced by the present structure built in 1928 and designed by architect Frank Fleming.

In 1958, the Anglican diocese was stationed here under bishops Desmond Tutu and Duncan Buchanan. In the same year as the church was built, a girl’s hostel was established for the community. In the 1960’s, under the Group Areas Act, the colored community was forcibly moved.

**(i) Colonel Ignatius Philip Ferreira (1840 – 1921)**

Born in Grahamstown on the 5th of July 1840, Ignatius Philip Ferreira was a farmer, soldier, pioneer and speculator and early Johannesburg pioneer. He joined the great diamond and gold rushes of the 1870s and 1880s to Kimberley, Eastern Transvaal and the Witwatersrand. In July 1886 Ferreira was camped on the farm Turffontein on the Witwatersrand, near the present-day Johannesburg magistrates' courts, on the road to Kimberley. Other diggers soon joined him and, although he had no official status, he maintained order in the camp. Ferreira's camp grew at an unprecedented rate as rumors of payable gold spread. When part of the farm Turffontein was proclaimed on 8 September 1886, Ferreira registered his claims. Ferreira also established a prospectors’ camp in what is today Ferreirastown.

He finally discovered gold in October 1886. In 1887, he formed the Ferreira Company syndicate, and the Ferreira Gold Mining Company.

Mr. Carl Hanau and Mr. George Farrar, arrived on the scene with a capital of £20,000, where after they formed the H & F Syndicate, and in 1891, they proceeded to buy up a number of bankrupt properties and mines in Boks-commuburg.

Ferreira took C Hanau, GH Barber and FH Barber as members of his company syndicate. They contracted Cornish miners with experience in underground mining to develop the underground shafts and tunnels. After taking partners into his business, Ferreira was ousted by Hanau and soon lost his share to the Wernher Beit group. Ferreira resigned from the board of directors on 3 July 1888.

After the Anglo-Boer War (1899 - 1902) Ferreira settled as a farmer at Kranspoort near Louis Trichardt where he died a comparatively poor man.

**6. The Market Precinct**

The precinct came to life in 1904 when the new British government under Lord Milner used the outbreak of the Bubonic Plague as a pretext to burn down the so-called ‘Coolie Location’ and remove its diverse residents into racially segregated areas. The Johannesburg Fresh Produce Market relocated from the city centre to Newtown in 1913, and became known as the Market Precinct.

At the heart of the Market Precinct is the 1913 Market Building, which was once bustling with fruit and vegetable traders. The sprawling building with its massive steel structure that was shipped from Britain and constructed on site is considered one of Johannesburg’s finest examples of Edwardian industrial architecture. It now houses two cultural institutions, the Market Theatre and Museum Africa.

In the early days, the Municipality provided free tram rides for the city’s housewives from the old to the new market and a brass band entertained them on arrival. These ladies would hold hankies to their noses to avoid the fetid smells from the nearby abattoir and tannery. From 1976, the Market Precinct became an arts complex.

**7. Mary Fitzgerald Square**

This historic square was originally a wagon site. First known as Aaron’s Ground, then as Market Square, it was renamed in 1939 after Mary Fitzgerald, the first female trade unionist in South Africa and the first female public office holder in Johannesburg. Throughout the first half of the 20th century, political and labour meetings were held here. Cultural performances and traditional stick-fighting also took place here and brought new culture fusions to the city. The square is now the center of Newton’s cultural district.

**Footnote 2: Various Unions developed at the turn of the 19th century in South Africa, which altered the political arena of Africa**

Given the internal Diaspora of laborers within Africa, and the large-scale migration of British labour to the Crown colonies, these regional and global linkages became controlled by Unions based on common interests and skills. In the 1880’s and 90’s, a number of British unions opened branches in Durban, Kimberley, Johannesburg and Cape Town, including the Amalgamated Society of Carpenters and Joiners in Cape Town in 1881, the Amalgamated Society of Engineers in 1894 - which organized skilled metalworkers such as blacksmiths and fitters and turners, and a South African Typographical Union for skilled printers in Durban and Pietermaritzburg in Natal (Andrews 1941:12–13).

Not only were wages shaped by labour markets that crossed borders, but the politics of labour throughout southern Africa was shaped by ongoing interconnections across the colonial borders. The politics of white workers were deeply shaped by foreign models, with trade unionism from Cornwall, White Labourism from Australia, and socialism from Scotland (Hyslop 2002), playing an important role.

White workers in South Africa developed a local tradition of White Labourism by the early twentieth century, which combined social democratic demands with a platform of job color bars, segregation and the repatriation of Asians.

While this drew on the existing traditions of the local unions, it was also demonstrably influenced by the policies of the Australian Labor Party, which combined laborite parliamentary socialism with a commitment to white supremacy. While forming the world’s first labour government in 1904, creating a ‘workingman’s paradise’ (Mackenzie 1966:132), the Australian Labor Party defended the White Australia Policy designed to maintain the ‘thinly peopled continent as an everlasting home for an untainted European, and dominantly English community’ (Kennedy 1984:3–4).

Australian immigrants, like Peter Whiteside, played a key role in promoting this project in South Africa (Hyslop 1999; Katz 1976; Kennedy 1984). Born in Australia, Whiteside was an engine driver and keen trade unionist who came to the Transvaal in the 1890’s, where he became active in the South African Engine Drivers’ and Firemen’s Association – notable for securing the first statutory job color bar in 1896 (Ticktin 1973:109) – and helped form the first trades and labour councils on the Witwatersrand. Whiteside was also involved in efforts to form a white workers’ party on a segregationist platform, starting with the Political Labour League in 1905 (Grobler 1968:57–64; Ticktin 1973:186–209).

The League was one of a number of similar initiatives, which culminated in the formation of the South African Labour Party (hereafter the SA Labour Party) in

October 1909. This was backed by most of the Natal and Witwatersrand unions, as well as a bloc in the Cape unions.

The party platform advocated residential segregation, the repatriation of Indians, and job reservation, alongside welfare and municipal reforms framed within a vaguely socialist aim modeled on that of the British Labour Party (South African Labour Party [1910] 1960:73).4

However, White Labourism which came to South Africa from Australia, soon flowing northwards from South Africa as new mines were established, and new markets for skilled white labour were opened. With the opening of collieries and gold mines in Southern Rhodesia in the 1890’s, the rapid growth of Lourenco Marques in Mozambique as a direct result of South African trade and investment, 5 the opening of diamond and other mines in South West Africa after the turn of the century, and the development of the copper belt spanning the Belgian Congo and Northern Rhodesia in the 1920s, many white workers moved northwards, bringing along their political traditions.

An important development in this period was the emergence of unions amongst Africans, coloureds and Indians in Bloemfontein, Durban, Cape Town, Johannesburg, Kimberley, and Port Elizabeth.

Mozambique, meanwhile, was rocked by a strike wave from 1917 to 1921, headed by the powerful Port and Railway Employees Association (see Capela 1981; Penvenne 1984).7

In South West Africa, popular unrest also grew in this period, and rumors of a

general uprising by the Africans swept the country in 1922 and 1923 (also see

Emmett 1986:8–15; Gottschalk 1978; La Guma [1964] 1997:17–21; Katjavivi

1988:17–19).

In 1924, there were 702 whites and 8,740 Africans employed in mining and prospecting in South West Africa, with three quarters on the diamond fields (Cooper

1999:124). In 1931, the mining industry accounted for 35.1 per cent of white employment in Northern Rhodesia, with much of the remainder concentrated in the civil service or in industries linked to the mines (Berger 1974:16–17).

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By 1939, the Belgian Congo had 157,250 mine employees (including 2,250 whites), Northern Rhodesia had 24,900 (including 2,700 whites), South Africa had 464,359 (including 52,693 whites), and Southern Rhodesia had 90,886 (including 3,116 whites) (Vellut 1983:131, Table 4.2).6

Meanwhile, the white population of Lourenco Marques grew from around seventy-six in 1862 to 6,356 people by 1900, rising to four times this figure by the 1920s (Capela 1981:11) as the port town developed. A racial division of labour developed, with the skilled and supervisory jobs increasingly allocated to whites: between 1910 and 1925 the number of whites employed at the port complex tripled (Penvenne 1995:79–80, 82).

**Footnote 3:** [**Pickhandle Mary – suffragette, politician, Union member and master printer**](http://ancestry24.com/pickhandle-mary/)

Mary Fitzgerald was born in Wexford, Ireland on 4th August 1885, and died in Johannesburg on 26th September 1960. During her life she had been a labour leader, politician, suffragette, master printer, and writer; married John Fitzgerald - a tramway man, and had two sons and two daughters.

Mary was the eldest of the four children of Thomas Sinnott and his wife, Margaret Dunn, both of Irish farming families.

Mary’s father had immigrated to America, from where he came to Cape Town, representing the Singer Sewing Machine Co. His family followed after the Crown occupied the ZAR Boer Republic in 1902, at which time Mary found work as one of the first shorthand typists for the Crown in their British Army, stationed at the Castle in Cape Town. Later, with her husband, Mary moved to Johannesburg, where her parents died.

As circumstances soon necessitated her working again, she became a typist for the Mine Workers’ Union. There was an obvious lack of co-ordination in the Union whose members were working under appalling conditions, with numerous accidents, a prevalence of phthisis, and no compensation for the dependants of deceased miners. The young Mary, who developed tremendous sympathy for them, would ride round the mines on her bicycle, carrying a collection sheet to obtain funds to bury the phthisis victims properly.

The young Mary, who developed tremendous sympathy for them, would ride round the mines on her bicycle, carrying a collection sheet to obtain funds to bury the phthisis victims properly. Unwittingly, she was getting the families of the victims of the mines, which belonged to the Crown, to pay for funerals when, in fact, the Crown should have been held responsible for them.

In her eagerness to see families survive financially, Mary became a pioneer in organizing unions for women, and in the fight for women’s votes, and for equality of pay and opportunity. Mary had, unwittingly, played an important role in the family lives of mining families, to introduce women into the work field, and thereby, destroy the family unit and tradition of mothers as caretakers of their own children. Furthermore, Mary had expanded the ability of the businessmen of the Crown to extract work, and taxes, from families by entering women into their workers force.

At first Mary accompanied Union officials who were speaking at gatherings, but later began to speak herself. Her popularity with the miners developed very quickly and soon she had thousands of followers.  
She was present at the South African Labour Party conference in October 1909, the only woman among fifty-four delegates; she was present again in 1912 when Dora Montefiore, a prominent British sociologist and suffragette, chaired a meeting to form the United Socialist Party.

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Mary acquired her own printing press, which produced newspapers for the voice of the Unions, before she started taking part in violent strikes

She acquired Modern Press which later printed Voice of Labour, edited by Archie Crawford, her future husband and labour leader. When Voice of Labour became defunct, they produced the Weekly Herald of which Arthur Barlow\* was editor, and contributed as journalist. In 1929 Mary F. had to abandon Modern Press.

Her participation in workers’ strikes started in 1911 when she was involved in two Johannesburg tramway strikes. The strikers sat on tramlines to prevent ‘Blacklegs’ from working. Mounted police tried to quell the crowd in Market Square but when the police dropped their pick handles in trying to avoid the wheel-barrows which were placed by the strikers to obstruct police horses, the crowd took possession of the pick handles. While holding one of these pick handles, Mary spoke at a protest meeting. This became her trademark, and she is still referred to as ‘Pickhandle Mary’, colonel of the Pickhandle brigade.

Mary also famously led a group of women to lay on the tram tracks and stop the trams.

She was involved in the miners’ and general strikes of 1913 and 1914. Jammed against a wall by a police horse during the 1913 strike, she secured her release only by using her hatpin on the horse, and stood out during the strike by shouting defiance at the police, and encouraging the strikers to stand firm.

In another incident, she marched in the vanguard of thousands at the funeral procession of Labuschagne (shot outside the Rand Club on 5.7.1913), and at a subsequent meeting of Gen. J. C. Smuts she carried Labuschagne’s baby, railing, as she did so, against the policies and actions of the government and the mine owners.

After the arson at Park Station and the offices of The Star on 4th July 1913, she was arrested for inciting workmen to commit public violence, but refused to have her fingerprints taken, and was imprisoned for six weeks before the trial at which she and Crawford were acquitted.

After the 1914 strike Smuts, then acting Minister of Mines, ordered the deportation of Crawford and others, who were put aboard a ship sailing for England, Mary followed and at a huge labour rally to welcome the her, then labeled as the ‘burner of Park Station’ it was found that she was a small, quietly-spoken woman who, nevertheless, captivated her audience with a brilliant oration. Protests against the deportations followed, and the South African government rescinded the order. While in Britain, Mary gave birth to the last Fitzgerald child and later returned to South Africa.

In the first elections for the Johannesburg municipality after women had received the municipal franchise, Mary was elected to the city council. She served from 10.11.1915 to 26.10.1921, becoming chairman of the Public Health Committee (1915) and deputy mayor, and acting mayor (1921). On her retirement she was presented with a motorcar bought by public subscription.

At the conclusion of the First World War, Mary divorced John Fitzgerald who although a striker, had remained uninvolved during these turbulent times, and married Crawford. In 1921 she took part in a strike in Durban and in the same year was appointed by the government as an official adviser to her husband at the International Labour Organization conference at Geneva. Crawford is said to have opposed the 1922 strike. Mary took no part in it – their only child, also Archie, was born in that year. Hereafter, Mary seemed to have lost interest in her union and political activities. From 1926 she withdrew almost entirely from public life and after a stroke spent her last years living quietly with her daughter.  
Her career sparkles with firsts for women in South Africa: she was the first woman trade union organizer, the first woman to be imprisoned and tried for strike activities, one of the first three women to be elected to a town council. A very pretty woman with a good figure, her daring, resourceful, and courageous actions in the stirring and violent days of the early strikes earned her an image as a hatpin (or pick handle-wielding) virago. This impression has rather overshadowed her intellectual endowment and her ability in other directions, and has tended to blot out her achievements, which were considerable.

<http://ancestry24.com/pickhandle-mary/>

**Footnote 4: The founding roles of socialist dissidents in the workers fields of South Africa**

The pre-1909 socialist organizations tended to be highly eclectic, but included a strong libertarian socialist component. The Social Democratic Federation, the first twentieth-century socialist group in South Africa, was founded in Cape Town in 1904. Its founder and key figure, the controversial Wilfred Harrison - also founder of the short-lived Pretoria Socialist Society in 1911, as well as the first secretary of the CPSA - was a self-described "Philosophical Anarchist" who addressed crowds in Cape Town on the merits of Kropotkin’s anarchist communism. Within the ranks of this broad left organization were to be found Marxists but also "anarchists, reform socialists, guild socialists". Harrison was also the founder of the short-lived Pretoria Socialist Society in 1911, and later became the first secretary of the CPSA. The Social Democratic Federation remained a loose propaganda group, based in Cape Town, until its absorption into the CPSA in 1921.

The *Voice of Labour*, South Africa's first socialist weekly, founded in 1908 in Johannesburg, provided a forum for a range of socialist currents to air their views. These included anarchists, such as Henry Glasse, an Englishman who had settled in Port Elizabeth in the 1880s. The translator of Kropotkin’s *The Place of Anarchism in Socialistic Evolution* and *Expropriation* into English, Glasse must be considered the pioneer of libertarian socialism in South Africa. Working in apparent isolation, Glasse continued to contribute to Kropotkin’s *Freedom*in London,gave public lectures on anarchist ideas, and authored several anarchist pamphlets, such as *Socialism: the remedy* in 1901, and *The Superstition of Government*in 1902.

From 1910, the views expressed in the *Voice of Labour*were overwhelmingly those of IWW-style revolutionary syndicalism. This growing interest was at least partly attributable to the interest sparked by the tour of South Africa by the English revolutionary syndicalist Tom Mann between February and April 1910. Mann, who visited Cape Town, Durban, Johannesburg and Pretoria, spent his time preaching the "gospel ' of a complete change of society" and the "perfected system industrial organization to make this possible", urging at all times "the need for economic organization, and an amalgamation of the unions on the basis of industrial unionism."

It was from amongst the network of socialists associated with the *Voice of Labour*that the first two revolutionary syndicalist organizations were established in South Africa in 1910. These were the IWW (South African section) founded in June 1910 through the take-over of a smaller "Industrial Workers Union" orientated to unskilled whites, and the Socialist Labour Party, founded *circa*March 1910, and not to be confused with the South African Labour Party; each of these two groups was aligned to a competing faction of the international IWW movement. Key activists in the local IWW included Andrew Dunbar and Tom Glynn, whilst adherents of the Socialist Labour Party included Ralph Rabb, I. Israelstam, Jock Campbell, John Campbell (no relation), J.M. Gibson, C.B. Tyler, W. Reid and Philip R. Roux (father of communist Eddie Roux, discussed earlier).

Whilst the local Socialist Labour Party was successful in building a cadre of eloquent proponents of its views, its activities remained largely propagandistic in nature, centered on paper sales and talks on Sundays in the Market Square in Johannesburg, and internal education work. The local IWW also held regular open-air Sunday meetings at the Market Square in Johannesburg, but was rather more successful in moving beyond simply propagating the need for "One Big Union". In 1911, the IWW organized two spectacular strikes by Johannesburg tramway workers; it also held meetings Pretoria amongst railway workers, and attracted "some of the Railway Servants Association" to its "Pretoria Local" the same year, a prospect which doubtless alarmed government officials who worried about the impact of IWW methods on the state railways.

Although both organizations were apparently defunct by 1914, all of the prominent revolutionary syndicalists of the pre-war period – with the exception of Tom Glynn (who had left for Australia to edit the IWW paper *Direct Action*) and Jock Campbell (who announced his retirement from political life at the first annual conference of the ISL in January 1916) – joined with an anti-war group of socialist dissidents from the South African Labour Party to form the ISL in September 1915. These dissidents included W.H. Andrews, S.P. Bunting and David Ivon Jones. Although the ISL is typically presented in the literature as the "first Marxist orientated political organization in the history of the South African labour movement", led by "revolutionary Marxists", preoccupied with "the teachings of Karl Marx", "applying Marxism to South Africa", and acting as "tireless propagandists" for Marxist ideology, the organization was, in fact, deeply influenced by the revolutionary syndicalism of the IWW, resolving at its first congress in January 1916

http://flag.blackened.net/revolt/africa/safrica/history/rev\_syn\_nat.html

**FOOTNOTE 4a: Censorship of news during workers strikes in 1914**

Newspapers that did not support government action were gagged under martial law for a two month period at the onset of the strike on 14 January 1914. The Workers Federations decided that a daily news sheet would be printed on behalf of the strikers.

‘The Worker’ newspaper verified this decision a week after the Federation’s declaration of a general strike. However, the resolution was never put into practice as even The Worker was forced to close under martial law regulations for a period of two months as from 15 January 1914. In its last edition before closure under martial law regulations The Worker published an appeal by the South African Labour Party (SALP) to all South Africans to condemn the government’s action against the strikers. The paper also cautioned the strikers to refrain from using violence and from jeering and booing the police.

According to A. O’Quighley, the strict censorship of the press at the time hampers proper assessment of the number of workers who struck. Just as the capitalist press distorted information in its own interest, so did the trade union press in an attempt to rally support and prevent demoralization. For instance, The War on War Gazette, an anti-war socialist sheet that advocated pacifism at the start of the First World War, alleged that the East Rand edition of The Star, the organ of the Chamber of Mines, proclaimed that the strikers on the West Rand had gone back to work, while the West Rand edition said the same about the strikers on the East Rand.

As in the case of the 1913 strike, the strikers in the general strike of 1914 also published their own strike bulletin in Johannesburg. In January 1914, a “Special ‘Strike’ Daily Edition” of The Weekly Gazette, a one-penny worker’s sheet edited by Fred Horak, who was also a member of the SALP, was published. The paper, which was explicitly pro-labour and anti-capitalist, claimed to give “all the latest, and accurate news from a Workers’ point of view.” Simultaneously it inveighed against the “yellow capitalist press which led the workers into capitalist traps” and “degradation”.

The Weekly Gazette strongly identified with the cause of the railway employees during the strike, and kept the strikers abreast of the latest developments in the various strike centers. The government’s conduct was criticized and the paper stated that the strikers were against the use of violence. Although the Gazette strongly denounced the use of scab labour (strike breakers, employed by the Chamber of Mines to deal with the request of the strikers, in place of the mining management), it also admonished the workers to refrain from the use of violence.

The daily strike editions of The Weekly Gazette appeared on Wednesday, the 14th of January 1914, for the last time. The editor, Horak, declared that owing to the proclamation of martial law the editorial staff was unable to offer any criticism on the strike situation. Therefore they were unable to publish certain items. On the 26th of January, Horak was charged with contravening Regulation 5 of martial law stipulations, the allegation being that on the 15th of January 1914, he had “wrongfully and unlawfully printed, published or circulated a pamphlet, leaflet or other document containing words or information calculated to promote disaffection or excite ill feeling”.

Eventually he was discharged and the weekly publication of the Gazette was resumed on 16 March 1914.

The Pretoria branch of SATU decided to assist in the production of a strike newspaper and proposed that unemployed SATU members be used. I.L. Walker, the branch secretary, was the editor. A printing plant was rented from P. Miles and Company in Du Toit Street, Pretoria. The short-lived Pretoria Strike Herald, a single-page broadsheet that appeared on the 17th of January 1914, was distributed free of charge. The first impression produced 10 000 copies and there was allegedly a great demand for more.

The Herald contained items on trade union resolutions regarding the strike, general strike news as well as news on the surrender of the strike leaders in the Fordsburg Trades Hall.

Mindful of the falsehoods and distortions of press reporting by the capitalist press on the actual strike situation, the Herald induced the workers to remain on strike.

However, after the appearance of the first edition, the police raided the Pretoria Strike Herald’s printing plant. P. Miles, the owner, and four compositors were arrested on the premises and, like Horak of The Weekly Gazette, charged under martial law with printing matter “calculated to promote disaffection or excite ill-feeling”. They were also charged with contravening martial law regulations, because the Herald allegedly stated prematurely that the government’s citizen forces were going to be demobilized. During the raid the police confiscated and broke all the printing-forms and galleys for the type already set for the second edition of the Pretoria Strike Herald, scheduled for the 18th of January 1914. A few days later Walker, the editor, was also arrested and charged under martial law with sedition. Eventually the leaflet’s printing staffs were fined amounts ranging between £20 and £25, while Walker was sentenced to imprisonment for one month without the option on one charge, and fined £25 or one month one another.

**Footnote 5: Speech given by Jan Smuts after World War 1.**

General Smuts gave the following speech after World War 1 at a dinner given in his honour under the chairmanship of Lord Selborne at the Savoy Hotel on May 22,1917:

*I am deeply grateful to you for the reception you have given me here tonight. I am thankful to you. Lord Selborne, for what you have said. Your words tonight carry me back to that period in our history when I was serving under you and was a fellow-laborer with you in what will probably remain the greatest creative epoch in the history of South Africa.*

*The various South African societies, together with the Imperial Institute, have combined in order to do me this honour, and I am very glad to have you all together on this occasion. I know that there are many here tonight who have, at one time or another, differed from me. Sometimes the differences have been very acute, but tonight all these differences have been swallowed up and forgotten in the great constructive tasks in which we are all engaged. It is a matter of great gratification to me to think that after all, notwithstanding all those differences in the past, you can say tonight to me: "You have not done so badly after all."*

*This function, of all the various functions I have so far attended, appeals most to me, because it is really not in honour of me, but in honour of that far-away, dear land, which most of us have served and with which most of us have been associated in the past. Tonight we are really met together here as members of the South African family; some born into it, some married into it, some old servants who have grown grey in her hard service and who have given the best years of their lives to that service here we can all sit together, forgetting Europe, forgetting the storms raging outside, and our minds can travel back to the sun-filled spaces of Southern Africa, to its amazing history, and its immense tasks. A great historian has said:*

*"On those whom the gods love they lavish infinite joys and infinite sorrows." On that principle surely South Africa must be a special favourite of the gods. She has known joys and sorrows; she has known the deepest abasement and she has known the highest exaltation. The history of South Africa is in many respects one of the true and great romances in modern history.*

*When I look around tonight and I see all who are sitting here at this table, I feel, and you all feel, that we are lifted out of the world of commonplace into a strange world. We feel that whatever the past has been, whatever mistakes we have made and we have all made mistakes whatever services we have been able to render to our South Africa, a kind Providence has intervened and has woven all those mistakes and all those services into a strange and wonderful texture which we call the history of South Africa and of which we are very proud. When we look at that wonderful history we are all cheered and encouraged to move forward in the hope that as our task has not been too difficult for us in the past it may not prove entirely beyond us in the future.*

*There are very grave questions before South Africa, and these questions will probably increase in magni­tude after this war. Now the Ten Plagues are being poured over Europe in this war, and they will be followed by the Exodus in due course. You will see very large numbers of people, after this war, sick of the Old World and looking to the young countries for a new home where they may find peace. I am sure that many of you will find in our large country, our wide spaces just that repose for body and soul that you desire. We look forward to great times, to great developments in South Africa, and it will be the task of our Governments in South Africa to make the best use of the unique opportunities for a forward move that will be presented by the times that will follow the war.*

*But in South Africa we always feel that there is something more. With us it is never a question of merely material progress and of prosperity, although we are always very eager to have those good things too; we always feel that under our peculiar historical and racial conditions there are very large political problems in the background which always press for solution. And that is what gives profound interest to life in South Africa. We have made very great pro­gress in recent years. If you remember that it was within seven years of the Boer War that we had all the British Colonies of South Africa united in one great Union you will see how great and rapid that progress has been. But although we have achieved political union, our aim has always been far greater; we have aimed not only at political union, but also at national unity; and when you have to deal with very hard-headed races, such as our people in South Africa, both English and Dutch, you can well understand that it takes more than seven years to bring about that consummation. We have grave difficulties in this respect. We have different racial strains, different political tendencies.*

*We have people in South Africa who prefer isolation, who prefer to stand aside from the great currents that are carrying South Africa to her new and greater destiny. These are not merely Dutch, many of them are English. We have English fellow-citizens who will always remain English; to whom even the sunshine and the wide spaces of South Africa are not sufficient to bring about the great transformation of soul. We look forward patiently in such cases to the next generation. We have also a large section of my own people, the Dutch people in South Africa, who think that the best policy is for them to stand aside and to remain, in isolation. They think that in that way they will be better able to preserve their language, their traditions, and their national type, and that they will in that way not be swallowed up and be submerged by the new currents. They point to the precedent of Canada, where French-Canadians are also standing aside from the general current of Canadian life and national development for the same reasons. Now, you know, that is the issue which is being fought out now in South Africa, and has been fought out in recent years more acutely than ever before.*

*The policy General Botha and his associates have stood for is that we must have national unity in South Africa as the one true basis of future stability and strength, and that national unity is entirely consistent with the preservation of our language, our traditions, our cultural interests, and all that is dear to us in our past. The view we have taken is this that the different elements in our white populations ought really to be used to build up a stronger and more powerful nation than would have been possible if we had consisted of purely one particular strain. All great Imperial peoples really are a mixture of various stocks. Your own history is one of the completes proofs of that doctrine, and it is only in recent years that this remarkable doctrine of the pure race has come into vogue, and largely in Germany. The man who has preached the doctrine most eloquently is a Germanized English man, Houston Chamberlain. The doctrine is to the effect that the governing races of the world are pure races, and that they simply debase themselves and become degenerate if mixed with alien blood. They must remain pure, and in so far as they do so they will play a great part in the world. It is more than hinted at that the German race must guide the world because it is one of these pure races. What arrant nonsense!*

*We do not pretend in South Africa to listen to these siren voices. We want to create a blend out of the various nationalities and to create a new South African nation out of our allied racial stock, and if we succeed in doing that we shall achieve a new nationality embracing and harmonizing our various traits and blending them all into a richer national type than could otherwise have been achieved. The ideal of national unity means a continuous effort towards better relations, towards mutual respect and forbearance, towards co-operation, and that breadth of view and character, which will be the most potent instrument for dealing with our other problems. Although in South Africa our national progress is marked by the ox-wagon and not by the train or airplane, I am sure in the end we shall achieve success and a new nationhood.*

*And this is more important because in South Africa we are not merely a white man's country. Our problem of white racial unity is being solved in the midst of the black environment in South Africa. Whether we shall succeed in solving that other larger question of the black man's future depends on many factors on which no one could feel very much assurance at present. We know that on the African Continent at various times there have been attempts at civilization. We read of a great Saracen civilization in Central Africa, and of the University of Timbuktu, to which students came from other parts of the world. Rhodesia also shows signs of former civilization.*

*Where are those civilizations now? They have all disappeared, and barbarism once more rules over the land and makes the thoughtful man nervous about the white man's future in Southern Africa. There are many people in South Africa, and not very foolish people either, who do not feel certain that our white experiment will be a permanent success, or that we shall ever succeed in making a white man's land of Southern Africa; but, at any rate, we mean to press on with the experiment. It has now been in progress for some two hundred and fifty years, as you know, and perhaps the way we have set about it may be the right way. Former civilizations in Africa have existed mostly for the purpose of exploiting the native populations, and in that way, and probably also through inter-mixture of blood, carried in them the seeds of decay.*

*We have started by creating a new white base in South Africa and today we are in a position to move forward towards the North and the civilization of the African Continent. Our problem is a very difficult one, however; quite unique in its way. In the United States there is a similar problem of black and white with the negro population. But there you have had an overwhelming white population with a smaller negro element in the midst of it. In South Africa the situation is reversed. There you have an overwhelm­ing black population with a small white population which has got a footing there and which has been trying to make that footing secure for more than two centuries.*

*You will therefore understand that a problem like that is not only uncertain in its ultimate prospects, but is most difficult in the manner that it should be dealt with. Much experience has been gained, and there are indications that we have come to some cer­tain results. You remember how some Christian missionaries, who went to South Africa in the first half of the Nineteenth Century in their full belief in human brotherhood, proceeded to marry native wives to prove the faith that was in them. We have gained sufficient experience since then to smile at that point of view. With us there are certain axioms now in regard to the relations of white and black; and the principal one is "no intermixture of blood between the two colors." It is probably true that earlier civilizations have largely failed because that principle was never recognized, civilizing races being rapidly submerged in the quicksands of the African blood. It has now become an accepted axiom in our dealings with the natives that it is dishonorable to mix white and black blood.*

*We have settled another axiom, and that is that in all our dealings with the natives we must build our practice on what I believe Lord Cromer has called the granite bedrock of the Christian moral code. Honesty, fair-play, justice, and the ordinary Christian virtues must be the basis of all our relations with the natives. We don't always practice them. We don't always practice that exalted doctrine, but the vast bulk of the white population in South Africa believe sincerely in that doctrine as correct and true; they are convinced that they must stick to the fundamental Christian morality if they want to do their duty to the natives and make a success of their great country. Of course, this doctrine applies to other countries besides South Africa.*

*If you ask me what is wrong with Europe, although no wise man would express an opinion on such a great matter, I should say the moral basis in Europe, the bedrock of the Christian moral code, has become undermined and can no longer support all that super­structure of economic and industrial prosperity which the last century has built up on it, and the vast whole is now sagging. The same argument applies much more to the natives of Africa. Natives have the simplest minds, understand only the simplest ideas or ideals, and are almost animal-like in the simplicity of their minds and ways. If we want to make a success of our native policy in South Africa we shall have to proceed on the simplest moral lines and on that basis of the Christian moral code. I think we are all agreed on those two points on what I have called the racial and moral axioms.*

*I wish we had made more progress and also dis­covered some political axiom and knowledge how to deal politically with our immense native problem. But although in this regard nothing can be taken as axiomatic, we have gained a great deal of experience in our history, and there is now shaping in South Africa a policy which is becoming expressed in our institutions which may have very far-reaching effects in the future civilization of the African Continent. We have realized that political ideas, which apply to our white civilization largely, do not apply to the administration of native affairs. To apply the same institutions on an equal basis to white and black alike does not lead to the best results, and so a practice has grown up in South Africa of creating parallel institutions, giving the natives their own separate institutions on parallel lines with institutions for whites. It may be that on those parallel lines we may yet be able to solve a problem, which may otherwise be insoluble.*

*More than twenty years ago, as many of you re­member, an experiment in native self-government was begun by Cecil Rhodes in the old Cape Colony which gave local institutions to the natives in Glen Grey reserve. That principle has been extended over a large part of the old Transkeian territories, and so successful has it been that when we came to framing the Act of Union an Appendix was added about the future administration of the Protectorates when they should become incorporated into the Union. This Appendix was largely the work of our chairman. Lord Selborne. He fought with extraordinary tenacity for that Appendix, and I am not sure, although I did not see the importance of the matter in those days, whether in the distant future the South Africa Act will not be remembered as much for its Appendix as for its principal contents. This Appendix laid down that the native territories in South Africa should be governed apart from the Parliamentary institutions of the Union and on different lines which would achieve the principle of native self-government. Subsequently Commissions have been appointed in South Africa to inquire into native questions, and more and more the trend of opinion has hardened in the same direction. We have felt more and more that if we are to solve our native question it is useless to try to govern black and white in the same system, to subject them to the same institutions of government and legislation. They are dif­ferent not only in color but in minds and in political capacity, and their political institutions should be different, while always proceeding on the basis of self-government. One very important Commission had, I believe, Sir Godfrey Lagden as chairman, and as a result of that and other Commissions we have now legislation before the Parliament of the Union in which an attempt is made to put into shape these ideas I am talking of, and to create all over South Africa, wherever there are any considerable native communities, independent self-governing institutions for them.*

*Instead of mixing up black and white in the old hap­hazard way, which instead of lifting up the black degraded the white, we are now trying to lay down a policy of keeping them apart as much as possible in our institutions. In land ownership, settlement and forms of government we are trying to keep them apart, and in that way laying down in outline a general policy which it may take a hundred years to work out, but which in the end may be the solution of our native problem. Thus in South Africa you will have in the long run large areas cultivated by blacks and governed by blacks, where they will look after themselves in all their forms of living and development, while in the rest of the country you will have your white communities, which will govern themselves separately according to the accepted European principles. The natives will, of course, be free to go and to work in the white areas, but as far as possible the adminis­tration of white and black areas will be separated, and such that each will be satisfied and developed accord­ing to its own proper lines. This is the attempt which we are making now in South Africa to solve the juxtaposition of white and black in the same country, and although the principles underlying our legislation could not be considered in any way axiomatic, I am sure that we are groping towards the right lines, which may in the end tend to be the solution of the most difficult problem confronting us.*

*As I have already said, we have started in previous times to civilize Africa from the North. All these attempts at civilization from the North have failed. We now try to proceed from the other end from South Africa. We have built up a stable white com­munity in the south of the Continent and given them a training for two hundred years, and they have learned the ways of Africa, which are not the ways of other parts of the world. And now we are ready to go for­ward, and, as you know, in the last few decades enormous progress has already been made in this expansion towards the North. All our people in South Africa, English as well as Dutch, have taken part in this great movement towards the North, which is proceeding ever farther, and the time is coming when it will be almost a misnomer to speak of " South " Africa, because the northern limits of our civilization will have gone so far that it will be almost impossible to use the word " South " any more except in reminder of our original starting-point.*

*Great developments have taken place not only in Southern Africa, but in Central Africa in our day. You will remember that only fifty or sixty years ago Central Africa was a place for the explorer and discoverer, a land of mystery, of pigmies and other wonders of which we read in the books of Stanley and others. In a couple of decades Central Africa has marched right into the centre of world politics, and tonight in this great assembly we are not only interested in Southern Africa, but also those other enormous territories farther north, which our troops from South Africa and other parts of the Empire have conquered and occupied. What the future of that country will be no one knows.*

*I must say that my experience in East Africa has opened my eyes to many very serious dangers that threaten the future, not only of Southern Africa, but also of Europe. We have seen, what we have never known before, what enormously valuable military material lay in the Black Continent. You are aware of the great German scheme which existed before the war, and which no doubt is still in the background of many minds in Germany, of creating a great Central African Empire which would embrace not only Cameroon and East Africa, but also the Portuguese Colonies and the Congo, an extensive area which would have a very large population and would not only be one of the most valuable tropical parts of the world, but in which it would be possible to train one of the most powerful black armies of the world.*

*We were not aware of the great military value of the natives until this war. This war has been an eye-opener in many new directions. It will be a serious question for the statesmen of the Empire and Europe whether they are going to allow a state of affairs like that to be possible, and to become a menace not only to Africa, but perhaps to Europe itself. I hope that one of the results of this war will be some arrangement or convention among the nations interested in Central Africa by which the military training of natives in that area will be prevented, as we have prevented it in South Africa. It can well be foreseen that armies may yet be trained there, which under proper leading might prove a danger to civilization itself. I hope that will be borne in mind when the day for the settlement in Africa comes up for consideration.*

*You will have further questions in regard to the territorial settlement of Central Africa, which will follow the war. We are now, after the conquest of the Ger­man Colonies, in the happy position of having a through land route from Egypt to the Cape. We are in the secure position of having no danger on the Atlantic seaboard or on the Indian seaboard to our very essential sea communications as an Empire. What will happen to these communications after the settlement will depend on that settlement itself, but I hope it will be borne in mind that East Africa gives us not only this through land communication from one end of the Continent to the other, but that East Africa also ensures to us the safety of the sea route round the Cape and the sea route through the Red Sea to the East. It is a matter of gratification to us South Africans here tonight that South African troops have taken such a large and leading share in securing these extremely valuable results. I sincerely hope that, whatever settlement is come to, these larger considerations which I have referred to will be borne in mind.*

*We shall always have a difficult question not only in Central but in Southern Africa. Unlike other British Dominions, our future as a white civilization is not assured for the reasons, which I have given. Many thoughtful people are in doubt about our future, and in any case no cheap and easy victory will be scored in South Africa.*

*We know we have tremendous problems to contend with. We know we have tremendous tasks before us, and in dealing with these problems and in trying to fulfill these tasks one generation of South Africans after another will brace its nerves and strengthen its intellect and broaden its mind and character. Although these difficulties may seem to us, and indeed are, grave perils to our future, I trust that in the long run these difficulties may prove a blessing in disguise and may prove to have afforded the training school for a large-minded, broad-minded, magnanimous race, capable not only of welding together different racial elements into a new and richer national type, but capable of dealing as no other white race in history has ever dealt with the question of the relations between black and white. . . .”*

 Source:

Smuts, J.C. (1942). Plans For A Better World: Speeches of Field-Marshal the Right Honorable J.C. Smuts, P.C., C.H., K.C., D.T.D. , London: Hodder & Stoughton.

Johann Luther contributed materially to this article with information and advice based on his research on South African history and politics.

<http://semiticcontroversies.blogspot.com/2010/06/twelve-prominent-jewish-anti-apartheid.html>

**Footnote 6: The rise of large-scale migration in Africa at the turn of the 19th Century**

**(i) Johannesburg**

In 1886, Johannesburg had 3,000 prospectors; ten years later, it was a city of 100,000; by 1913 it was home to around 250,000 (Krut 1988:135–136).

**(ii) Mozambique**

Mozambique’s foreign trade rose 300 per cent between 1877 and 1892 (more merchandise passed through that port in the first six months of 1893 than in the previous five years), a railway line linked Delagoa Bay to the Witwatersrand from 1895, the systematic development of the harbor took place from 1900 onwards, and large-scale South African-based investments in real estate and construction occurred.

By 1910, South African-based interests controlled utilities, shipping and handling, insurance and banking in Mozambique, but local business interests responded aggressively and the colonial state rapidly displaced foreign investors in these sectors (see Harries 1994:141; Penvenne 1995:17, 35).

**(iii) Portuguese Angola**

There was also a small mining sector in Portuguese Angola, north of South West Africa, with 8,697 employees (including 160 whites).

**(iv) White migration led to spread of Afrikaner nationalism**

Another outcome of white migration in the African region was the somewhat less successful, but far from insignificant, spread of Afrikaner nationalism. It developed a base in South West Africa, where there was a growing population of Afrikaner immigrants from both Angola and South Africa, and in 1924 the National Party of South West Africa was established.

It was, however, unable to establish much of a foothold elsewhere, despite the widespread existence of Afrikaner communities.

The profound alienation from Afrikaner nationalism felt by most whites in Southern Rhodesia accounted, in part, for the defeat of proposals in the 1920’s to join South Africa as its fifth province.

**(v) The rise of Colored labour in the Western Cape**

While the ‘Cape tradition’ should not be unduly exaggerated, it was very real (Bickford-Smith 1995). The number of coloureds in commercial and industrial occupations in the Western Cape rose from nine per cent in 1891, to twenty per cent in 1904, with the number of clerks, storekeepers and hawkers tripling, and the number of masons doubling in this period (Goldin 1987).

**Footnote 7: The Crown put enemies of the Boers and Zulus into military positions within its government in South Africa, with reference to Cresswell**

The Crown put men into strategic positions in government in South Africa who were enemies of the Boers and the Zulus. To point, the Crown placed Colonel F.H.P Cresswell as the South African Minister of Defense from 1924 to March 1933, and he was also simultaneously placed as Minister of Labour from 1924 to 1925, and again from 1929 to 1933. When mining on the Witwatersrand began again, he became General Manager of the Village Main Reef Mine.

**(i) Imperial Light Horse.**

At the outset of the Second Boer War in 1899, Colonel Cresswell was commissioned as a Lieutenant in the newly-raised Imperial Light Horse.

The Imperial Light Horse unit was raised in Johannesburg to represent the Crown in its war against the Boers during the Second Anglo-Boer War on 21 September 1899.

Informally known as the "Reformers Regiment", it was named the Imperial Light Horse with the approval of Queen Victoria.

In late 1900 a second battalion - the 2nd Imperial Light Horse (2 ILH) - was formed, under Major Duncan McKenzie. Both Regiments then went on to fight in the South African Republic and the Orange Free State Republic until the end of the war.

In December 1902 the Regiment was reorganized at Johannesburg as two Wings in the volunteer Transvaal Army, but in 1904 the left Wing was separated and redesignated the ‘Western Rifles’.

A Squadron from the ILH served with the Transvaal Mounted Rifles in 1906 during the Zulu Rebellion in Natal and Zululand. The next action the Regiment took part in was the First Rand Revolt in 1913 when it, together with other military units, was mobilized to assist the South African Police during a general strike and rebellion.

On 1 July 1913 the Regiment was re-designated as the 5th Mounted Rifles (Imperial Light Horse) and transferred to the Active Citizen Force of the Union Defence Force.

**Footnote 8: Economic depression brought Boer ladies into the workers Unions.**

The worldwide depression, caused by the Crown changing the backing of international currency from gold to silver, started in 1929, and had a serious effect on South African economic life.

By 1930, industrial production, which was only in its infancy, began to decline and large-scale unemployment followed. As there was no social insurance of any kind in South Africa, the unemployed workers suffered great distress. For the hundreds of garment workers, who had no savings at the back of them, life became unbearable and many literally starved.

The workers Union spent large sums in buying essentials, such as flour, sugar and bread for distribution among members, but their funds were totally inadequate to cope with the problem.

The agreement between the workers Union and the clothing industry expired early in 1931, and negotiations for a new agreement started under circumstances which were by no means favorable for the workers. The employers demanded a reduction of twenty-five per cent in wages, and this demand was countered by a request from the Union for a substantial increase in wages.

During the years 1929-30, the workers Union had been very active, and aroused a tremendous spirit of militancy among the workers. A great many small-scale strikes, involving one or two factories, had recently taken place, though most of them were not concerned with questions of wages and hours, but directed against minor abuses prevalent in the industry at the time.

Nearly all these strikes were successful and this helped to inspire the workers with confidence.

Negotiations between the workers Union and the Transvaal Clothing Manufacturers' Association dragged on for months, and both sides were adamant. Finally, when complete deadlock was reached, a mass meeting of garment workers, attended by about twelve hundred, was called and the workers, with great enthusiasm, voted unani­mously to come out in a general strike.

Tactically, the strike may have been an error for, as a result of the depression, orders for garments to the factories declined considerably. There was a good deal of division, however, among the employers. Some of them were prepared, not only to drop the demand for a, reduction in wages, but to consider minor increases.

In July 1931, two thousand, two hundred and eighty-nine workers in Johannesburg and Germiston stopped work. There was not a single scab in their ranks. The workers Union succeeded in splitting the employers, and one of the largest manufacturers came to an agreement with the Union to carry on work under the old conditions pending a settlement. This scabbing on the part of a large employer caused grave misgivings in the ranks of the manufacturers.

The workers Union officials had ample experience in handling small strikes, but the general strike presented numerous unforeseen problems.

In Johannesburg, about fifteen hundred strikers assembled at the workers Union headquarters, where the largest hall could seat only seven hundred. As there were no scabs, there was no need for picket lines, and the workers Union was faced with the problem of what to do with such a large crowd. The workers Union leaders believed that it was essential to keep the workers together for the first few days of the strike at least, depending on a much finer spirit amongst the workers when they were together, than when they remained dispersed in their homes. However, they found a problem in feeding them. Nearly all the workers lived far away from the centre of the city, and a trip home would have involved them in extra expense. Besides, most of the cupboards at home were bare.

The workers Union elected a strike committee, hereafter banners were hastily improvised, and the strikers were led in a demonstration through the streets of Johannesburg, singing folk songs and shouting slogans. The repertoire of labour songs in South Africa was very limited at that stage, but the workers soon made up songs of their own to the music of popular tunes.

While the strikers were demonstrating, a group of highly efficient women hastily prepared sandwiches.

The committee also organized teams to try and collect money for the strike. At five o'clock every morning, hundreds of women and a few men used to assemble at the Trades Hall and, from there, dispersed along the Reef. They found warm support for the strike among the miners, and small groups of women collectors would stand outside the mineshafts to meet the workers as they came off shift.

Several hundred more strikers went round collecting in the city.

The organization of mass collections served several useful purposes. Firstly, it relieved the congestion at the Trades Hall; secondly, it kept large numbers usefully occupied; thirdly, it brought in some much needed cash. Also, the young women collectors were able to arouse a great deal of public sympathy for the workers' cause.

The officials and the strike committee sat at the Trades Hall all day, and usually till about midnight, to await the return of the collectors and to hear and examine their reports. Generally, the collectors were well received in the city and, only in a few instances, did they meet with rudeness.

The first day's collection brought in over £700, mostly in coin.

The five hundred workers of the bespoke tailoring section, who were not on strike, unanimously resolved to donate twenty-five per cent of their weekly wages to the strike, but the response from the Trade Union movement as a whole was not very inspiring.

After about a week, many of the workers dispersed to their homes, and only visited the workers Union headquarters in order to sign the strike register. But hundreds of others went to the Trades Hall every day, where they quickly got together a dance band and passed the time happily dancing to it. This caused considerable annoyance to the Trade Union officials and their staff, who had their offices in the building.

The employers refused to yield, but the fact that one large factory carried on operations. began to worry them considerably.

At this stage, one of the union officials committed a grave tactical blunder. Before the strike, the employers had agreed among themselves to help each other out in case of need. Accord­ingly many manufacturers, whose factories were on strike, began sending rolls of cloth to the unaffected factory to be made up into garments.

The workers showed some ingenuity and, without any directives from the union, determined to thwart the efforts of the outside employers to get their orders executed. They mixed up the sizes of different parts of garments, and often also the colors, with the result that the finished articles presented a somewhat strange appearance, with one leg of a pair of trousers being of blue serge and the other of worsted grey, or a size three being sewn together with a size six.

On one occasion, the workers got up from their machines and threw the rolls of cloth into the street. There was little their employers could do about such trickeries.

The Trade Union officials had to exert great pressure on the several hundred workers in the scab factory in order to stop them joining their fellow-workers who were on strike.

It was very difficult for masses of young women workers to appreciate fully the advantages of "divide and rule". During the third week of the strike, in a moment of excitement and irresponsibility, one of the workers Union officials led a demonstration of several hundred workers outside the scab factory. The demonstrators cheered and sang songs and the workers inside became restless. Suddenly, they got up from the machines, walked out and joined the strikers.

This was what the employers were waiting for. Now the whole industry was at a standstill and no employer could execute urgent orders. Signs of demoralization also became apparent among many strikers who would continually ask: "When are we going back to work?"

The situation became somewhat difficult for the workers Union, and fresh negotiations were opened with the employers.

After several meetings, an agreement was reached whereby the employers withdrew their demand for a reduction in wages, and the workers Union withdrew its demand for an increase. All that the workers received was a contribution of three pence a week to the voluntary sick fund of the union, which the employers undertook to pay.

The workers returned to work with their spirit unbroken, but without the flush of victory. The new agreement ended the strike, but did not establish peaceful relations. It was due to expire after only nine months and both sides, though anxious to avoid trouble, fully expected another clash, and began to make their preparations accordingly.

All the advantages were on the side of the employers. The economic position of the country had deteriorated still further, and most of the factories in the clothing industry were on short time. Unemployment was rife, with the result that workers Union funds were soon seriously depleted, and their position gradually grew weaker.

Many individual employers began to show open hostility towards the workers Union. Active trade unionists were dismissed, and numerous obstacles were put in the way of union officials in the conduct of their work.

In the ranks of the workers, there was a good deal of apathy and demoralization, and many new members stopped paying their contributions and lost interest.

On the other hand, three years of vigorous, militant trade union struggles led to hundreds of young Boer women taking an active part in union work.

The numerous small strikes, and more especially the general strike of 1931, did much to inspire confidence and a spirit of unity, loyalty and sacrifice among large numbers of workers.

Many factories elected factory committees and shop stewards, and these dealt actively and regularly with workers complaints, enrolled new members and inculcated the spirit of trade unionism among their fellow-workers.

Above all, the voice of the young workers began to make it heard. Formerly they had been too shy and inarticulate; but now, one could hear women expressing with youthful exuberance the true spirit of trade unionism.

Several of the more promising Boer women were elected to the various committees of the union. At first they felt more at home leading demonstrations, addressing meetings of strikers or standing on the picket lines, and found the routine of committee meetings rather dull and monotonous. But gradually, some of them began to understand the importance of committee work.

The workers Union found that many Boers, especially the women, are born orators. They could not express themselves adequately in English, but in their own language they were magnificent and inspiring.

The older men in the union soon changed their opinions about "these girls" and, while the technical work of the workers Union, such as finances and other purely administrative matters, still remained the preserve of the "old guard", the spirit of the workers Union, the fiery cross of trade unionism, the struggle for a new life and for social justice, were taken over entirely by the young girls from the Platteland.

http://www.sahistory.org.za/archive/chapter-12-general-strike-1931

**Footnote 9:** **Birth of the African Mine Workers' Union**

Black workers were introduced to trade unionism by the early struggles of white British workers who had begun to form trade unions from 1880 onwards. During the first thirty years of their existence the white workers were occupied in a turbulent struggle for decent wages, union recognition and survival.

Writing about this period Alex Hepple states:

"It was a struggle of white men, striving for a higher standard of life and inbred with a fiery belief in their cause which carried them into bloody strikes, violence and rebellion. Their main enemy was the Chamber of Mines, a body of men who owned the rich gold mines. The quarrel revolved around the Chamber's low-wage policy. This conflict greatly influenced the pattern and direction of trade unionism in South Africa. It introduced the race factor into labour economics and steered white workers into support of an industrial color bar, with all its damaging effects on workers' solidarity."

Indeed solidarity between white and black workers was lost in those first thirty years. The result has been that the white workers became the aristocrats of labour in South Africa, being among the highest paid workers in the world, while their black compatriots were, in the main, still living below the breadline. However, they taught the black workers one important lesson, i.e., in order to win their demands they had to organize. The organization of African mine workers was and remains one of the most difficult - and the most essential - tasks facing the trade union and national movement in South Africa.

Recruited from the four corners of the country and beyond its borders in Malawi, Lesotho, Botswana, Swaziland, Mozambique and, up to 1973, Angola, the African miners are spread out from Randfontein to Springs in the Witwatersrand, spilling over into the Orange Free State.

They are shut into prison-like compounds, speaking many languages, guarded and spied upon. Any attempt at organization exposed them to the wiles of employers, and the ferocious arm of the law.

Many unsuccessful attempts were made to form a trade union prior to 1941. But in that year, on 3 August, a very representative miners' conference was called by the Transvaal Provincial Committee of the African National Congress. The conference was attended not only by workers from many mines, but also by delegates from a large number of African, Indian, Colored and white organizations, as well as representatives from a number of black unions. Some white unions gave their moral support and even the Paramount Chief of Zululand sent an encouraging message. A broad committee of fifteen was elected to "proceed by every means it thought fit to build up an African Mine Workers' Union in order to raise the standards and guard the interests of all African mine workers."

From the first the committee encountered innumerable obstacles. The miners were ready to listen to its speakers, but the employers and the authorities were determined to prevent organizational meetings. Speakers were arrested and meetings broken up.

Another serious obstacle was the wide-scale use of spies by the mine owners.

Time and again provisional shaft and compound union committees were established, only to end in the victimization and expulsion from the mines of the officials and committee members. Nevertheless, the organizing campaign progressed steadily, and the stage was reached where a very representative conference of mine workers was held. The Conference formally established the African Mine Workers' Union and elected a committee under the presidency of J. B. Marks, who soon thereafter was elected President of the Transvaal African National Congress as well.

**Part C: The Crown channels the wealth of South Africa to its own treasury at the expense of South Africans**

Land annexation and treachery has been used to deny the indigenous people of South Africa the rights to and benefits of the assets of their land.

Not only were the costs of these annexations were billed to the taxes and reputations of the indigenous people of South Africa, but the people of South Africa were forced into hard labour for little, or no salaries by the Crown.

Furthermore, the indigenous people of South Africa are denied free trade on their own land, and are subjected to extreme taxation. Hereby, they have become enslaved to the economy by the infrastructure imposed upon them through government regulations enforced on South Africa by the Crown, who still today, monopolizes the South African economy.

We have discussed the displacement of the KhoiSan in southern Africa as well as the ongoing fracking which poisons the underground water tables in the Karoo, and which is against the wishes of the people living in that area as it endangers their very livelihood, in Attachment 6a - San and Congo, with reference to the mining corporations and Fracking in the Karoo.

**1. Minerals are exported at the health and lives of South Africans**

The mines producing minerals of wealth in South Africa, and big business companies, inclusive of the banks, are in the hands of Crown syndicate owned companies, which transfer billions of rand worth of profits annually from South Africa to foreign countries such as, Europe, America and Israel.  
Meanwhile 70% of the South African black population is unemployed, and a quarter of the white population is living in squatter camps. Hundreds of thousands of infants die annually as a result of malnourishment, and disease of poverty.

South Africa has the highest infant mortality amongst the non-whites. The annual per capita net income of the non-whites is R15, 000 whereas the whites are R34, 000. To balance living conditions, non-white areas have dispensations on municipal fees and taxes. Unfortunately, this creates a back-fire situation of sub-standard services and poor living areas in the non-white areas. However, roughly 200,000 people living in South Africa are connected directly to members of the British Crown by birth, and have a combined wealth of around three trillion rand in South Africa, and they have smuggled out of the country another around two trillion rand, mostly to Israel.

**Mining affected miners mentally and physically to their detriment**

"Two hundred thousand subterranean heroes who, by day and by night, for a mere pittance lay down their lives to the familiar 'fall of rock' and who, at deep levels, ranging from 1,000 to 3,000 feet in the bowels of the earth, sacrifice their lungs to the rock dust which develops miners' phthisis and pneumonia." - Sol Plaatjie, first Secretary of the African National Congress, describing the lives of black miners in 1914

Besides TB, asthma and other mining related diseases, mining disasters in South Africa are frequent, but seldom discussed.

The hardships experienced by the miners who have worked in South Africa through which wealth was extracted from the country, is touched upon by the writing of such a miner’s son, with reference to the Coalbrook mine disaster of 1960, as follows:

*After 1956 my father moved around seeking the best paid contract work at first, but settling for easier jobs before his last years before retirement. He yearned for the glory years of shaft sinking and tunnel developing adventures of his earlier years. But his age counted against him and shaft sinking and high speed development tunneling required a freshness and fitness rapidly passing him by. Also years of such arduous activities in which he spent the best of his years were counting in a dust load in his lungs: he died at the age of 67, on 20 breathing capacity. But a spirit of adventure was with him to the end and he was ready, although partially disabled to take on new challenges. One such an option did present itself, but not on a gold mine. During 1959 / 1960 he was recruited by the owners of Coalbrook coal mine, close to Vereeniging, to head up a team of shaft sinkers. An existing shaft had to be deepened and extra tunnels developed to improve air ventilation in the ageing mine. He had barely started on this new challenge when a catastrophe, the biggest in South African mining history took place. In the morning shift a number of black miners, including his own "gang" of tunnellers got bad omens from rumblings coming from rock formations overhanging the underground working. When the underground rat population started fleeing for any opening to fresh air to the surface the miners fled likewise, all headed for incline shafts of shaft stations for hoisting to the surface. However the "front line" management, mainly black supervisory personnel and called "boss boys" and "watch boys" stood in their way and chased them back to the workings. Messages of a strike in progress underground among the black workers were conveyed to the mine managers sitting comfortably in surface offices. These big bosses sent down teams of white supervisors who threatened the workers with either criminal charges for breaking their contracts, or instant dismissal. Alternatively, if they did not return to their work places, the police would be called. No sooner had they gone back into the mine when a methane explosion took place and entire sections collapsed blocking any hope of escape for those trapped in the belly of black earth, at coal faces and haulage ways. After more than a week of anguished operations to sink makeshift shafts and boreholes to ascertain where to focus rescue efforts and conditions in the collapsed underground workings, all efforts were given up.  The fatality was 439 black and five white miners, plus 40 horses put to work in underground haulages. My father was among the few who followed the fleeing rats and thought better of going down once more to restore operations at his own working places.  
My father then returned to the mature mines with a series of jobs all in the Klerksdorp area: Stilfontein, Vaal Reefs, and lastly Hartebeesfontein, before final retirement in 1975. But the experience at Coalbrook haunted him for time to come and was added to the top of his list of stories told ad infinitum to his sons. The Coalbrook disaster ranked, in my father's estimation of significant events in his life, with the ill-fated storming of Monte Casino by the Americans during World War Two.*

**The effects of the loss of wealth to the South African nations**

Through an elite governing group of people put in government by the Crown, as discussed in Attachment 18 - Impact of the Union of South Africa on the nation created a select elitist ruling society, the wealth of South Africans which they should have been entitled to use as their birthright to promote their standard of living, has been channeled to the treasury of the Crown. Loss of this wealth in South Africa has led to moral decay and extreme poverty amongst the majority of South Africans, which has led to their deaths caused by medical problems which could have been resolved at a cost they should rightfully have been able to pay, lack of abilities to acquire decent education, drugs, gangsterism, etc.

**a) The loss of mining rights**

As at present, all mining rights belong to the mining magnates, and private Southern African civilians are not allowed to mine, or trade with the minerals of the land. All profits from these minerals are shared between the mining magnates and the state.

**b) The loss of land ownership rights**

None of the land taken during annexation by the Crown has been given back to its original owners or ethnic groups prior to the annexation, nor have they received any compensation for it.

**c) Independent chiefdoms were dispossessed to mobilize large numbers of Africans for cheap labour**

With the discovery of diamonds in Griqualand West, gold in Witwatersrand and also coal in the Transvaal, the capacity of production changed the political and economic structure of South Africa.

“The development of industrial capitalism in the region was markedly accelerated, whilst the long era of dispossession of independent African chiefdoms was finally completed, paving the way for the mobilization of large numbers of African laborers to provide cheap labour for this industrial revolution".

**d) The Crown collapsed the South African economy by playing foul with the value of gold on the international market**

Adherence to the gold standard from the early 1900’s was a major contributing factor to the Great Depression popularly thought of commencing with the crash of the Wall Street stock exchange in 1929.

In Britain, the Crown abandoned the gold standard in 1931, and so dropped aligning its currency to a fixed quantity of gold. All Commonwealth countries followed suit to form the Sterling Area, and were among the first countries to emerge from the economic collapse. In South Africa however, the Crown clung to the gold standard until it too, after major currency losses, went off the gold standard in 1932.

**e) The value of South Africa’s gold was held back by the Crown**

From 1934 until 1971, the Crown fixed the price of gold against the US Dollar at $35 per ounce. After the price of gold was decoupled from the US Dollar in 1974, the price of gold escalated from US $ 35 to almost $ US 800 by 1980.

**f) The Crown collapsed the South African economy to force it into ongoing debt**

The Crown used economic boycotts to prevent South Africans from benefitting off the international market, demanded the withdrawal of international business concerns from South Africa, and stopped the roll-over credit of South Africa whilst increasing the interest rate on the South African debt to destabilize the South African economy and stimulate public spending as well as raised the interest rates payable by the public to the banks in South Africa, which also belongs to the Crown.

By 1990, internal upheavals caused by ‘anti-Apartheid’ movements (mostly funded by the Crown, as discussed in Attachment 9 - Objections to the formation of the Union of South Africa) and rising inflation South Africa, scared away investors in South Africa, and left her open to huge loans from the International Monetary Fund of the Crown. Hereafter, a joint decision by the elite National Party and African National Congress led to a loan of $850 million from the International Monetary Fund as discussed in Attachment 18 - Impact of the Union of South Africa on the nation created a select elitist ruling society, PART THREE: The present elitist ruling society in South Africa.In every domestic upheaval in South Africa, which drops the value of South African stock on the international stock exchange, members of the Crown and their representatives benefit greatly. To point, George Soros (Soros György; born Schwartz György) is a Socialist front man of the New World Order ideal of the Crown. Soros is also the chairman of Soros Fund Management, and supporter progressive-liberal causes. (The Russians know him well for his involvement in the color revolutions). Soros was involved with the funding of ‘freedom fighters’ during the anti-South African government movement pre 1994, which included funding the ANC, AZAPO, APLA and the SACP. Soros is still very active in South Africa (via the Soros Open Society) and prior to the strikes at the Lonmin mines at Marikana in 2012, Soros purchased 15.5 million shares in Platinum Group Metals Ltd. (competitors to Lonmin, AMPLATS and IMPLATS). The violence during these strikes were initiated by Trade Unions, in much the similar way violent strikes in Zimbabwe had been initiated by the Zimbabwe Congress of Trade Unions (ZCTU), which is funded by the U.S. National Endowment for Democracy. Of interest, Godfrey Kanyanze has long served as the director of the Zimbabwe Congress of Trade Unions. Kanyanze is also the director of Soros's Open Society Initiative on Southern Africa (OSISA).26

The direct connection between George Soros and the Crown, wherein the work of Soros for the Rothschilds is also discussed, is set out in Footnote 10 - George Soros and the Rothschild connection, from which we take the following extracts:

* “Soros has been identified as a front man of the Anglo-French Rothschild banking group. Neither he, nor the Rothschilds, want this important fact to be public, so the tight links to his friends in the London ‘City’, in the British foreign ministry, in the state of Israel and to his mighty friends in the American Establishment would stay concealed.”
* Not a single Western newspaper has so far uncovered the fact that the Rothschild group linked with George Soros was at the hub of the vast illegal network of the BCCI. The key person in these activities was Dr. Alfred Hartmann, the managing director of the Swiss branch of the BCCI (Banque de Commerce et de Placement SA), head of the Zurich Rothschild Bank AG and the member of the board of N.M Rothschild & Sons in London.
* Soros was also on the board of the Swiss branch of the Italian BNL and was vice-chairman of the N.Y. Inter Maritime Bank in Geneva. A friendly former secret service man who had worked on the Soros case disclosed that in September 1993 Soros had amassed – together with a mighty group of “silent partners” – a fortune in excess of 10 billion dollars to use as a lever to unhinge the European currencies.
* In taking Poland as an example, we can see a clear pattern being followed by governments, both the previous NP regime as well as the present ANC regime, in South Africa.

At the end of 1989, Soros organized a secret meeting between the Communist regime of Rakowski with the leaders of the then illegal opposition union organization Solidarnosc. The plan he presented to both sides was as follows:

The Communists should let the opposition Solidarnosc take over the government to win the confidence of the people.

Then the state should deliberately drive its own state industries and agricultural businesses to ruin by applying astronomical interest rates, by withholding the necessary state loans and by lumbering the companies with debt they could never repay.

Then Soros would get his rich international business friends to come to Poland and buy up the now privatized state companies.

The most recent example is the huge steel company *Huta Warsawa* which today, so steel experts say, would cost about 3 to 4 billion US$ to build if it was built by Western companies. A few months ago the Polish government agreed to take over the “debts” of Huta Warsawa and to sell the company now free of debt for 30 million US$ to the Milan company Lucchini.

**g) The Crown handed over a bankrupt and corrupt driven civil service in South Africa to the African National Congress regime in 1994, after the Crown had squandered the wealth of South Africa during its epoch of diamonds and gold**

Although gold traded at an all time high in 1985, the political strains from the international Anti Apartheid economic boycotts eventually collapsed the economic infrastructure of South Africa, and the gold-driven economy ran into debt problems by 1990. The liberation movements were unbanned and in 1994, the ANC was given control of a bankrupt and corruption-driven civil service. The fabulous wealth of South Africa produced during its entire epoch since the discovery of diamonds and gold, had been squandered. Gold mining has gone into decline, and the biggest South African Corporations had fled the country and are listed on the London Stock Exchange.  
What has been left behind is a gold mining industry in decline. Infrastructure of the previously prosperous mines - like shaft headgears, waste dumps, roads and housing for miners - are all left vacant, with little chance for maintaining derelict towns to previous standards. Towns like Stilfontein and Welkom are sadly in decay. But these are mere superficial negative effects. The worst negative impact is what we see as devastated, and impoverished, rural communities who often have to migrate to urban areas, where immediate needs are not met. Homelessness and unemployment is the order of the day.

Resources for reparations to repair the damages of the past have gone into the pockets of the same syndicates who filled their pockets with profits of these mines. The hurt, alienation of people, epitomized by the Coalbrook disaster - 20 times the magnitude in deaths than Sharpeville, has conveniently been forgotten about by the mine owners and their business partners.

**2. Agriculture is interfered with in South Africa by the Crown which is hazardous to the health of South Africans**

The Crown is presently trying to monopolize the farming industry in South Africa by introducing and enforcing the use of its sterile genetically engineered seeds into the agricultural industry.

Not only are these seeds a major health risk for the people of South Africa, but these seeds are the most expensive seeds on the market.

Not only do the profits of these seeds go directly into the hands of the Crown syndicate, but the medical expenses incurred because of health hazards experienced as a direct result of eating foodstuff poisoned by these seeds, also benefit the pharmaceutical industries of the Crown.

**(i) The Crown is patenting genetically modified seeds to monopolize farming**

The Crown syndicate has patented its genetically modified seeds, which means a farmer can no longer take the seeds from his produce and replant for the next season, because these seeds are "owned" by the corporation. This is particularly tragic in a situation when there is a crop failure. In the past, a crop failure was not a complete disaster, because the farmer had a stock of seeds from previous yields and could replant. With the patenting of seeds, if a farmer has a crop failure he then has to go and buy more seeds, and in many cases, this has resulted in complete bankruptcy for the farmer.

The patenting of any food source results in food slavery to corporate ownership that has patented the seeds and therefore owns them.

70% of South Africa's Maize is now genetically modified, which means that our basic food is now owned and controlled by a Corporation. GMO also includes Soya, potatoes and rice.

**(ii) The Crown is creating terminator seeds to prevent farmers being crop independent**

Compounding the situation of monopolizing crop seeds, the Crown Corporations have also created terminator seeds. In the past, for example, if you bought potatoes, you could seed some of them and replant. Today, many potatoes we find for sale on the shelves in shops are terminator potatoes, and cannot be planted as they will not propagate.

The end result that these Crown corporations are aiming at is to do away with the farmers and replace them with controlled corporate farming, which will put all food production in the hands of the small elite group of international bankers from the Crown. They hope to achieve a situation where it will be illegal and a criminal offense for anyone to produce their own food, and as slaves to their money making racket, we become even poorer while we are making them richer.

**(iii) South Africans are guinea pigs for genetically engineered foodstuffs**

South Africans are presently guinea pigs for genetically engineered foodstuffs in Africa. That South Africa is the only consumer of genetically modified (GM) maize in Africa, was revealed after a French study on the long term health impacts of such foodstuff was conducted and reported on the 1st of October 2012 by Patience Bambalele in the Soweto newspaper. She reported that, *“Maize meal is South Africa's main staple food and consumed mostly by the black community. Results of the study were released internationally last week and they showed that GM Foods caused cancer and had serious impacts on liver and kidney functioning.*

*Conducted by French scientists, the study was released last week in France.*

*It was conducted on rats for two years. Genetically modified seeds are developed in a laboratory by inserting genes from another species into a crop.*

*The rats that were fed GM maize diet had a higher mortality rate of up to 50% of males, and 70% for females than those that were eating other types of food.*

*The study also reveals that at the beginning of the 24th month, 50% to 80% of females fed GM diets had developed tumors around the body, while male rats showed liver congestion.*

*Miriam Mayet, director of the African Centre for Biosafety in Johannesburg, said it was possible that many local brands were affected because 40% of maize is grown with a variety called NK603.*

*Countries such as Zimbabwe, Mexico and South Korea were reported to be unaware that they were importing the GM maize.*

*"Countries such as Swaziland and Mozambique know that they are buying GM maize from South Africa," Mayet said.*

*"GM maize is impossible to detect, because there is no labeling unless you test it."*

*She said SA was the only country where people consumed about 70% of genetically modified food. In other countries GM maize meal is not consumed by humans.*

**(iv) Genetically modified seeds create sterile seeds**

Not only are genetically modified seeds **(**GM) poisonous due to chemical pesticides such as roundup, but it also causes infertility after the third generation. The Biggest crime of GM foods is that it is patented. Where before you could take a tomato as an example, use the seeds and plant more tomatoes in your own back yard, no more. Due to the patent you now are forced to buy GM seeds from companies like Monsanto.

Many of the seeds produced by GM are called terminator seeds, which means that although they produce the crop, the crop does not produce more seeds for the farmer's next harvest. Again they are forced to buy seeds from companies like Monsanto.   
  
This is creating more poverty and taking away our sovereign right to food access, and producing out own crops from our own seeds. This puts that control in the hands a few companies worldwide. This is basically debt slavery to genetically modified seeds. Genetically modifying seeds is a criminal offense against humanity and its ability and right to food production.

**(v) Genetically modified foodstuffs take away land from farmers and put it into the hands of corporations**

By controlling food production through modifying seeds genetically, GM companies control the farmers and their land. The ultimate aim of GM foods and its corporate farming is to take the land away from farmers and put it into the hands of corporations. By their acceptance of genetically modified seeds, the South African government are embarking on taking part in the genocide of farmers brought about by genetically modified foodstuff corporations, as can be seen already in process in other parts of the world.

**(v.a) Farmers commit suicide after repeated GM crop failures, leaving their families destitute**

On the 15th of April 2009, the Belfast Telegraph reported over 1,500 farmersin an Indian state committed suicide after being driven to debt by crop failure*.*27 By March 2012, it was revealed in an article called “GM Genocide; India Links Farmer Suicides to Monsanto”, that in exchange for International Monetary Fund loans, India allowed Monsanto to begin selling its genetically-modified (GM) cotton, known as Bt cotton, to farmers in India, and the Indian government had joined Monsanto in a massive marketing campaign to encourage cotton farmers to abandon their traditional seeds and adopt the GM cotton.  The truth, according to the Indian Ministry of Agriculture, is that more than 1,000 small farmers in India kill themselves each month*,* most of them because of their massive GM-generated debts.27A As these farmers die, their families are left behind, debt ridden, for the seeds they bought on loan, year after year, are very expensive, as discussed in Footnote 11 – Human tragedy: A farmer and child in India's 'suicide belt', from where we take the following extract regarding a widow of a MG seed farmer:

*But the debt does not die with her husband: unless she can find a way of paying it off, she will not be able to afford the children's schooling. They will lose their land, joining the hordes seen begging in their thousands by the roadside throughout this vast, chaotic country.*

Also from Footnote 11, we quote that, “*The crisis, branded the 'GM Genocide' by campaigners, was highlighted recently when Prince Charles claimed that the issue of GM had become a 'global moral question' - and the time had come to end its unstoppable march. Speaking by video link to a conference in the Indian capital, Delhi, he infuriated bio-tech leaders and some politicians by condemning 'the truly appalling and tragic rate of small farmer suicides in India, stemming... from the failure of many GM crop varieties.”*

In what has been called the single largest wave of recorded suicides in human history, Indian farmers killing themselves in record numbers has been extensively reported, even in mainstream news, but nothing has been done about the issue. The fact that Monsanto’s cost-inflated and ineffective seeds have been driving farmers to suicide, and is considered to be one of the largest — if not the largest — cause of the **quarter of a million farmer suicides** over the past 16 years, has not been addressed as genocide against farmers as yet, and Monsanto and its associated companies are free to continue introducing, selling and forcing their genetically engineered crops onto farmers all over the world, including South Africa.

In 2008, the *Daily Mail* labelled the continual and disturbing suicide spree of farmers as ‘The GM (genetically modified) Genocide’.

According to figures provided by the New York University School of Law, 17,638 Indian farmers committed suicide in 2009 — about **one death every 30 minutes.** At present, their death rate by suicide stands on over 250 000.

Oftentimes, these poor, struggling Indian farmers that faced bankruptcy due to failing harvests and inflated prices of GM seeds, sent their silent message to the world, as they commit suicide by drinking the very same insecticide that Monsanto supplied them with — a gruesome testament to the extent in which Monsanto has wrecked the lives of independent and traditional farmers. ‘We are ruined now,’ said one dead farmer’s 38-year-old wife. ‘We bought 100 grams of BT Cotton. Our crop failed twice. My husband had become depressed. He went out to his field, lay down in the cotton and swallowed insecticide.’

**(v.b) Monsanto forces farmers into debt with false invoices, where after their land is seized for debt**

Investigative journalism revealed that many of the farmers do not willingly choose or use Monsanto seeds. In Mexico, Monsanto spies drive through remote areas during planting season, and throw a handful of their corn or soybean seeds in a specific section of a farm - without the permission or knowledge of the farmer.

When the plants mature, these spies come back and take samples of the crop. They analyze the food in their lab and produce 100% lock-solid evidence that the farmer is growing Monsanto-patented crops. They then send the farmer an invoice for the FULL COST of Monsanto seeds for his or her ENTIRE FARM - even though the farmer never wanted to grow Monsanto crops, and played no role in planting them. When the farmer can't pay the bogus invoice (and few can), Monsanto has the local authorities (who get a cut of the action) seize the farm for non-payment. They've done this to tens of thousands of farmers in Mexico, as well as in the U.S., as well as around the world, which is why the farmers choose suicide rather than go to jail.

Monsanto's goal is to patent ALL growth of these crops around the world, so they can set pricing wherever they want - just as the mid-east oil sheiks can set world oil prices to any level they want. Monsanto wants to be a monopoly in an increasingly-wider sector of the world agricultural market - which gives them control over all humanity.

Why bother invading countries and taking over their governments, which was the model of pre-21st century imperialism? The new methodology is to gain control over ALL nations by being the 'big brother' of the world's dinner plate. And as we all know, people HAVE to eat - so in the long run we will all HAVE to pay Monsanto's asking price - however high they choose to set it. 28

**(vi) GM products poison drinking water and animals**

In an article called “Mexico Officials: Allowing GM Corn Will Devastate Crops” by Lisa Garber from the Natural Society dated the 24th of November 2012, she pointed to the d**estruction of history and humanity by GM products and their investors, stating that**:29  
Despite growing worldwide concern over the health and environmental risks inherent in genetically modified crops, the government of Mexico was toying with the idea of growing GM corn, as big players, including Bill gates, who had invested heavily in GM technology when he purchased 500,000 shares of Monsanto in 2010, were waiting for the go-ahead to plant their poison in natural corn's indigenous soil in an area roughly the size of 2.4 million hectares. She quoted Veronica Villa from the Mexico branch of ETC, stating that "We are talking about damaging more than 7,000 years of indigenous and peasant work that's created maize, one of the world's three most widely eaten crops."

Garber added that investors such as Bill Gates do not care that Monsanto's insecticides are creating resistant weeds and insects, forcing farmers to spray more insecticides, which in turn pollute the soil and therefore ground, which includes thereby the drinking water. She added that such investors also do not care that GM food has pesticide residue contributing to countless diseases in both animals and humans, and humans who consume animals.

**(vii) GM foodstuffs are found in everyday basic South African households**

South Africans are unwittingly consuming DNA terminating poisons from genetically modified foodstuffs their everyday meals. Maize products include thickening agents found in soups and sauces; popcorn; syrups; soya products, oil, almost all processed foods and animal feeds.

**(viii) GM foodstuffs contain poisons which cannot be absorbed by the human body and thus create growths and cancers**

Tests done on animals to see the effects of GM foodstuffs have been very limited. Yet even in these tests, the results are undeniable that GM food is dangerous for both animal and human consumption. Recent studies reveal that when rats are given GMO food, they develop huge cancerous tumors and they die prematurely..30

Although many previous studies have been done showing disastrous effects of GMO foods in general, only recently is a study being conducted on the specific effect of round-up - the pesticide, and the round-up producing maize through the entire lifespan of test animals. Previous studies only went up to 90 days.

The GM maize produces this substance which makes it poisonous for insects to eat.

The genetically engineered maize produces the roundup substance, as it is in the plant itself.

Thus far, laboratory tests have shown that everyone in South Africa may have consumed trace elements of round-up, especially in preserved food.

There are substances that must not reach the liver at all, but it is assumed that when we get them in small quantities, they are of insignificant levels. The fact is that on reaching the liver, even in small quantities, these substances poisonous, forming other compounds exactly as they do in the kidneys. Because they are low in levels but unbreakable in the body, they invade the tissues and cause the cells to grow uncontrollably.

Today, it is a fact that in South Africa, cancer spread has changed to rapid spread, and kills in a few months. Lymphoma patients have increased in number, mostly between the age of 25 to 35. It remains a fact that genetically modified food has a way of altering some parts of our cells in the body.

**(ix) Exposure of deception by governments and Monsanto on GM foodstuffs**

There has been outrage at the deception by governments of the public in their acceptance, and even support, of genetically modified foodstuff by Monsanto. Yet the South African government has ignored this. To point, we refer to the book *Seeds of Deception,* wherein proof of the knowledge of various governments and tests of the GM products are exposed. To note, praise for the Book *Seeds of Deception* include Ben Cohen, Co-Founder of Ben & Jerry's, who stated:  
"Outrageous! That's what you'll say when you read how the biotechnology companies have manipulated the government, our food, and the media, and put an entire generation at risk.”  
  
Joe Mendelson, the Legal Director of the American Center for Food Safety, referred to *Seeds of Deception* when he said that,"This pivotal exposé leaves no doubt that politics and corporate influence, not sound science, allowed these potentially dangerous GM foods onto supermarket shelves."  
  
Samuel S. Epstein, M.D., professor emeritus environmental and occupational medicine University of Illinois at Chicago School of Public Health, and also Chairman of the Cancer Prevention Coalition, said that, "I've seen firsthand how Monsanto and the FDA resorted to scientific deceit of the highest order to market genetically engineered milk. With captivating style and a flair for describing science in clear, accurate language, Seeds of Deception unveils the distortions, omissions, and lies for all to see."  
  
A concise summary by Jeffrey M Smith of the book *Seeds of Deception* exposed industry and government deception about the safety of the genetically engineered foods people are eating worldwide, from which we take the following excerpts:

* **Subject: Rats died during Lab tests for GM tomatoes**

The Washington Post reported that laboratory mice, usually happy to munch on tomatoes, turned their noses up at the genetically modified FlavrSavr tomato. Scientist Roger Salquist said of his tomato, "I gotta tell you, you can be Chef Boyardee and mice are still not going to like them." The mice were eventually force fed the tomato through gastric tubes and stomach washes. Several developed stomach lesions; seven of forty died within two weeks. The tomato was approved without further tests.

* **Scientists are blocked from exposing Monsanto's genetically engineered bovine growth hormone (rbGH) which they believed was unsafe**

"The scientists' testimony before a Senate committee was like a scene from the conspiratorial television show The X-Files." This was how Canada's leading paper described the story of six Canadian government scientists who tried to stand up to pressure to approve Monsanto's genetically engineered bovine growth hormone (rbGH) which they believed was unsafe. The scientists were threatened by senior government officials, files were stolen from their locked file cabinets, Monsanto allegedly offered them a bribe of $1-2 million, and one senior official suddenly quit and disappeared, avoiding an appearance before a Parliamentary Committee.   
  
What was happening to the Canadian scientists in 1998 amounted to "re-runs" of what U.S. government scientists faced in the 1980s. When FDA scientists tried to blow the whistle on what was happening, they were stripped of responsibilities or fired. The FDA eventually approved rbGH on the basis of a research summary submitted by Monsanto that had distorted and deleted data about serious health effects, including cancer.

* **During tests on milk from hormone treated cows, it was overheated and spiked to pass health regulations**  
  The FDA's article states, "it has also been determined that at least 90 percent of bovine growth hormone (bGH) activity is destroyed upon pasteurization of milk. Therefore, bGH residues do not present a human food safety concern." Robert Cohen decided to investigate this claim. He uncovered what he considers to be blatant scientific fraud. The research had been conducted by undergraduate Paul Groenewegan. His three co-authors all had close ties with Monsanto. The paper described how they heated milk at 162ºF for thirty minutes.  
  Cohen said, "When I read that, I said, wait a second, milk is pasteurized for 15 seconds at that temperature—not 30 minutes. They intentionally tried to destroy the hormone…. That must have been their mission. Why else would they heat the milk for 30 minutes at a high temperature reserved for a 15 second treatment?" But even after thirty minutes only 19 percent of the bGH in milk from hormone-treated cows was destroyed.  
  According to Cohen, "They then ‘spiked' the milk. This is their word, ‘spike.' They added artificial bGH … 146 times the level of naturally occurring bST in powdered form to the milk and heated it. The powdered bGH in milk was destroyed! They saved the day for Monsanto. The experiment worked. These men of science could claim that heat treatment destroys bGH."
* **Epidemics are caused through genetically modified food supplements**

In 1989, first dozens, then thousands fell sick. About one hundred people died, others struggled with paralysis, unbearable pain, and debilitating symptoms. Authorities eventually tracked its cause: contaminants produced in one company's genetically modified variety of the food supplement L-tryptophan...

Current regulations are so loose, they would allow that same type of deadly supplement onto the market today.

* **Toxins could be created when new genes are introduced into a plant’s cells**  
  According to the New York Times, "Dr. Pribyl knew from studies that toxins could be unintentionally created when new genes were introduced into a plant's cells." Moreover, Pribyl wrote "there is no certainty that [the breeders of GM foods] will be able to pick up effects that might not be obvious." He declared, "This is the industry's pet idea, namely that there are no unintended effects that will raise the FDA's level of concern. But time and time again, there is no data to back up their contention."   
  The Toxicology Group, for example, warned that genetically modified plants could "contain unexpected high concentrations of plant toxicants," and described the reasons why these might be very difficult to identify. Their director wrote, "The possibility of unexpected, accidental changes in genetically engineered plants justifies a limited traditional toxicological study."   
    
  The Division of Food Chemistry and Technology outlined four potential dangers:  
  "Increased levels of known naturally occurring toxins"  
  "Appearance of new, not previously identified" toxins  
  Increased tendency to gather "toxic substances from the environment" such as "pesticides or heavy metals"  
  "Undesirable alterations in the levels of nutrients"
* **New genes introduced to plants will be accompanied with collateral changes in the pattern of proteins produced and metabolic activities**

The Royal Society of Canada report said it was "scientifically unjustifiable" to presume that GM foods are safe. The report explains that the "default prediction" for any GM foods is that "expression of a new gene (and its products) … will be accompanied by a range of collateral changes in expression of other genes, changes in the pattern of proteins produced and/or changes in metabolic activities." This could result in novel toxins or other harmful substances.

* **Deadly allergies can be transferred into foods via genetic engineering**

**(i) Monsanto’s Roundup Ready soybeans**

An infant girl in England broke out in cold sores from drinking soymilk, but was tested as "not allergic" to normal soy. Was she allergic to something in GM soy instead? Perhaps it was the increased amount of the allergen—trypsin inhibitor—found in Monsanto's Roundup Ready soybeans? Could this also explain why soy allergies in the UK jumped by 50 percent after Roundup Ready soy was introduced? It's difficult to say, because although scientists have confirmed that deadly allergies can be transferred into foods via genetic engineering, there are no robust allergy tests done on GM foods. This was brought to the public's attention only after StarLink had been blamed for severe, potentially fatal allergic reactions. It took the FDA nearly a year to develop a test to see if StarLink was allergenic. The test was so poorly designed and unreliable, even the EPA rejected the results.  
In March 1999, the York Nutritional Laboratory, Europe's leading specialists on food sensitivity, reported that soy allergies skyrocketed over the previous year, jumping 50 percent. The increase propelled soy into the top ten lists of allergens for the first time in the 17 years of testing. York scientists tested 4,500 people for allergic reactions to a wide range of foods. In previous years, soy affected 10 percent of consumers. Now, 15 percent reacted with a range of chronic illnesses, including irritable bowel syndrome, digestion problems, and skin complaints, as well as neurological problems, chronic fatigue syndrome, headaches and lethargy. Researchers confirmed the link with soy by detecting increased levels of antibodies in the blood. Furthermore, the soy tested in the study was likely to contain significant percentages of the genetically modified Roundup Ready variety.

**(ii) Genetically modified corn product called StarLink**

At a business lunch with co-workers, 35-year-old Grace Booth dined on three chicken enchiladas, which she later recalled were very good. Within about fifteen minutes, however, something went wrong. She felt hot, itchy. Her lips swelled; she lost her voice and developed severe diarrhea. "I felt my chest getting tight, it was hard to breathe," recalled Booth. "She didn't know but she was going into shock," reported CBS news. "I thought, oh my God, what is happening to me? I felt like I was going to die." Her co-workers called an ambulance . . . .   
Booth didn't know what had caused her nearly deadly allergic reaction. But this was September 2000 and within a few days she heard the news. A genetically modified corn product called StarLink, a potential allergen not approved for human consumption, was discovered in tacos, tortillas, and other corn products. More than 300 items were eventually recalled from the grocery store shelves in what was to become one of the world's biggest GM food debacles.

* **Industry researchers apparently doctored their studies to avoid finding problems with GM foods**

There are the numerous ways in which industry researchers apparently doctored their studies to avoid finding problems with GM foods. For example, Aventis heated StarLink corn four times longer than standard before testing for intact protein; Monsanto fed mature animals diets with only one tenth of their protein derived from GM soy; researchers injected cows with one forty-seventh the amount of rbGH before testing the level of hormone in the milk and pasteurized milk 120 times longer than normal to see if the hormone was destroyed; and Monsanto used stronger acid and more than 1,250 times the amount of a digestive enzyme recommended by international standards to prove how quickly their protein degraded.  
  
Cows that got sick were dropped from Monsanto's rbGH studies, while cows that got pregnant before treatment were counted as support that the drug didn't interfere with fertility; differences in composition between Roundup Ready soy and natural soy were omitted from a published paper; antibody reactions by rats fed rbGH were ignored by the FDA; and deaths from rats fed the FlavrSavr tomato remain unexplained.  
  
Further discussion on Seeds of Deception is found in Footnote 12 - Seeds of Deception.

**(x) The connection of Monsanto with the Crown**

The connection between Monsanto and the Crown can be seen to stretch back as far as the 1940’s when Monsanto operated the Mound Laboratories in Miamisburg, Ohio, for the Manhattan Project - the development of the first nuclear weapons and, after 1947, the Atomic Energy Commission. To note, the $105 million Atomic Energy Commission laboratory was built through the influence of L.L. Strauss, chairman of AEC and director of the Hoover Institution on the 8800 acres of the Stanford university campus of the Crown, which is discussed further in Footnote 19 - The Stanford University, in Attachment 3: The Crown.

 In the 1960s and 1970s, Monsanto was also one of the most important producers of Agent Orange for United States Armed Forces operations in Vietnam.

(xi) **Monsanto has a history of poisoning the environment, animals and humans.**

Until it stopped production in 1977, Monsanto was the source of 99% of the polychlorinated biphenyls (PCBs) used by U.S. industry. PCBs are a persistent organic pollutant, and cause cancer in animals and likely in humans as well, among other health effects.

PCBs were also commonly used as stabilizing additives in the manufacture of flexible PVC coatings for electrical wiring and electronic components to enhance the heat and fire resistance of the PVC. They were known to be highly toxic from the beginning, but it was assumed that they would be contained in the products in which they were used. However, as leaks of transformers occurred, and toxicity problems arose near factories, their durability and toxicity became widely recognized as serious problems. PCB production was banned by the U.S. Congress in 1979 and by the Stockholm Convention on Persistent Organic Pollutants in 2001.

In the late 1960s, the Monsanto plant in Sauget was the nation's largest producer of PCBs, which remain in the water along Dead Creek in Sauget. An EPA official referred to Sauget as "one of the most polluted communities in the region" and "a soup of different chemicals"

In 2002, the *Washington Post* carried a front page report on Monsanto's legacy of environmental damage in Anniston, Alabama, related to its legal production of PCBs. Plaintiffs in a lawsuit pending at that time provided documentation showing that the local Monsanto factory knowingly discharged both mercury and PCB-laden waste into local creeks for over 40 years.

 In another story published in 2002, the *New York Times* reported that during 1969 alone, Monsanto had dumped 45 tons of PCBs into Snow Creek, a feeder for Choccolocco Creek, which supplies much of the area's drinking water; and that the company buried millions of pounds of PCB in open-pit landfills located on hillsides above the plant and surrounding neighbourhoods.

A UK government report showed that 67 chemicals, including Agent Orange derivatives, dioxins and PCBs exclusively made by Monsanto, are leaking from the Brofiscin quarry, near Groesfaen in Wales, an unlined porous quarry that was not authorized to take chemical wastes. It emerged that the groundwater had been polluted since the 1970s.

The government was criticised for failing to publish information about the scale and exact nature of this contamination. The UK Environment Agency estimated that it would cost £100m to clean up the site, called "one of the most contaminated" in the UK.

**(xii) Monsanto Company dominates seeds and pharmaceuticals**

The fact that Monsanto dominates the global pharmaceutical market, which provides cures and pain relieving for man and animals, as well as the global genetically engineered seed industry, which creates illnesses and pains, shows that it is in the business interests of Monsanto to undermine the health of all life on earth in order to sell its medicines.

**(xii.a) Monsanto dominates the global GM seed industry**

In 1996 Monsanto purchased Agracetus, the biotechnology company that had generated the first transgenic varieties of cotton, soybeans, peanuts, and other crops, and which Monsanto had already been licensing technology from since 1991.

Monsanto first entered the maize seed business when it purchased 40% of DEKALB in 1996; it purchased the remainder of the corporation in 1998.

In January 1997, Monsanto announced the purchase of Holden's Foundations Seeds, a privately held seed business. By acquiring Holden's, Monsanto became the biggest American producer of foundation corn, the parent seed from which hybrids are made. The combined purchase price was $925 million. Also, in April, Monsanto purchased the remaining shares of Calgene.

In 1998 Monsanto purchased Cargill’s seed business, which gave it access to sales and distribution facilities in 51 countries. In 2005, it finalized the purchase of Seminis Inc, a leading global vegetable and fruit seed company, for $1.4 billion. This made it the world's largest conventional seed company at the time.

In 2005, Monsanto acquired Emergent Genetics, and its Stoneville and NexGen cotton brands. Emergent was the third largest U.S. cotton seed company, with about 12 percent of the U.S. market. Monsanto's goal was to obtain "a strategic cotton germplasm and traits platform."

In 2008, Monsanto purchased the Dutch seed company De Ruiter Seeds for €546 million.

As of 2012, Monsanto's line of seed products includes agricultural seeds and vegetable seeds.

Many of Monsanto's agricultural seed products are genetically modified for resistance to herbicides, such as glyphosate, which Monsanto sells under the brand, "Roundup" - Monsanto calls these seeds "Roundup Ready".

Over 90% of maize (Mon 832), soybean (MON-Ø4Ø32-6), cotton, sugar beet, and canola planted in the United States are glyphosate-resistant, as described in the GM crops article. Monsanto has also developed Roundup Ready wheat (MON 71800).

Monsanto has broadly licensed the patent to other seed companies that include the glyphosate resistance trait in their seed products. About 150 companies have licensed the technology, including Syngenta and Dupont/Pioneer.

In addition, Monsanto invented and sells agricultural seeds that are genetically modified to make a crystalline insecticidal protein from Bacillus thuringiensis, known as Bt. In 1995 Monsanto's potato plants producing Bt toxin were approved for sale by the Environmental Protection Agency, after having approved by the U.S. FDA, making it the first pesticide-producing crop to be approved in the United States. Monsanto has subsequently developed Bt maize (MON 802, MON 809, MON 863, MON 810), Bt soybean, and Bt cotton.

**(xii.b) Monsanto dominates the global pharmaceutical industry**

In the Spring of 2000,Monsanto merged with Pharmacia & Upjohn, and the agricultural division became a wholly owned subsidiary of the "new" Pharmacia; the medical research divisions, which included products such as Celebrex, remained in Pharmacia.

By October 2000, Pharmacia spun off its Monsanto subsidiary into a new company, the "new Monsanto". As part of the deal, Monsanto agreed to indemnify Pharmacia against any liabilities that might be incurred from judgments against Solutia. As a result, the new Monsanto continues to be a party to numerous lawsuits that relate to operations of the old Monsanto.

**3. The channeling of wealth to the treasury of the Crown at the expense of the living conditions of South Africans**

The Crown controls the economy of South Africa. Not only does it benefit from its majority shares held in the South African Reserve Bank as discussed in Attachment 20 - The Crown has kept control of the South African economy by keeping ownership of the South African Reserve Bank and the De Beers consortium; and by absorbing wealth from the South African nation through its businesses, which includes the majority of banks in South Africa to its treasury at the Crown, but it also diverts funds from South Africa to the Crown treasury, directly through the ruling government it has put in place, by arranging ‘donations’ from South Africa to governments of other countries which are controlled by the Crown, the writing off by South Africa of foreign debts of other countries to South Africa,31 and so-called ‘loans’ the International Monetary Fund - to point, the R16.5 billion loan from the South African government to the IMF as revealed in June 2012.32

Wealth is further stolen from South Africa by Crown members with ownership in Anglo American, who, along with officials in the South African government, are labeling Platinum as cheaper Palladium, and so escape paying tax, as well as taking trillions of dollars in value of goods out of Africa, while paying the South African labour force the minimum wage payable for mining cheaper commodities such as Palladium.

Another mechanism used by Crown members to take wealth out of South Africa, is the opening of industries/sectors that were usually under state control and out of the capitalist market, and then making commodities out of them. Examples of this, is the privatization of health and education, fuel, electricity, and the upkeep of public roads.

**3.1 Eskom**

Eskom has become a South African state-run monopoly in electricity generation, distribution and transmission.

It originally operated to regulate (and supplement) the then-dominant private electricity industry, with the intention of ensuring cheap power for mines and the state. It has since grown to monopolize the electricity supply in South Africa, but rather than serve to improve the living conditions of the nation, it now serves the political party in power, ever increasing the price of its service to the poorest of the poor, whilst subsidizing its operations with its business partners and expanding its own business interests, charged to the account of the working class

**a) Eskom overpowered the private electricity industry in South Africa**

Eskom was established by the government of South Africa in 1923 as a public utility in terms of the Electricity Act (1922). It was known as the Electricity Supply Commission (ESCOM) and was also known by its Afrikaans name *Elektrisiteitsvoorsieningskommissie (EVKOM)*. The two acronyms were combined in 1986, and the company is now known as Eskom.

By the end of the 1940’s, Eskom had grown dramatically, largely through the nationalization of municipal power stations, and of the giant Victoria Falls and Transvaal Power Company (VFTPC).

As the South African economy boomed from the 1950’s, Eskom grew dramatically, backed by World Bank loans.

By the close of the 1970’s, Eskom had driven out of business almost all rivals.

By the 1990’s, it was the 5th largest energy producer in the world.

Eskom currently accounts for 95.6% of South Africa’s electricity generation, and around 65% of Africa’s electricity generation, and also dominates transmission (i.e. the power grid) and distribution (i.e. sales).

Eskom today operates in 31 African countries, as a state-run, profit-driven, multi-national corporation. Its after-tax profits twice the international average for electricity utilities. Much of its African business entails privatization contracts and sales.

**(i) Eskom has become a tool to steal from the poor in South Africa**

Eskom was registered as Propriety limited Enterprise Company in 1999, in which the South African government is the sole shareholder. These shares, and monies paid by the public for electricity, have been used to enter other business projects by the government. Under the cloak of insufficient electricity supply to serve the South African nation, Eskom and the state have used investment in power stations to wipe out recorded Eskom profits for costs of repairing the existing facilities, and of building new stations. Most often, these projects are carried out in unison with companies who are owned by members of the Crown, and the majority profits of these projects go to the treasury of the Crown, and not to the South African nation, but at their expense.

**b) Eskom vs. the Poor**

Eskom, the state-run multinational giant, has historically played an enormous role in polluting South Africa, through the use of dirty coal burners. These have often been located near poor black neighborhoods to service industry, while consistently failing to provide decent electricity to the black majority of the working class.

Not only is the electricity service to the poor and working class is less quality than to the industry market, but it is also more expensive.

**(i) Inadequate service in Black townships**

South Africa experienced the greatest influx of Blacks across her borders after the ban against the African National Congress was lifted in the early 1990’s since migrant labour sought work in South Africa after Chinese labour was no longer imported in 1908 (to cope with the fast industrial expansion after gold was (discovered). Eskom massively increased coverage of Black townships, with over

3.1 million New connections from 1991 to 2004, and aim to connect an average of 200 000 households per year per annum. 33 However, many of the new links put in place are low-voltage single-phase connections, which could not run major appliances (like fridges).

Installation of Eskom power in townships was also usually tied to enforcing cost-recovery (“user-pays”) policies, with strict cut-offs through mass disconnections or prepaid meters. In early 2002, a quarter of a million people were cut-off monthly by Eskom and municipalities, part of perhaps 10 million cut-offs from 1994. Users are then charged a disconnection and a hefty re-connection fee, with subsequent re-connection fees carrying huge penalties to the users. Connections, in short, do not mean access, because at least as many people get cut-off, as get connected, every year.

Lohlohonolo Ntsabatse, a typical KwaThema township resident, explains the situation the majority of Blacks find themselves in with regard to using pre-paid electricity in South Africa, in an article titled “One Man’s Struggle with Power”, which shows the choice Blacks are forced to make between putting bread on the table to eat, and electricity, as follows:

*The 54-year-old father of four only finds occasional “piece work” and when he does earn it’s Eskom, he says, that takes the largest slice of his pie.*  
*“Sometimes I will make R30 from a job, but I will have to buy electricity for R20 and buy bread or mealie meal for my children with the rest,” said Ntsabatse.  
Ntsabatse said a couple of days ago he received his free 50 kilowatt allocation for the month and was also able to buy R20 worth of electricity but he says he has to monitor it constantly.  
He tries to save the little electricity he can afford by using a coal stove. At times though he can’t even afford the coal and has to push a wheelbarrow for close to two hours to fetch wood in the veldt.  
“In winter it becomes so cold and we can’t use the heater because we need to save electricity. When my children have to boil water to make tea, I can’t stop them just because we are trying to save electricity. I just have to wake up earlier, try to get work and buy more electricity,” he said.  
KwaThema residents protested in May for discounted electricity rates “because the people simply cannot afford these increases,” said Ntsabatse.   
“It’s like the government is punishing us by giving us a taste of the good life with electricity, then making it so expensive,” he said.*

**(ii) Eskom price hike penalizes the poor to enrich the Crown and its puppets in South Africa**

**(a) The Price of Electricity soars for residential users**

The price of electricity in South Africa has jumped sharply since the 1980’s: the highest increases have been for residential (i.e. home) users, the majority of whom are working class, getting eight times more costly from 1980 to 2005. Between 2005 and 2012, the electricity tariff in South Africa has doubled, and Eskom has called to re-double it again during the next five years.

From the available data, charges are far higher per unit for the residential user than for industrial and agricultural capitalists. Furthermore, charges are also far higher for poor rural black areas than for urban black townships, and far higher for urban black townships than for historically white suburbs, which are now enjoyed by middle and ruling class people of all races.

Rural black areas are paying twice what suburbs paid, and Soweto township users are paying an average of 30% more than the Sandton suburb users.

Eskom justifies their high rates in rural areas by stating that its operational costs into the deeper rural areas are slightly higher than in the urban areas. 34

**(b) The pricing scam of electricity**

It costs Eskom about 41 cents per Kilowatt Hour (KWh) to produce electricity. It charges industry only about 40 cents per KWh while the general public has to pay an average of R1.40 per KWh. Large customers of Eskom like BHP Billiton, pays even less, about 22 cents per KWh.35 This means that the working and lower middle class are subsidizing the electricity cost of big capital.

Residential use of electricity is only 19%, while industry uses about 80% of the overall total. But in terms of cost, residential users pay 43%while industry pays only 57%. In the past year BHP Billiton made a profit of R 6 Billion.

Furthermore, Eskom has bought back, at some cost, large chunks of power from major revenue-earning consumers which are then shut down. This is discussed further in Footnote 13 - Eskom deal with BHP Billiton akin to power theft.

Clearly the entire working class is subsidizing their profits.

For major electricity users like Anglo American and BHP Billiton, a 14,2% increase in electricity amounted to less than 2c per KWh (still below cost), while the same percentage increase amounted to 6c per KWh for residential users. Once again, the working and lower middle class were paying for the new power stations that will be used mostly by big Crown companies.

**(c) The need for more power stations is a ruse for the government to extract money from the working class**

The building of more power stations to create electricity in South Africa is questionable, as there is a decrease of electricity usage in South Africa, as discussed further on under the heading: “There is a decline in electricity usage, yet the South African government pretends there is a shortage of electricity in South Africa”.

The planning of Eskom to spend R1300 Billion (R1.3 trillion) on building 4 coal and 6 nuclear power stations, (creating a mere 200 jobs per station) despite there being cheaper and safer options available, appears outrageous whilst there are much cheaper providers of electricity available on the market today. Using older solar technology, a 70km by 70 km area in the North Cape desert could provide enough power for all power needs in SA. Spain recently built 10 000Mw of wind power in 3 years at 1/3 the cost of coal power. Wave power could provide 10 000 Mw continuous power in SA. Solar, wind and wave power require no fuel, unlike coal power which currently burns 120 million tons per annum.

**(d) There is a decline in electricity usage, yet the South African government pretends there is a shortage of electricity in South Africa**

Around the world, industries are closing down, mass retrenchments continue apace. The major banks and monopolies of the world face a crisis of falling profits.

In 2001, the decline of global enterprise was clear when contracts for 59 power stations in the US were either cancelled or put on hold. This was the backdrop against which the trillion Rand campaign for power stations in South Africa has been taking place.

Coal reserves were deliberately run down from 61 days to 1-3 days; Exxarro (Anglo American) supplied wet coal to power stations; and Eskom managers decided not to keep power station spares on site. In addition, in 2001-2002, over 4000MW capacity was mothballed. These all contributed to the artificial blackout wave gripping the country.

Since 2008, more than 1 million workers were retrenched and thousands of companies closed in South Africa. The clothing and textile industry has virtually been destroyed. As companies use about 80% of total electricity, the overall usage has declined.

Under the current economic state of affairs in South Africa, there is still no prospect of mass new industries opening up. The SA economy is not growing much, and most of the growth does not require massive amounts of electricity. Even current housing development is so small that the extra electricity needed is negligible. Besides this, the real cost of household electricity is falling (for example, instant water heaters - which make the need for geysers, through which much of current household electricity is wasted on keeping hot water in a tank that is not used for most of the day – obsolete; solar geysers and gas geysers have become fashionable, solar panels and wind turbines have also become fashionable in South Africa) as well as municipal electricity usage (solar powered street lamps and even traffic lights) is and has been falling drastically over the past 5 years. This shows that the Eskom plan to double electricity generation within 10-15 years is a hoax - it is a cash cow for the African National Congress and their business partners in Anglo American and the major US banks that control the Southern African economy.

**(iii) The Eskom syndicate channels state funds to their own pockets**

Officially, the Government of the Republic of South Africa is the sole shareholder**36** of Eskom. The Minister of Public Enterprises is the shareholder representative. We have to look at the subsidiary companies, like Rotek Industries, Scaw Metals etc. to understand the tangled web to follow where the monies generated by Eskom go to, to find the channel to the Crown and its puppets in government of South Africa.

**(a) Chancellor House**

Chancellor House is the investment "arm" of the African National Congress as Government of South Africa. For receiving a R3 billion bribe through their Chancellor House investment company - which has a stake in the building of the new power stations – the African National Congress government has allowed the Crown to disinvest funds from South Africa to their own pockets. Reuel Khoza – an ex-CEO of Eskom, was also co-chairing one of the 'Independent power producers', Coal Investment Corporation (CIC), that would supply coal-based electricity (R80 Billion contract).

**(b) Hitachi Africa**

Chancellor House, in turn, gave all the Power Stations, which includes the building and maintenance thereof, to Hitachi Africa – in which they hold 25% shares.

During his 2012 Budget Speech at Parliament in Cape Town on the 22nd of February 2012, the Minister of Finance, Pravin Gordhan, did not merit a mention in his budget speech the intention of government to use state funds of R300 billion to build new power stations by Hitachi. The figure was contained in the detailed budget documentation - page 95 of the National Treasury 2012 Budget Review.

**(c) General Electric**

General Electric (GE) will also benefit from the 10 power stations as well as the substantial ongoing contract for spare parts. General Electric is directly connected to the Rockefeller Foundation of corporate Crown members as discussed in Attachment 3 – The Crown, Footnote 6: Management of the Rockefeller Foundation.

**(d) TAP**

TAP (Trans-Africa-Projects) is a joint venture company formed with Eskom and Fluor Daniel as equal shareholders.

Most of the capital outlay for TAP projects – which are in almost every country in Africa, as well as Mauritius - comes from the "locals."

A similar group is the Alstom group.

**(e) The Crown coal gang**

The coal gang, which are companies belonging to Crown members, include Anglo American, BHP Billiton and Xstrata. They control the world's coal reserves, and will get unlimited profits from coal supply to power stations.

**(e.1) Gencor and BHB Billiton gets cheap power from Eskom**

Shortly after Brian Gilbertson37 became chairman of Billiton, BHP Billiton negotiated cheap power with Eskom for its new aluminum smelter, which was considered the ultimate win-win in attracting fixed domestic investment in South Africa.

By 1998, the aluminum price fell on the London Metal Exchange, and electricity supply was in surplus; Billiton pumped $1.36bn into Mozambique.

Six years earlier, Billiton’s predecessor, Gencor, had negotiated exactly the same type of contract with Eskom ahead of the R6.2bn Alusaf Hillside smelter investment. It was a huge deal. As far as industrial projects go, it was then the largest single investment in South Africa.

These companies enjoy preferential electricity contracts with Eskom, because they offer power at a rate far below the level other industrial users pay.

Sake24, Fin24.com’s sister publication, [is demanding details of how these electricity contracts work](http://www.miningmx.com/news/energy/Eskom-facing-court-on-BHP-Billiton-deal.htm). It’s feared that of the R9.5bn lost in embedded derivatives, as reported by Eskom last year, most of the loss is the cost of the remaining time on these preferential electricity contracts, some of which have years to run.

Eskom is not cooperating with Sake24 and the paper says it will take the electricity utility to court.

[Barbara Hogan, public enterprises minister, told Reuters in 2009 that the embedded derivative contracts, which remind one of the forward currency plays SAA attempted, much to everyone’s regret, had to be renegotiated](http://www.miningmx.com/news/markets/SA-to-revisit-smelter-power-contracts.htm).

**(e.2) How the Crown members from Anglo American and the major US banks benefit from the coal and nuclear electricity scam**

Firstly, there are such advances in solar, wind, wave and hydro electricity that coal and nuclear power stations are already historically obsolete. (*Alternative energy will no longer be alternative*-The Economist -21 Nov 2012). In other words, there is no need for any new power stations to be built based on coal and nuclear, because solar power is already cheaper and its costs are falling all the time.

Eskom lies about coal being cheaper to build than solar, as they ignore the fuel costs - coal power stations require huge amounts of coal all the time, while solar requires no fuel input as sunlight is free.

Nuclear power already costs many times the cost of the most expensive solar power plant. Even in the heartland of imperialism, coal power stations are closing every day (in the 1980’s the USA was 80% dependent on coal, now they are only 33% dependent on it). Already the world solar production increased by 86% last year and is set to continue to rapidly expand.

Eskom insists on spending trillions of Rands on building new power stations because Eskom is not an independent entity- it acts as an arm of Anglo American and the major US banks. This is so because the main beneficiaries of the Eskom scam build programme is Anglo American and the US banks:

* In 2008 it was reported38 that Anglo American and the major corporations who were high energy users were only paying 12 cents per kWh (while the rest were paying a minimum of 44 cents). Eskom argued they had long term contracts with Anglo and others so could not increase their rate. Assuming that Anglo had to pay 25% annual increase over the past years, this still means that they currently pay less than 40 cents per unit (while the rest pay over 113 cents per unit). Thus those who use the most electricity are being subsidized by the worker in the squatter camp, the rest of the masses and small industry.
* Anglo American has a 40 year contract to supply coal to the new Medupi

Power plant- a completely artificial business as there was no need for coal power plants to be built;

* JP Morgan Chase, the same bank which controls Anglo American, also controls Hitachi which won generator contracts for Medupi; the concrete for the structure was also supplied by Anglo American; the major construction companies which ‘won’  the  build contract are also controlled by US banks.
* If the nuclear build programme goes ahead, Anglo American controls the Uranium reserves, so they will again be the major beneficiary. The cost is so huge that the generations for the next 200 years will have to pay for these costs.
* Eskom is also asking for an increase of an extra 16% per annum for the next 5 years to provide for ‘independent power providers’- in other words, the masses are asked to subsidize the Crown corporations to enter and make money out of electricity generation- the major beneficiary will be Anglo American and the US banks- the only ones with the scale of finance to enter this sector as a ‘competitor’;
* Eskom wants to increase their rate of profit, thus they want to increase the price of electricity so that Anglo American or its empowerment front companies can become private suppliers of electricity and make bags of profits from this.
* Thus the statement by the Chamber of Mines that they are concerned about and oppose the electricity increase is another big lie. They lie to deflect attention of the masses from who is really responsible for this attack on the masses.

**(iv) The ‘load-shedding’ scam**

During the past years in South Africa, ‘load shedding’ whereby areas of the country have been cut off from electricity has taken place.

**(a) Emotional blackmail of the working class**

The public, small businesses and government institutions such as hospitals have suffered greatly from this. Unexpected loss of electricity has made medical supplied and food go rotten in fridges, left those dependent on machinery for life and employment support stranded, and created an environment of insecurity and fear amongst the nation, which could be described as emotional blackmail, forcing them to accept any price they are charged for the use of electricity.

In the 2008 budget, the Trevor Manuel of the African National Congress government announced that an extra 2 cents per KWh would have to be paid by consumers. This was a further tax that brought the overall increase in electricity price to 19.5% (above what Eskom was demanding). The working class had already been buying the minimum electricity, and thus was not able to cut consumption by 10%.

However, it was easy for big Crown businesses to cut their use, as there was already a decline in the world economy. Thus big capital would be exempt from the 2 cents levy, which meant that a greater cost for building power stations would fall on the working and lower middle class.

The setting aside of Billions of the surplus for building new coal power stations also meant that big Crown companies continued to artificially profit from funds which could have been used to build houses, to train more teachers, to build more health services.

**(b) The creation of artificial shortages for minerals**

The laying off of staff creates artificial shortages for minerals such as gold and platinum.

During the blackouts caused by load shedding in 2008, Gold rose more than $100 per ounce and platinum broke the record $2000 per ounce barrier. Anglo American declared an annual profit of over R80 Billion for the period to February 2008.

Banks like Chase Manhattan, Citibank, which have shares in Hitachi, GE, Anglo American, also benefit. Citibank predicted a gold price of between $900 and $1000 for 2008. Despite making massive profits, these big Crown companies called for more retrenchments, using the power supply problems as a cover.

**(c) An excuse to penalize staff**

The supposed lack of electricity has been an excuse used by Eskom and big industry to penalize staff.

Big industry in South Africa has always been – and remains – associated with oppressive working conditions and low wages, as well as with union-busting.

Until 1995, when labour law reforms finally extended farm, domestic and state workers legal bargaining rights, state companies like Eskom barely tolerated trade unions – not even those of skilled white workers.

**(c.1) Laying off staff**

Although union rights are now legally guaranteed, they are continually undermined. For example, Eskom’s workforce has been gutted, falling from 65 000 in 1985 to

30 000 in 2003. To date, the Eskom workforce in South Africa has not yet equaled the 65 000 as it stood in 1985, even though the population of South Africa has doubled since then.

**(c.2) Terms imposed on staff to which they are stifled to object**

Benefits and allowances have also fallen steeply since 1996, with the new (ANC-linked) management taking a hard-line position.

Wage negotiations between Eskom and workers Unions break down regularly as Eskom tries to impose terms unilaterally, while insisting that as electricity is an essential service, strikes are illegal.

**(c.3) Eskom staff increases are far less than Eskom price increases**

In 2010, Eskom called for a 35% increase in rates. On that occasion, Nersa, the electricity regulator, granted an average 25% tariff increase for the three years to 2012 (See Footnote 14 - Eskom rate increases). Yet in the same year, Eskom offered their staff the annual increase of 8% only. South Africa's biggest union National Union of Mineworkers, which represented about half of the 32,000 workers at the utility at that time, rejected the wage offer. (See Footnote 15 – Eskom salary increases). After failed negotiations, it called for strike action on 2011, which affected the economy of South Africa throughout the country.

In 2013, Eskom again asked for an average tariff increase of16%every year for the following 5 years – nearly doubling their tariff in merely 5 years, after having doubled it in the previous 5 year term. A 16% tariff increase would also have the effect on the working class of the nation as a whole, whereby any annual wage increase they might gain on their salary – which averages on 10% annually – would be absorbed directly by Eskom up to and including 16% thereof. Nersa once again limited this requested electricity price increases to 8%, and suggested that Eskom should turn to its shareholder if it needs more funds.

**(v) State industries do not serve the working class**

In an article byTina Sizovuka and Lucien van der Walt titled “Alternative Needed to Nationalization and Privatization: State Industries like South Africa’s ESKOM show Working Class deserves better”, they explain the power of state enterprise in South Africa, through which the working class is monopolized, rather than served. We quote from this aforementioned article as follows:

*Nationalization and privatization are just two different ways that the ruling class runs society; they are not means through which the working class can run society. Both are undemocratic, run top-down by and for the rich and powerful.*

*Notably the 1924-1948 Pact / Fusion era: Eskom / Escom (a contraction of “electricity supply commission”) was formed in 1923, the South African Broadcasting Corporation  (SABC) in 1927, Iscor (iron and steel) in 1928, and South African Airways (SAA) in 1934.*

*The Black State Elite*

*The ANC has continued the privatization policy, started by the NP in its last years, but even so, the state sector remains vast. Those who complain that the black elite lack economic power need look no further.*

*The state is still the biggest single employer, the state’s 2009/2010 budget is around 23 percent of the value of total GDP, and the state is responsible for 44 percent of fixed capital stock, also owning at least 25% of land (more if we include state companies’ land).*

*The four largest state companies (the “Big Four”) include Transnet (transport), which was created by the NP in 1990 from South African Airways (SAA, formed in 1934), and the SA Railways and Harbors division (formed 1910). Telkom (telecommunications) emerged in 1991 from the Post and Telecommunications Department. Denel was formed in 1992 from Armscor (weapons, formed in 1948).*

*Other notable state operations today include the SA Post Office (also from the old Post and Telecommunications Department), the SABC, the main universities (e.g. Wits, UCT), the Rand Water Board, the state forestry company Safcol, state mines like Alexkor and Nkomati Anthracite Coal, and state banks like the Land Bank, the Development Bank of Southern Africa (DBSA), and the Industrial Development Corporation (IDC).*

*Under the ANC government, municipal privatization has been drastically accelerated. While over 60% of Telkom has been sold off plus (briefly) part of SAA, the ANC’s preferred forms of privatization are not divesture (sales), but outsourcing, concessions and leases.*

*For example, every single South African university adopted outsourcing in the 1990s and 2000s, under pressure from the national government. (See the Zabalaza pamphlet Fighting Privatization in South Africa and South Africa: from apartheid to neo-liberalism).*

**(vi) Eskom imports steel and laborers from China**

In an article called “Eskom defends its decision to import steel and laborers from China” on Wednesday, 31 Mar 2010, *Business Report* reported that Eskom has defended its decision to import ZAR 200 million worth of steel and laborers from China for its Ingula underground pump storage facility, which was being constructed on the boundary of KwaZulu Natal and the Free State.  
The project was carried out by Eskom and its JV partner CMI (which is made up of local firm PG Mavundla and Italian company CMC di Ravenna & Impregilo).  
PG Mavundla in KwaZulu Natal was criticized for using unskilled Chinese laborers and of procuring steel overseas, after promising that it would source this from a South African company.

**Staff**

Eskom stated that CMI had a workforce that exceeds 2600 at the Ingula project at that stage. It added that the Chinese employees of the CMI joint venture workforce were employed because of their previous working experience with the company and their in depth skills in large projects and this type of construction, stating that “In an effort to ensure skills transfer to the locals, Eskom has established a skills development centre within the project vicinity where competence and experience is transferred to the local laborers." Considering that South Africa has already built her own power stations in the past, and that these Chinese laborers were labeled as ‘un-skilled’, the statement by Eskom that Chinese labour was imported for their skills, and skill transfers, holds little water.

**Steel**

The quality of steel produced at Iscor, South Africa, is of the highest international standard. Mr. Philani Mavundla of PG Mavundla had initially approached the local construction company Murray & Roberts to supply 17,000 tonnes of steel worth about ZAR 200 million. Yet Eskom chose to import steel from China stating that, "Price was one of many determining factors considered prior to the awarding of the steel supply contract...” 39

**(vii) The Crown business in South Africa are shielded by Cosatu Union leaders**

Cosatu is the third leg of the African National Congress structure.

Cosatu Union leaders are aware that the ANC appointed the Eskom and Nersa

Boards, and thus is politically responsible for the attack that Eskom is launching on the masses of the region, with the main beneficiary of the Eskom scam being the Crown companies Anglo American and the US banks.

Yet Cosatu do not object to the New Growth Plan of the South African government, which has as its centre-piece the infrastructure build programme focused on the coal and nuclear power station construction.

Whist trillions of Rands are being handed over to Anglo American and their front companies, the nation of South Africa has been put into debt and greater misery for generations to come.

Ever since the attacks on the working class through high electricity price increases began in 2008, the Cosatu leaders have not waged a real fight against it, despite the masses being willing to fight. Last year, when the increase was reduced from 25% to 15%, Cosatu leaders called it a ‘victory’, while millions are now living in the dark.

By refusing to call consistent mass action to stop the electricity increases, the

Cosatu leaders are protecting the main beneficiaries of this scam, the Crown syndicate companies of Anglo American. Even the economic policy of Cosatu

supports the scam build programme that benefits the Crown monopoly.

On every class battle the African National Congress government, along with its South African Communist Party and Cosatu alliance, remains on the same side as the Crown business syndicates - they refuse to support even the paltry R150 a day for farm workers; they carried out the Marikana massacre to protect Anglo American and the Lonmin bosses; they do not act against the Pick ‘n Pay and other major retailers for the high price of food; and the African national Congress government is even demolishing houses that some people are building out of frustration with the deliberate slow pace of house construction, that helps keep housing prices among the highest in the world; the African National Congress and the official opposition political party in South Africa, the Democratic Alliance (DA) are closing schools and supporting the privatization of education.

In September last year, the Cosatu leaders supported, unanimously, the re-election of the same leadership of the African National Congress who has led the attacks on the working class.

The Numsa, Saccawu and Fawu leaders have embarked on a programme of pickets of the Nersa hearings, yet these are leaders that are afraid of their own base, going through the motions so they can say they ‘tried’. In their joint statement of 28th Jan 2013, they do not even challenge the principle of the coal build programme; instead they make a vague statement that coal should be brought under ‘democratic control’. It is clear that these leaders still want the trillions to be handed over to the Anglo American syndicate, they only want the government to make longer term loans and slight improvements so that the burden is spread over a longer period.

**(a) Kopano ke Matla – the Cosatu investment company also benefits from corporate deals**

The Cosatu investment company, Kopano ke Matla, has a joint venture with Indian company NMDC so that they share the coal earnings that fall from Anglo American’s table in the Eskom scam. The Cosatu leaders organize symbolic action and prevent a full scale struggle against the Anglo American syndicate of the Crown.

**(viii) The method by which the African National Congress in government used Eskom to shift expansion costs onto the private sector was treasonous to the nation**

Expansion costs for the corporation of Eskom entrusted to companies which belong to the African National Congress such as Chancellor House, has been charged to the account of the public, rather than to the account of state revenues. Rather than Eskom draining state revenues rose by tax (as was the case before the 1980s), Eskom now pays hefty taxes (and dividends) to the state: it is a highly profitable state investment. Eskom derives such dividends and taxes from its charges to electricity users.

While state companies are used on a for-profit basis for African National Congress members in their position of political leaders in South Africa, South African workers are funding private enterprise of the political party in government, which is treasonous to the nation, wherein the public is affected negatively and impoverished.

**(a) Legislature introduced by the African National Congress to commercialize South African produced electricity**

The African National Congress introduced the following legislature to make Eskom a tax-and-dividend-paying entity, owned entirely by the state:

* The 1998 White Paper on Energy Policy;
* The 2001 Eskom Amendment Act, which laid the basis for
* The 2001 Eskom Conversion Bill.

The Eskom Conversion Bill was introduced to restructure the electricity structure and Eskom as a state asset.

Irregularities took place during the process in which the 2001 Eskom Conversion Bill was finalized.

* This Bill was not tabled at the NFA six-a-side prior to being tabled in Parliament in April 1998;

The importance of this Bill is evident when we consider that the Bill sought to create certainty on the ownership of Eskom, to corporatize the entity in terms of the Companies Act, and to subject it to tax payment.

* Government had made a commitment during the processing of the Eskom Amendment Act to a bilateral engagement with COSATU prior to the publication of a Succession/Conversion Bill. This bilateral engagement did not take place;

COSATU did not agree with the African national Congress that Eskom should become a shareholding corporation, but believed that it is imperative that electricity remains publicly owned and controlled. It held that private ownership, or a more commercial operating structure, would tend to shift Eskom’s focus towards profit maximisation at the expense of national objectives. See Footnote 16: COSATU’s approach to ownership and governance of Eskom

COSATU subsequently made a submission outlining their concerns with the Draft Bill and alternative proposals, which culminated in a meeting held on the 9th of March 2001 COSATU and officials from DPE. The DPE refused to amend the Draft Bill and insisted that it was too late, as it was already a Bill, ready to go through to Parliament. The officials were also unable to respond satisfactorily to any of the substantive concerns raised by COSATU, and contradicted some of the representations made by DPE officials at the previous meeting.

Despite subsequent political agreement at the NFA between the COSATU General Secretary, and the Minister of Public Enterprises (26 March 2001), around the process to be followed to address the concerns of Cosatu, agreements to resolve matters were again flouted by the DPE by processing the Bill in Parliament without such engagements being kept nor honored.

* Section 2 of the Bill referred only to the ownership of Eskom share capital at the time of conversion, and was silent/ambiguous as to what could happen thereafter. When Cosatu questioned this, they were not given straight answers.

Cosatu reported that, “Our engagements with the Department around the Eskom Conversion Bill and the history of the last few years, going back to the Eskom Amendment Bill, have thus been an extremely frustrating experience. Agreements to resolve matters in a particular way have not been honoured.”40 Cosatu goes on to explain that the amendments made to the Bill by the African National Congress made no difference to the information given, as it remained vague, stating the following:  
*We note the redrafting from the Draft Bill, which had stated: “…with its entire share capital held on the date of such conversion by the State.”*

*While the redrafting does give a different slant, it is still ambiguous at best, and in the light of the Department's approach of not shifting on the issue our interpretation is that the intention remains unchanged.*

* The clauses of the Bill contradicted each other. Although it states that the objects of Eskom are to provide electricity to the consumer at the most cost effective manner, it also allows for Eskom to manipulate the cost of electricity without the sanctity of any authority.

Section 3 of the Eskom Act of 1987 (as amended) states that:

The objects of Eskom are, subject to the provisions of this Act, to provide the system by which the electricity needs of the consumer may be satisfied in the most cost-effective manner, subject to resource constraints and the national interest, and to perform such other functions as may be assigned to it by or under this Act or the Electricity Act, 1987.

Section 7.2(b) (ii) states as follows:

in particular, order that any prices for electricity supplied to be supplied be increased to meet the deficit, and for that purpose the receiver referred to in paragraph (a) must exercise all powers as Eskom might have exercised under the Eskom Act in respect of amending its prices for electricity, and the exercise of such powers does not require the sanction of any authority.

**(ix) Eskom created massive electricity shortfalls which generated rising costs to the nation, which Eskom spent as profit on its top executives**

**(a) Failed Privatization**

Initially after becoming a corporation, Eskom embarked on privatization, selling off parts of Eskom, including some stations, such as Kelvin. However, this approach was later shelved in favour of opening up space for the entry of Independent Power Producers.

Eskom then halted expansion of its own production facilities to shift expansion costs onto the private sector.

Eskom never stepped in to prevent the massive electricity shortfall that resulted.

Rather, it recorded the money generated through rising prices and falling spending as profit, for which Eskom executives received enormous salaries plus performance bonuses. Eskom executives earned R73 million in the 2004/5 year — the second highest executive salary bill in South Africa. Actually, top Eskom managers routinely earned far more than most private sector directors.

**(b) Eskom awards astronomical bonuses for top management but minimal wage increases for its workers**

On the 15th of June 2010, fin24.com reported in an article called “Eskom provides for big shares bonuses” that, during wage negotiations with Eskom employees, Eskom had upped its wage offer to 7% after trade unions had demanded 18%. The offer of 7% came after the trade unions had approached the Commission for Conciliation, Mediation and Arbitration (CCMA) for help. The trade union said it was perturbed by Eskom's ongoing refusal to make an offer of a housing allowance, and that, “The majority of Eskom workers live in the periphery in shacks while their bosses continue to rake in millions in bonuses for apparently bringing in R3.6bn of profit."

In a statement, the trade union said if no headway was made in negotiations it would aim to secure a certificate of non-resolution from the CCMA, which could open the way for industrial action.

At the same time period, Eskom's financial statements made provision for the payment of performance shares to the value of R9.6m to directors and senior managers in June. An analysis of the statement showed that some directors could receive as much as R1m in performance share payouts. Performance shares were payable could have increased by a further 70% to R16.3m from June 2010 to June 2011. Eskom planned to make the payouts in July 2010.

**(c) Eskom squanders the nation’s money on parties**

While pleading their case that they need more money to build power stations to provide more electricity, Eskom demands higher tariffs from the public as well as funding from the state coffers to engage on their projects. Meanwhile, they are squandering money on parties and bonuses for top directors of Eskom.

On the back of a proposed 16 per cent tariff hike, Media24 reported in an article titled “Eskom’s R36m party spree” dated the 8th of July 2012, that:

* Eskom had spent R3 million on a family fun day in Cape Town;
* Eskom had spent R36 504 036.44 on seven “family fun days”41 - enough money to give more than one million indigent households the basic allocation of 50 free kilowatts each for a month. The contractor Blackmagic Communications was awarded the lucrative main deal worth more than R35million. Lemias Mashile, Deputy President of the South African Civic Organisation (SANCO), said Eskom’s spending of millions of rand on parties was an insult to the poor. “There is no logical linkage of misusing so much and [then for Eskom to] cry for increased electricity tariffs,” Mashile added.
* Besides the millions spent on the contracts, close to R500 000 was further spent by Eskom on among other things, hiring buses and taxis for employees, hiring the grounds of the University of Western Cape, a five-day stay at the Protea Hotel in Cape Town, face painting and Bingo in Durban and buying 180 burgers and drinks at a roadside cafe outside Cape Town. The Witbank region fun day included performances by biggest artists including TearGas, Liquid Deep and Cash Time. Paul Crankshaw, deputy chairman of the National Consumer Forum, said it was insensitive for Eskom to spend millions on fun days when citizens were buckling under power price hikes. “This sounds to us like a strange way of motivating staff and encouraging teamwork. Sound and professional management on every level – to build capacity and accountability – is what motivates and raises morale in the long-term, not family picnics,” he said.

**(d) State assets are sold to fund Eskom demands**

In November 2010, it was reported that Eskom would go ahead with its plans even if the government can't decide where the additional R20-billion will come from. The options discussed were to fund Eskom directly from the national budget, or, as was initially announced, by “liquidating state holdings in non-strategic and non-core assets”. This news article is provided in Footnote 17 – Eskom’s R20 billion to come from the national budget.

**(x) Eskom tentacles in South Africa**

The full extent of the business concerns which Eskom has entered in South Africa is not easy to ascertain. From the Eskom website, an interview with Mr Jan A De Beer, CEO of Eskom Enterprises after the first year of Eskom as a corporation was complete in 2001, which is noted as Footnote 18 – Interview with Mr Jan A De Beer, CEO of Eskom Enterprises. From this interview, it is clear that Eskom generates an ever growing annual profit, and is constantly involved in entering new expansion projects with large corporations. Since then, more than a decade has passed, and it is reasonable to expect that Eskom Enterprises has been a huge money generating machine. It is therefore questionable why Eskom constantly requires additional income from the South African public to finance its deals. The following information was taken from this mentioned interview:

* In its first year of operations during 2000, the Eskom Enterprises group achieved an operating profit of R67.4 million.
* Rotek was transferred as a subsidiary to Eskom, and carried the highest turnover of all the Eskom subsidiaries, exceeding R1 billion for the first time following its transfer to Eskom Enterprises; in total the Eskom group turnover for the first year exceeded R2 billion;
* During the first year, there was 61% growth in non-Eskom sales - from R353 million to R567 million;
* Eskom Enterprises planned to achieve an increase of 50% in sales from non-Eskom sources by 2005;
* Eskom Enterprises expected to double its operating profit in 2001, and the turnover to grow by at least 15%;
* External non-Eskom sales were targeted to consist of 35% of total sales;
* Within the first year, the return on equity was expected to increase in excess of 10%;
* Significant project work was expected to arise from marketing efforts, especially in Nigeria and the rest of West Africa.;
* Eskom Enterprises had invested 45% in Arivia.kom, which was expected to deliver returns above expectations;
* Eskom Enterprises were expecting their investment in Tele-com, Lesotho to deliver returns in the medium term;
* Eskom Enterprises were expecting their investment in the Fibre Optic Network to deliver benefits in the medium term;
* Regarding the Pebble Bed Modular Reactor (PBMR) Eskom Enterprises intended erecting during the next four years, Eskom was expecting four partners; shares in PBMR were divided as follows: ESKOM Enterprises itself has 30%, IDC (Industrial Development Corporation) has 25%, British Nuclear Fuel of the UK 22.5% and EXCELON Corporation of the United-States 12.5%, 25% was reserved for a fourth partner, and 10% for Black Empowerment.
* Eskom Enterprises were committed to become involved in the second telecommunications network in South Africa in competition with TELKOM. The advantage Eskom carried over its competitors was its electricity infrastructure, explained as follows: One entails putting fibre optic on transmission lines for telecommunication, which Eskom already have. This translates into a saving of three to four hundred million Rands over a Greenfield approach. Furthermore, Eskom can also do it very fast, as they would have a fully developed fibre optic backbone system in place by the time TELKOM's monopoly ended in 2002. Secondly, there was the advantage that Eskom already had customer service centres, the necessary maintenance and field services teams, already had a wire into peoples' houses, and were already sending them accounts;
* Regional co-operation between Eskom and the Southern Africa Power Pool (SAPP) was leading to other spin-off developments such as MOTRACO - that is a line built in a joint venture between ESKOM, Swaziland Electricity Board and EDM (Electricidade de Moçambique). ESKOM supplies power at a very competitive price to the Aluminium Smelter (Mozal) in Mozambique through that line;
* Eskom Enterprises were looking at another joint venture with EDM and another partner to extend the MOTRACO line to the so-called "Corridor Sands Project" in Mozambique, a transmission line between Tanzania and Zambia, as well as between Tanzania and Kenya, possibly joining efforts with private developers, and involving the various governments in the project;
* ESKOM Enterprises were bringing in international partners such as FLUOR DANIEL in the transmission business, the SHELL's, SIEMENS's and ABB's of this world, and the various governments;
* Eskom Enterprise has a subsidiary company in Mozambique called ELGAS, which is doing power generation and gas distribution;
* Eskom Enterprise were finalizing their deal in Mali to take over the management of MANANTALI;
* Eskom Enterprise established a joint venture in Libya (GESCO).

**(xi) Eskom enters shaky deals in corrupt countries using the tax payers’ money**

In March 2013, the African National Congress in government finalized a draft treaty agreement to invest an estimated $20 billion in taxpayers’ money, which Finance Minister Pravin Gordhan set aside, in a joint infrastructure project between South Africa and the Democratic Republic of Congo (DRC) named Inga 3.

Transparency International’s latest corruption perception index ranked the DRC as one of the most corrupt countries in the world.

In 2011, after feasibility study on Inga 3 began, African democracy watchdog Idasa called for care to be exercised in funding the project.   
“The various foreign investors plying the project with funding could reduce it to a minefield of corruption in a state infamous for state and political manipulation of contracts and tenders,” said Charlotte Johnson, then a researcher with Idasa.

The government’s integrated resources plan, signed and published by Ms Peters in the Government Gazette in May 2011, envisaged 6%, or 2,600MW, of the country’s electricity coming from hydro sources by 2030. Inga 3 is expected to be commissioned in about 2020. This allows for ten years during which the manner best suited to channel electricity from the DRC to South Africa could be finalized; and such channeling of electricity from the DRC to South Africa, in itself, would be an expensive exercise fraught with its own risks of corruption, sabotage and malfunctions.

However, considering that Eskom presently supplies South Africa with 95% of its power, and exports electricity to most of Africa already, clearly indicates that Inga 3 is not a project required to feed power to South Africa, but a business opportunity embarked on by the African National Congress in government at the risk of tax payers money being lost, and additional debt incurred through bailout loans from the World Bank. See Footnote 19 – Newspaper article: Concern over SA’s billions in DRC Inga project

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26 <http://www.discoverthenetworks.org/individualProfile.asp?indid=977>;   
<http://maravi.blogspot.com/2010/02/sticky-larouchepac-dirty-operation.html>.

27 *Published on Wednesday, April 15, 2009 by the Belfast Telegraph (UK)*

## 1,500 Farmers Commit Mass Suicide in India

Over 1,500 farmers in an Indian state committed suicide after being driven to debt by crop failure, it was reported today.

The agricultural state of Chhattisgarh was hit by falling water levels.

"The water level has gone down below 250 feet here. It used to be at 40 feet a few years ago," Shatrughan Sahu, a villager in one of the districts, told Down To Earth magazine

"Most of the farmers here are indebted and only God can save the ones who do not have a bore well."

Mr Sahu lives in a district that recorded 206 farmer suicides last year. Police records for the district add that many deaths occur due to debt and economic distress.

In another village nearby, Beturam Sahu, who owned two acres of land was among those who committed suicide. His crop is yet to be harvested, but his son Lakhnu left to take up a job as a manual labourer.

His family must repay a debt of £400 and the crop this year is poor.

"The crop is so bad this year that we will not even be able to save any seeds," said Lakhnu's friend Santosh. "There were no rains at all."

"That's why Lakhnu left even before harvesting the crop. There is nothing left to harvest in his land this time. He is worried how he will repay these loans."

Bharatendu Prakash, from the Organic Farming Association of India, told the Press Association: "Farmers' suicides are increasing due to a vicious circle created by money lenders. They lure farmers to take money but when the crops fail, they are left with no option other than death."

Mr Prakash added that the government ought to take up the cause of the poor farmers just as they fight for a strong economy.

"Development should be for all. The government blames us for being against development. Forest area is depleting and dams are constructed without proper planning.

All this contributes to dipping water levels. Farmers should be taken into consideration when planning policies," he said.

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### 27A [GM Genocide: India Links Farmer Suicides to Monsanto](http://savingaplanetatrisk.org/links-farmer-suicides-to-monsanto/)

By Frank Liz on Friday, March 30th, 2012

A decade ago, in exchange for International Monetary Fund loans, India not only allowed Monsanto to begin selling its genetically-modified (GM) cotton, known as Bt cotton, to farmers, it joined Monsanto in a massive marketing campaign to encourage cotton farmers to abandon their traditional seeds and adopt the GM cotton. The government and Monsanto promised that Bt cotton would give

farmers much higher yields, generate greater incomes than they had ever known, and lower their costs by resisting pests and reducing their use of pesticides. Today, 90 percent of India’s cotton farmers grow Bt cotton.

On January 9, 2012, the Indian Ministry of Agriculture sent a devastating internal advisory to the country’s nine cotton-growing states. Based on studies conducted by the Indian Council of Agriculture Studies and the Central Cotton Research Institute (the country’s chief cotton research facility), the Ministry warned the states of significantly declining Bt cotton crop yields after the first five years of production, growing parasite and pest infestations and the need for greater pesticide use, higher costs tied to both the GM seeds and the greater pesticide use, Bt cotton’s heavy water demands which are twice those of traditional cotton crops, and the severe toll these escalating problems have taken on India’s farmers.

“Cotton farmers are in a deep crisis since shifting to Bt cotton,” declares the advisory. “The spate of farmer suicides in 2011-12 has been particularly severe among Bt cotton farmers.”

 In a single region within the state of Maharashtra, 209 farmers committed suicide in 2011.

**What has suicide to do with Monsanto’s Bt cotton?**

Bt cotton seeds are 1,000 percent more expensive than traditional seeds. To purchase Bt cotton seeds, as they must do each year, because the seeds produced by Bt cotton are sterile, most Indian farmers must borrow the money they need at exorbitant interest rates. As crop yields decline, and as crops fail because of drought or parasite and insect infestations, farmers are unable to repay their growing debts to local moneylenders.

 Indian farmers growing other Monsanto-developed GM crops are caught in the same deadly spiral.

 Back in 2008, HRH Prince Charles of Great Britain was lambasted as a scaremonger and a liar and a contrarian trying to turn the world from progress when he publicly demanded that something be done to stop the spread of GM crops and the deaths they were causing, stating that thousands of Indian smallholder farmers were killing themselves after switching to GM crops.

 The truth, according to the Indian Ministry of Agriculture, is that more than 1,000 small farmers kill themselves each month, most of them because of their massive GM-generated debts.

 Thus far, more than 125,000 farmers have committed suicide in India.

 In response, Prince Charles has established the Bhumi Vardaan Foundation to help Indian farm families devastated by suicide and to promote the switch from GM crops to organic Indian crops.

<http://savingaplanetatrisk.org/links-farmer-suicides-to-monsanto/>

28 <http://www.nationofchange.org/monsanto-s-gmo-seeds-contributing-farmer-suicides-every-30-minutes-1333632229>

29 Despite growing worldwide concern over the health and environmental risks inherent in genetically modified crops, the government of Mexico is toying with the idea of growing GM corn. This is the opposite of what other nations such as India are doing, where scientists gathered in New Delhi to discuss the need for the Indian government to ban GMO trials in their country. The gathering was a media briefing organized by Aruna Rodriguez, "the lead petitioner in a public interest litigation" seeking the ban.

**Destruction of History and Humanity**

All the big players - Monsanto, DuPont, and Dow - are waiting for the go-ahead from the agriculture ministry to plant their poison in natural corn's indigenous soil in an area roughly the size of El Salvador (2.4 million hectares).

"We are talking about damaging more than 7,000 years of indigenous and peasant work that's created maize," says Veronica Villa from the Mexico branch of ETC, "one of the world's three most widely eaten crops."

It is because of this crop's versatility and prevalence in the contemporary human diet that so-called philanthropists like Bill Gates have invested so much into GM technology. In 2010, he purchased 500,000 shares of Monsanto, claiming that GMO crops were the answer to starvation.

**Why GMOs Don't Fully Address Starvation**

None of us here likely know who Bill Gates truly is at the end of the day. But let's be frank: at best, he's yet another one of the billions funding biotech and Big Ag propaganda. Does he truly believe that genetic modification comes without consequences.

At worst, however, Gates, Monsanto, DuPont, and Dow simply do not care that farmers across the world commit suicide in the thousands after going bankrupt thanks to overpriced, ineffective GM seeds.

They do not care that Monsanto's insecticides are creating resistant weeds and insects, forcing farmers to spray more insecticides that pollute soil and therefore ground- and still therefore drinking water.

They do not care that our GM food has pesticide residue contributing to countless diseases in both animals and humans (and humans who consume animals), and have the gall to hide their dirty hands deep in their cash-lined pockets.

30 <http://www.naturalnews.com/037262_GMO_Monsanto_debate.html>.

31 South Africa and Cuba on Tuesday signed a memorandum to put a stamp on the cooperation between the two country's armies, a spokesperson said.   
Defense Minister Lindiwe Sisulu signed the memorandum of understanding with Ulises Rosales Del Toro, the vice-president of Cuba's council of ministers, according to defense ministry spokesperson Siphiwe Dlamini.  
"We're cementing that South Africa-Cuban defense cooperation," Dlamini told Agency France-Press.  
The two countries have already worked together in the past, but the agreement formalizes exchanges in the air force, veterans, military health and education, training and development.  
"They're bringing their instructors. The main target is military health," said Dlamini.  
"The memorandum gives a framework on operations, but the details are left to the officials."  
"We are looking to introduce Cuba to our defense industry," he said, adding that South Africa could also share its experiences in peace-keeping with Cuba.

Apartheid opposition  
The island state supported the African National Congress during its struggle against apartheid.  
It opposed the apartheid regime and sent some 50 000 troops to Angola who fought South African apartheid forces until their withdrawal in the late 1980s...

The two countries established diplomatic relations at the fall of white-minority rule in 1994.  
They set up a joint bilateral commission in February 2001 and have since cooperated in a number of projects including sending South African medical students to study in Cuba.  
Cuban doctors and teachers have also come to work in South Africa.  
A 2004-agreement between South Africa and Cuba resulted in the deployment of 101 Cuban doctors to Mali, with financial backing from South Africa.  
In 2008 South Africa forgave Cuba's debt of R926.8-million-rand. – AFP

32 ANC welcomes R16.5 billion loan to IMF

Sapa | 20 June, 2012 14:00

**The ANC has welcomed the US2 billion (about R16.5 billion) loan by the South African government to the International Monetary Fund (IMF) to prevent a global crisis threatening the world economy.**

"We believe that South Africa, as a member of both the United Nations and the G20, has an obligation to join hands with the rest of the world in averting a repeat of the last global economic meltdown," ANC spokesman Jackson Mthembu said in a statement on Wednesday.

"Our contribution, together with the rest of the world's countries, will enable the IMF to intervene decisively, using the crisis fund that has been established, to the imminent threat to the world economy."

Earlier, the presidency said the commitment to the IMF "firewall" was not a gift, but a sound financial investment.

"If the IMF uses the funds, the money is lent to the IMF and not a gift... [and] for all of this time the money will be earning interest for South Africa," President Jacob Zuma's spokesman Mac Maharaj said.

"The capital of the loan will ultimately be repaid to South Africa. It's like lending money to a very strong bank. This is not a risky loan."

Zuma committed some of South Africa's reserves at the G20 summit, a meeting of the world's greatest economies, in Los Cabos, Mexico on Monday.

At least US430bn (about R3.5 trillion) had been set aside to stave off the risk of another financial crisis, which would likely lead to a sharp decrease in global growth and rising unemployment.

IMF members could access the funds through a temporary loan, with conditions, and the reserves were not earmarked for any region.

While the news was welcomed by Business Unity SA as an important step in maintaining stable economic growth, the Congress of SA Trade Unions' felt South Africa should be a beneficiary rather than a contributor.

"The decision must be reversed and the US2bn used to alleviate the plight of the poorest South Africans and to invest in the restructuring of our economy," spokesman Patrick Craven said.

Maharaj re-iterated that the funds were part of foreign reserves, and did not require an additional budgetary allocation, and were critical in keeping the rand stable.

The wealth of a country was not necessarily an indicator for how much should be set aside for the IMF, he said.

China had a lower per capita income than South African and yet, had set aside US43bn (about R352bn).

India was "considerably poorer" and was allocating US10bn (about R82bn).

"Like China and India, South Africa is a responsible global citizen. We are in the G20 to support global stabilization and growth. We need to continue to do our duty," said Maharaj.

The Federation of Unions of SA said it supported the government's commitment to play a more progressive and responsible role within the IMF.

It said the money would counter financial market tensions and fiscal imbalances, which had a major impact on growth, employment creation and confidence.

"We are of the firm view that as long as the global economy remains vulnerable, there would be a negative impact on the lives of people across the world," general secretary Dennis George said in a statement.

"The issues of economic growth, employment creation, development and confidence are interconnected and inseparable and must be tackled holistically."

George said leadership of this nature was required in a time of crisis to deal with economic uncertainty.

"We are supportive of the explanation of President Zuma that resources will be made available for the whole membership of the IMF and not earmarked for any particular region."

http://www.timeslive.co.za/politics/2012/06/20/anc-welcomes-r16.5-billion-loan-to-imf

33 <http://www.gcis.gov.za/content/resourcecentre/newsletters-magazines/buabriefs/2012/bua-briefs-9-2012>

34 We started with the electrification end of 1991, beginning of 1992, and we set - with the changing government in 1994 very stiff targets. Since 1991, we have electrified approximately 2.5 million households. The programme won't stop now but it will probably slow down to about 200.000 houses per year where at the peak, we were electrifying about 300.000 houses a year. The reality is that almost 70% of the people in South Africa now have access to power. When we started, this was only 30%. We are now getting into the deeper rural areas where our capital and operational costs are becoming slightly higher. To overcome that issue, we are looking at alternative sources of power, such as solar for instance. We have actually entered into a joint venture with SHELL, with the immediate aim of electrifying 50.000 households. – Eskom website.

35 Johannesburg - Eskom sells 9% of its electricity to BHP Billiton’s two aluminum smelters at less than one-fifth of the tariff paid by other consumers, Beeld reported on Friday.

The preferential tariffs for the two smelters, Hillside in Richards Bay and Mozal in Maputo, enable the two loss-making smelters to be sustained while the rest of the country’s consumers, both household and industrial, pay much higher electricity prices. Details of the deal emerged from contracts Eskom revealed to Media24 in terms of a court order ratified by the Supreme Court of Appeal last week. BHP Billiton [JSE: BIL] appealed against the original court order, but the appeal was rejected.

At Hillside, Billiton pays for two-thirds of the 1200 megawatts the smelter uses in accordance with a secret formula agreed upon as far back as 1992 and which applies until 2028. Hillside is paying 22.65 cents per kilowatt hour (kWh) to Eskom this month, and households average of R1.40 per kWh.

It costs Eskom 41 cents per kWh to generate electricity.

The price was calculated for Beeld newspaper by Johan Andersen, a Cape Town based consulting electrical engineer who has researched the effect of the two aluminium smelters on Eskom’s finances. Until Thursday, this formula was one of Eskom’s best-kept secrets. It was based entirely on the aluminium price and the exchange rate of the rand against the dollar. No provision was made in the contract for price increases. It was signed by Alan Morgan, the then executive director of Eskom, who became the parastatal CEO in 1996.

A second contract for Hillside was concluded in 2001 because Billiton wanted to expand the factory by a third so it could smelt 750,000 tons of aluminium per year in Richards Bay. That time Eskom insisted on a small price increase mechanism. Despite this the electricity price for the extended section of Hillside was currently between 12.88 and 32 cents per kWh. According to the contract, this tariff was approved by national energy regulator Nersa on condition that other consumers should not be disadvantaged by it. Eskom had been trying since 2009 to renegotiate the contracts for Hillside, but Billiton refused.

Eskom applied to Nersa late last year to review the contracts, but the review was delayed pending the court case brought against Eskom and Billiton by Media24 regarding access to the contracts.

http://www.fin24.com/Companies/Industrial/Eskom-How-consumers-are-milked-20130322

36Reg. no. 2002/015527/06.

37 Brian Gilbertson is a physicist by training. He made his mark first at JCI, where he was a Gordon Waddell protégé, and then at Impala Platinum and Gencor, of which he became executive chair in 1992. After the purchase of Billiton from Royal Dutch Shell, Gilbertson engineered the merger of BHP with Billiton and was Chairman Executive of the enlarged house — the biggest mining combine in the world — from 2001 to 2003. To note, the Royal Dutch Shell had been founded by the Samuel family of the Crown, as discussed in Attachment 3: The Crown

38 <http://www.workersinternational.org.za/blackout%20scam-who%20pays.inlversion8.03.08.doc>

39 Sourced from [www.busrep.co.za](http://www.busrep.co.za)

40 [http://www.cosatu.org.za/docs/2000/eskomcon.htm](http://www.cosatu.org.za/docs/subs/2000/eskomcon.htm).

41 The first contract awarded was for the planning and organizing of five “Generation family days” which catered for almost 12 000 people in Gauteng worth over R4million; two fun days for Witbank totaling over R10million and others in Lephalale at close to R5 million.

The Cape Town fun day in March – which cost R3, 4million and which caused a sensation when it was revealed earlier this year – was in fact the second for Eskom in the region over the last year.  
The first family fun day was held last year November and was worth close to R5million. Another fun day held in Durban cost a further R1millon and was contracted separately.

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**FOOTNOTES:**

**Footnote 10: George Soros and the Rothschild connection**

This footnote is taken from a discussion onbibliotecapleyades.net

**Who is George Soros?**

[**H:**Better yet: Who IS this man? Meet one of the most prominent of the players in your downfall. He very much ‘was’ but he also IS and did, in fact wreck the economy of Southeast Asia in very short order. He is a top player in such as Bilderberger and all the other controlling groups while doing nothing “illegal”. But then no one can do anything illegal if you and your colleagues make the laws.]

The now sixty-four year old Hungarian with a U.S. passport is a superstar amidst the great speculators. When the last Forbes list of the best-paid managers and financiers was published, Soros was in the lead by a huge margin. In the last year he earned 550 million US$, twenty times as much as the Disney boss. When Soros opens the hunt, the international money markets get moving and the reserve banks start worrying.

In September 1993, he succeeded over the Bank of England. He was certain that the bank would have to take the pound that came under pressure out of the European exchange mechanism and devalue it. He gambled ten billion US$ - with success. He made one billion US$ which the British taxpayers now have to come up with. He himself openly likes to be known as the man who wants to influence the big money markets of the world.

 This is a very unusual stance for an investor to take, who should rather be interested in using situations unobservedly that the competitors have not yet discovered. In March 1993 Soros’ activities became known when he predicted a rise in the price of gold. It is assumed – since this started a buying spree in precious metals – that this drove the price up 20% over the highest price since the Gulf War.

In the beginning of June 1993, he wrote an open letter to the business editor of the London Times, Anatole Kaletsky, announcing that he intended to urge the money markets to sell large amount of German government bonds in favor of French stocks. This means: Down with the German mark and attack on the Bundesbank! In several newspapers across the world Soros is praised as a kind of Robin Hood of the Computer Age since by speculation he takes from the rich nations in grand style to hand out to Eastern Europe and Russia via several Soros Foundations, to prepare the way for “democracy” in those “poor” countries that had been bled dry by Communism.

Who then is **Soros**? The official story says that he was born in 1930 to Jewish parents and as a teenager had been chased from Budapest by the Nazis. He enrolled at the London School of Economics and in the mid-50’s came to the U.S. There he was magically drawn to Wall Street, but his career until 1969 was rather unspectacular. Then with a partner he took over an investment fund. He sold stocks he didn’t own as futures, hoping that their price would fall nearer the qualifying date and that he could acquire them at a price lower than his selling price.

From this fund, the *Quantum Group* evolved, a family of investment funds operating for the Dutch West Indies. Quantum is one of the most impressive “investment machines” in the world. In eight of the last twenty-four years it made an “official” profit of over 50%, in two of those years even over 100%. In the meantime Soros handed business over to a group of managers and limits himself to designing the “great campaigns”. He put down his principles in the book *The Alchemy of Finance*, where he says what “financial speculators this is more important than real economic facts”.

But this is but the picture the media – and we know who owns them – paint of him. Who is he in reality?

William Engdahl knows this to say about him:

“Soros speculates on the world’s financial markets via his secret off-shore company Quantum Fund NV, a private Investment fund that handles a portfolio of four to seven billion US$ for several “clients”. The Quantum Fund is registered in the tax haven of the Netherlands Antilles in the Caribbean. In order to evade control of his financial activities by the U.S. administration not a single U.S. citizen sits on the board of Quantum. Its directors are a curious mixture of Swiss and Italian financiers.

“Soros has been identified as a front man of the Anglo-French Rothschild banking group. Understandably neither he nor the Rothschilds want this important fact to be public, so the tight links to his friends in the London ‘City’, in the British foreign ministry, in the state of Israel and to his mighty friends in the American Establishment would stay concealed.”

Among the members of the board of the Quantum Fund is one Richard Katz. He is at the same time head of the Rothschilds Italia S.p.A. in Milan and is also on the board of the commercial bank N.M. Rothschild & Sons in London. Another member of the board is Nils O. Taube.

He is a partner in the London investment group St. James’ Place Capital which counts Lord Rothschild among its main partners. A frequent partner of Soros in several of his speculations – especially in the driving up of the gold quotation – is Sir James Goldsmith, a relative of the Rothschild dynasty. On the board of Quantum we also find the heads of some highly “discreet” Swiss private banks (who help the syndicated of organized crime – weapons and drugs – to launder their money).

Then there is Edgar D. de Piccioto, head of the Geneva private bank CBI-TDB *Union Bancaire Privee*, a main player on the gold and investment markets, Isidoro Albertini, head of the Milan stock broking company Albertini & Co., Beat Notz of the private bank Banque Worms at Geneva, Albertl Foglia, head of the Banca del Ceresio at Lugano.

In the course of the recent political corruption scandals in Italy it was found that several Italian politicians kept their money at the Banca Del Ceresio. Apparently Soros had more than just insider knowledge about the weak points in Italian politics when he attacked the lira in September 1994.

William Engdahl explains:

“Soros’ connection to the ultra-secret international finance circles of the Rothschilds is not just an ordinary or accidental banking connection. The extraordinary success Soros has on the high-risk financial markets cannot simply be explained with “gambler’s luck”.

**Soros** has access to information channels, both government and private.

Ever since the Second World War the Rothschild family tried to disseminate an aura of insignificance about themselves. But behind this [is] one of the mightiest and most obscure financial groups of the world. The Rothschilds spend a lot of money to cultivate a picture of a wealthy aristocratic family leading a quiet life where one loves French wines and another engages in charitable trusts.

To experts on the “City” N.M Rothschild & Sons is most influential in the faction of the British secret service establishment closely linked with the neo-liberal Thatcher wing of the Tory party. In the 80s N.M Rothschild & Sons made several billion US$ from the privatization of British state-owned industries they conducted for Mrs. Thatcher. The Rothschild bank is also at the center of world gold trade: In this bank the gold price is fixed twice a day by the five most influential gold trading banks.  
But N.M Rothschild & Sons is also entangled in some very dirty secret service operations dealing with drugs vs. arms.

Because of its good relations to the highest places in the British secret services, the Rothschilds succeeded in preventing that their complicity with one of the worse illegal secret service networks, the BCCI (Bank of Credit and Commerce International) was never mentioned. In reality the Rothschild bank belonged to the inner circle of these international money laundering banks of the CIA and MI6 that financed in the 70s and 80s CIA projects like the Contras in Nicaragua.

[**H:**Please a brief interruption on the topic of BCCI and George Bush, Russell Herman, V.K. Durham, et al.: One day Mr. George Bush needed a Herman signature on a document which would also include that of V.K. Durham. He called and reached V.K. who asked “What the Hell” did he want?

In the conversation the names got a bit worse and finally the question was asked as to where Mr. Bush was at the time. He said he was sitting at his desk in “MY BANK – BCCI”. This was strange since is being President it was hardly “kosher” to have a bank, etc. The signatures were not forthcoming and that shortened Mr. Herman’s life-span by quite a bit.

I will also note that we personally wrote to Mr. George Soros within the past three years when Mr. Soros was weeping and wailing about the damage having been done to Southeastern Asia through his antics, and thus and so. We offered to share with him in exchange for participating in bringing back stability to the area. Son-of-a-gun, you know what? He declined! JUST AS HAS MR. BUSH, ET AL.

Gee whiz and they want to help so much – they say. At the present time George W. Bush Jr. and Secretary of State (U.S. of course) Colin Powell addressed the Council of the Americas – the group of financiers and corporate Elite behind the drive to expand NAFTA into a continental trading bloc. This is being well orchestrated by Bilderbergers such as David Rockefeller with the string-pulling. My goodness, readers, there is so much to share and so little time, I think the saying goes.] 

William Engdahl: “*Was stecky hinter den Wahrungskriegen des George Soros*? (What is behind the currency wars of George Soros?). EIRNA-Studie “*Derivate – Die finanzielle Wasserstoffbombe der 90er Jahre*” (Derivatives – The Financial Hydrogen Bomb of the 90s).

[**H:**Oh, by the way, the whole intent of this large American bloc which will eat up everyone in reach is to place everything under the “dollar”. You know that “dollar” which had NO VALUE, NO BACKING AND NO OPPOSITION!]

The influential chairman of the banking commission in the U.S. House of Representatives, Henry Gonzales, chided the Bush and Reagan administrations for refusing to prosecute the BCCI. In addition, the Department of Justice repeatedly declined to co-operate in the Congressional investigations into the BCCI scandal and the closely linked scandal of the Banca Nazionale Del Lavoro (BNL). This bank had made billions of dollars from loans that Bush had granted the Iraqi government shortly before the Gulf War.

[**H:** FROM WHERE DID BUSH GET THE FUNDS? WOW, COULD IT BE: BONUS 3392-181? As a matter of fact, Bush and Saddam had at least one JOINT ACCOUNT with around $250 billion in its little account.]

Gonzales said that the Bush administration had had a Department of Justice which he thought “the most corrupt, most unbelievably corrupt Department of Justice that I have ever experienced during my 32 years in Congress”.

After the BCCI had been openly accused in the media for transgression of several laws, the New York prosecuting attorney Henry Morgenthau announced official charges against the BCCI. Morgenthau accused the BCCI of “the biggest banking fraud of the financial world.

"The BCCI during its nineteen year history operated as a corrupt criminal organization.” One of the directors of the BCCI, the Saudi Arabian Sheikh Kamal Adham, had been the head of the Saudi secret service during the time Bush headed the CIA.

Not a single Western newspaper has so far uncovered the fact that the Rothschild group linked with George Soros was at the hub of the vast illegal network of the BCCI. The key person in these activities was Dr. Alfred Hartmann, the managing director of the Swiss branch of the BCCI (Banque de Commerce et de Placement SA), head of the Zurich Rothschild Bank AG and the member of the board of N.M Rothschild & Sons in London.

He was also on the board of the Swiss branch of the Italian BNL and was vice-chairman of the N.Y. Inter Maritime Bank in Geneva. A friendly former secret service man who had worked on the Soros case disclosed that in September 1993 Soros had amassed – together with a mighty group of “silent partners” – a fortune in excess of 10 billion dollars to use as a lever to unhinge the European currencies.

Among the partners apparently were the little known metal and oil dealer Marc Rich and the Israeli arms dealer Shaul Eisenberg.

For decades Eisenberg had been working for the Israeli secret service and has important arms deals in all of Asia and in the near East. A third partner of Soros is Rafi Eytan who before was the Mossad connection to the British secret service in London.

Basically George Soros is another tool for economic and political warfare in the hands of **the Rothschilds**. He is among those circles that, three years ago, started a malicious “Fourth Reich” campaign against the reunited Germany; Soros is very anti-German. In his 1991 autobiography *Underwriting Democracy* Soros warned of the danger that a reunited Germany could disturb the (power) balance in Europe. It is easy to see how the situation that existed between the wars could come up again. A reunited Germany becomes the strongest economic power and develops Eastern Europe as its habitat…”a terrible witches’ brew”.

His U.S. contacts put Soros very close to the financial and secret service circles around George Bush. His most important deposit bank and the main lender during attack on the European monetary system in September 1993 was CITICORP, America’s largest bank. Soros called upon the international investors to unhinge the Deutsche Mark. When in late 1989 a reunification became probable, a high-ranking Citicorp manager said:

“German unity will be catastrophic for our interests. We have to take action to ensure a decline of the Deutsche Mark by about 30% so that Germany will not be able to build up Eastern Germany to become the economic factor with a new Europe.”

According to his associates Soros has “an incredible ego”. He described how during the war in occupied Hungary he could not have survived as Jew, so he had taken on a second identity. What he did not say, however, was that he let a man shield him from persecution who did wealthy Jews out of their possessions, and that Soros lent him a hand. This is how he “survived” the war. Leaving Budapest only two years after it had ended. Although he himself and the Jewish-owned media are quick in attacking all his opponents, especially in Eastern Europe, as anti-Semitic, his Jewishness is based on parts of the Talmud rather than on his links with Jewish religion or the Jewish people.

Outwardly, Soros supports a whole spate of social activities, like “peace concerts” with Joan Baez, stipends in Oxford for young Eastern Europeans, etc.

But reality presents a different picture. Soros is personally responsible for the chaos the “shock therapy” caused in Eastern Europe after 1989. He foisted ludicrous draconian measures upon the weak governments there, which enabled him to buy up resources in wide parts of Eastern Europe and [at] rock bottom prices.

Take Poland as an example:

At the end of 1989, Soros organized a secret meeting between the Communist regime of Rakowski with the leaders of the then illegal opposition union organization Solidarnosc. The plan he presented to both sides was as follows:

The Communists should let the opposition Solidarnosc take over the government to win the confidence of the people.

Then the state should deliberately drive its own state industries and agricultural businesses to ruin by applying astronomical interest rates, by withholding the necessary state loans and by lumbering the companies with debt they could never repay.

Then Soros would get his rich international business friends to come to Poland and buy up the now privatized state companies.

The most recent example is the huge steel company *Huta Warsawa* which today, so steel experts say, would cost about 3 to 4 billion US$ to build if it was built by Western companies. A few months ago the Polish government agreed to take over the “debts” of Huta Warsawa and to sell the company now free of debt for 30 million US$ to the Milan company Lucchini.

To instigate his plan Soros used a young friend, the Polish-Jewish economic advisor Jeffrey Sachs who, however, could not begin his advisory work in Poland because so far he could only show advisory work he did in Bolivia. So Soros set up another one of his many foundations, the *Stefan Batory Foundation* which then in turn was the official client for the advisory work of Sacks in Poland (1989/90).

In Soros’ own words he has worked, or still works, with the main advisor of Lech Walesa, Bronislaw Geremek, with General Jaruzelski, Professor Trxeciakowski, a secret advisor to the new Polish minister for finance and economy Leszec Balcerowicz, and with the latter himself. Soros admits that he had known that his economic “shock therapy” in Poland would lead to severe unemployment, to the closing of factories and to social tensions. That is why he insisted that Solidarnosc take over the government.

Through his foundation he could approach the most important opinion makers in the media, like Adam Michnik, and his collaboration with the U.S. embassy in Warsaw enable him to censor the media which proceeded one-sidedly to support his “shock therapy” and opposed any criticism.

Russia and the CIS states:

Soros led a delegation to Russia, where he had been collaborating with Raissa Gorbachev since the 80s, to set up a further Soros foundation, The Cultural Initiative Foundation. This is a further vehicle for him and his Western cronies to enter the highest political echelons tax-free and proceed to “buy” the most important political and economic personalities of the country.

After a failed attempt with Gorbachev 1988 to 1991 he changed over to the circles around Yeltsin. And again it was Soros who introduced his “shock therapy” aided and abetted by his friend Jeffrey Sachs.

From January 2, 1992 onwards Sachs’ “shock therapy” brought an unprecedented chaos and a foreseeable hyper-inflation to Russia which was followed by the best scientific research institutes fleeing to the West. Under the Soros plan Igor Gajdar and the Yeltsin government shortened subsidies to industry and agriculture drastically, despite all of economy being a state economy. The goal announced was a deficit-free budget within three months. There were no more loans for industry; the companies accrued astronomical debts and the ruble inflation went out of control.

Soros and his friends immediately profited from the situation.

Marc Rich, the world’s largest aluminum dealer, started to buy up a lot of Russian aluminum at incredibly low prices with which, in 1993, he proceeded to flood the market in the industrialized countries, and thus caused the price for aluminum to plummet by 30%.

This is just one example of the Soros exploitation.

Hungary:

When Istvan Csurka, parliamentarian of the national-socialist opposition tried to protest the destruction of the Hungarian economy by the strategies of Soros and his friends, he was branded an “anti-Semite” and in June was excluded from the governing Democratic Forum.

Yugoslavia:

At the beginning of 1990, Soros – in cooperation with the IMF – in what was then still Yugoslavia put down the gauntlet for what then escalated into a war. Soros is also a friend of then deputy secretary of state Lawrence Eagleburger, the former ambassador to Belgrade and patron of Slobodan Milosevic. Eagleburger was formerly chairman of Kissinger Associates on whose board Lord Carrington (Committee of 300) also sits. The latter’s mediations have directly fuelled the Serbian aggression against the Croats and the Bosnians. Today Soros has foundations in Bosnia, Croatia, Slovenia and a Yugoslav Soros Foundation in Belgrade/Serbia. In Croatia he uses funds from his foundation to hire influential journalists of to discredit opponents of his “shock therapy” as anti-Semites or neo-Nazis. (From the EIRNA study “Derivatives”)

http://www.bibliotecapleyades.net/sociopolitica/secretsoc\_20century/secretsoc\_20century10.htm

# Footnote 11: Human tragedy: A farmer and child in India's 'suicide belt'

By Andrew Malone

When Prince Charles claimed thousands of Indian farmers were killing themselves after using GM crops, he was branded a scaremonger. In fact, as this chilling dispatch reveals, it's even WORSE than he feared.

The children were inconsolable. Mute with shock and fighting back tears, they huddled beside their mother as friends and neighbours prepared their father's body for cremation on a blazing bonfire built on the cracked, barren fields near their home.

As flames consumed the corpse, Ganjanan, 12, and Kalpana, 14, faced a grim future. While Shankara Mandaukar had hoped his son and daughter would have a better life under India's economic boom, they now face working as slave labour for a few pence a day. Landless and homeless, they will be the lowest of the low.

Shankara, respected farmer, loving husband and father, had taken his own life. Less than 24 hours earlier, facing the loss of his land due to debt, he drank a cupful of chemical insecticide.

Unable to pay back the equivalent of two years' earnings, he was in despair. He could see no way out.

There were still marks in the dust where he had writhed in agony. Other villagers looked on - they knew from experience that any intervention was pointless - as he lay doubled up on the ground, crying out in pain and vomiting.

Moaning, he crawled on to a bench outside his simple home 100 miles from Nagpur in central India. An hour later, he stopped making any noise. Then he stopped breathing. At 5pm on Sunday, the life of Shankara Mandaukar came to an end.

As neighbours gathered to pray outside the family home, Nirmala Mandaukar, 50, told how she rushed back from the fields to find her husband dead. 'He was a loving and caring man,' she said, weeping quietly.

'But he couldn't take any more. The mental anguish was too much. We have lost everything.'

Shankara's crop had failed - twice. Of course, famine and pestilence are part of India's ancient story.

But the death of this respected farmer has been blamed on something far more modern and sinister: genetically modified crops.

Shankara, like millions of other Indian farmers, had been promised previously unheard of harvests and income if he switched from farming with traditional seeds to planting GM seeds instead.

Beguiled by the promise of future riches, he borrowed money in order to buy the GM seeds. But when the harvests failed, he was left with spiralling debts - and no income.

So Shankara became one of an estimated 125,000 farmers to take their own life as a result of the ruthless drive to use India as a testing ground for genetically modified crops.

**Distressed: Prince Charles has set up charity Bhumi Vardaan Foundation to address the plight of suicide farmers**

The crisis, branded the 'GM Genocide' by campaigners, was highlighted recently when Prince Charles claimed that the issue of GM had become a 'global moral question' - and the time had come to end its unstoppable march.

Speaking by video link to a conference in the Indian capital, Delhi, he infuriated bio-tech leaders and some politicians by condemning 'the truly appalling and tragic rate of small farmer suicides in India, stemming... from the failure of many GM crop varieties'.

Ranged against the Prince are powerful GM lobbyists and prominent politicians, who claim that genetically modified crops have transformed Indian agriculture, providing greater yields than ever before.

The rest of the world, they insist, should embrace 'the future' and follow suit.

So who is telling the truth? To find out, I travelled to the 'suicide belt' in Maharashtra state.

What I found was deeply disturbing - and has profound implications for countries, including Britain, debating whether to allow the planting of seeds manipulated by scientists to circumvent the laws of nature.

For official figures from the Indian Ministry of Agriculture do indeed confirm that in a huge humanitarian crisis, more than 1,000 farmers kill themselves here each month.

Simple, rural people, they are dying slow, agonising deaths. Most swallow insecticide - a pricey substance they were promised they would not need when they were coerced into growing expensive GM crops.

It seems that many are massively in debt to local money-lenders, having over-borrowed to purchase GM seed.

Pro-GM experts claim that it is rural poverty, alcoholism, drought and 'agrarian distress' that are the real reasons for the horrific toll.

But, as I discovered during a four-day journey through the epicentre of the disaster, that is not the full story.

In one small village I visited, 18 farmers had committed suicide after being sucked into GM debts. In some cases, women have taken over farms from their dead husbands - only to kill themselves as well.

Latta Ramesh, 38, drank insecticide after her crops failed - two years after her husband disappeared when the GM debts became too much.

She left her ten-year-old son, Rashan, in the care of relatives. 'He cries when he thinks of his mother,' said the dead woman's aunt, sitting listlessly in shade near the fields.

Village after village, families told how they had fallen into debt after being persuaded to buy GM seeds instead of traditional cotton seeds.

The price difference is staggering: £10 for 100 grams of GM seed, compared with less than £10 for 1,000 times more traditional seeds.

But GM salesmen and government officials had promised farmers that these were 'magic seeds' - with better crops that would be free from parasites and insects.

Indeed, in a bid to promote the uptake of GM seeds, traditional varieties were banned from many government seed banks.

The authorities had a vested interest in promoting this new biotechnology. Desperate to escape the grinding poverty of the post-independence years, the Indian government had agreed to allow new bio-tech giants, such as the U.S. market-leader Monsanto, to sell their new seed creations.

In return for allowing western companies access to the second most populated country in the world, with more than one billion people, India was granted International Monetary Fund loans in the Eighties and Nineties, helping to launch an economic revolution.

But while cities such as Mumbai and Delhi have boomed, the farmers' lives have slid back into the dark ages.

Though areas of India planted with GM seeds have doubled in two years - up to 17 million acres - many farmers have found there is a terrible price to be paid.

Far from being 'magic seeds', GM pest-proof 'breeds' of cotton have been devastated by bollworms, a voracious parasite.

Nor were the farmers told that these seeds require double the amount of water. This has proved a matter of life and death.

With rains failing for the past two years, many GM crops have simply withered and died, leaving the farmers with crippling debts and no means of paying them off.

Having taken loans from traditional money lenders at extortionate rates, hundreds of thousands of small farmers have faced losing their land as the expensive seeds fail, while those who could struggle on faced a fresh crisis.

When crops failed in the past, farmers could still save seeds and replant them the following year.

But with GM seeds they cannot do this. That's because GM seeds contain so- called 'terminator technology', meaning that they have been genetically modified so that the resulting crops do not produce viable seeds of their own.

As a result, farmers have to buy new seeds each year at the same punitive prices. For some, that means the difference between life and death.

Take the case of Suresh Bhalasa, another farmer who was cremated this week, leaving a wife and two children.

As night fell after the ceremony, and neighbours squatted outside while sacred cows were brought in from the fields, his family had no doubt that their troubles stemmed from the moment they were encouraged to buy BT Cotton, a genetically modified plant created by Monsanto.

'We are ruined now,' said the dead man's 38-year-old wife. 'We bought 100 grams of BT Cotton. Our crop failed twice. My husband had become depressed. He went out to his field, lay down in the cotton and swallowed insecticide.'

Villagers bundled him into a rickshaw and headed to hospital along rutted farm roads. 'He cried out that he had taken the insecticide and he was sorry,' she said, as her family and neighbours crowded into her home to pay their respects. 'He was dead by the time they got to hospital.'

Asked if the dead man was a 'drunkard' or suffered from other 'social problems', as alleged by pro-GM officials, the quiet, dignified gathering erupted in anger. 'No! No!' one of the dead man's brothers exclaimed. 'Suresh was a good man. He sent his children to school and paid his taxes.

'He was strangled by these magic seeds. They sell us the seeds, saying they will not need expensive pesticides but they do. We have to buy the same seeds from the same company every year. It is killing us. Please tell the world what is happening here.'

Monsanto has admitted that soaring debt was a 'factor in this tragedy'. But pointing out that cotton production had doubled in the past seven years, a spokesman added that there are other reasons for the recent crisis, such as 'untimely rain' or drought, and pointed out that suicides have always been part of rural Indian life.

Officials also point to surveys saying the majority of Indian farmers want GM seeds - no doubt encouraged to do so by aggressive marketing tactics.

During the course of my inquiries in Maharashtra, I encountered three 'independent' surveyors scouring villages for information about suicides. They insisted that GM seeds were only 50 per cent more expensive - and then later admitted the difference was 1,000 per cent.

(A Monsanto spokesman later insisted their seed is 'only double' the price of 'official' non-GM seed - but admitted that the difference can be vast if cheaper traditional seeds are sold by 'unscrupulous' merchants, who often also sell 'fake' GM seeds which are prone to disease.)

With rumours of imminent government compensation to stem the wave of deaths, many farmers said they were desperate for any form of assistance. 'We just want to escape from our problems,' one said. 'We just want help to stop any more of us dying.'

Prince Charles is so distressed by the plight of the suicide farmers that he is setting up a charity, the Bhumi Vardaan Foundation, to help those affected and promotes organic Indian crops instead of GM.

India's farmers are also starting to fight back. As well as taking GM seed distributors hostage and staging mass protests, one state government is taking legal action against Monsanto for the exorbitant costs of GM seeds.

This came too late for Shankara Mandauker, who was 80,000 rupees (about £1,000) in debt when he took his own life. 'I told him that we can survive,' his widow said, her children still by her side as darkness fell. 'I told him we could find a way out. He just said it was better to die.'

But the debt does not die with her husband: unless she can find a way of paying it off, she will not be able to afford the children's schooling. They will lose their land, joining the hordes seen begging in their thousands by the roadside throughout this vast, chaotic country.

Cruelly, it's the young who are suffering most from the 'GM Genocide'  -  the very generation supposed to be lifted out of a life of hardship and misery by these 'magic seeds'.

Here in the suicide belt of India, the cost of the genetically modified future is murderously high.

<http://www.dailymail.co.uk/news/article-1082559/The-GM-genocide-Thousands-Indian-farmers-committing-suicide-using-genetically-modified-crops.html#ixzz283GuHRST>

**Footnote 12: Seeds of Deception**

Here follows an extraction from a concise summary by Jeffrey M Smith of the book Seeds of Deception:

On May 23, 2003, President Bush proposed an Initiative to End Hunger in Africa [1] using genetically modified (GM) foods. He also blamed Europe's "unfounded, unscientific fears" of these foods for thwarting recovery efforts. Bush was convinced that GM foods held the key to greater yields, expanded U.S. exports, and a better world. His rhetoric was not new. It had been passed down from president to president, and delivered to the American people through regular news reports and industry advertisements.  
  
The message was part of a master plan that had been crafted by corporations determined to control the world's food supply. This was made clear at a biotech industry conference in January 1999, where a representative from Arthur Anderson Consulting Group explained how his company had helped Monsanto create that plan.  
  
First, they asked Monsanto what their ideal future looked like in fifteen to twenty years. Monsanto executives described a world with 100 percent of all commercial seeds genetically modified and patented. Anderson Consulting then worked backwards from that goal, and developed the strategy and tactics to achieve it. They presented Monsanto with the steps and procedures needed to obtain a place of industry dominance in a world in which natural seeds were virtually extinct.  
  
Integral to the plan was Monsanto's influence in government, whose role was to promote the technology worldwide and to help get the foods into the marketplace quickly, before resistance could get in the way. A biotech consultant later said, "The hope of the industry is that over time, the market is so flooded that there's nothing you can do about it. You just sort of surrender." [2]   
  
The anticipated pace of conquest was revealed by a conference speaker from another biotech company. He showed graphs projecting the year-by-year decrease of natural seeds, estimating that in five years, about 95 percent of all seeds would be genetically modified.  
  
While some audience members were appalled at what they judged to be an arrogant and dangerous disrespect for nature, to the industry this was good business. Their attitude was illustrated in an excerpt from one of Monsanto's advertisements: "So you see, there really isn't much difference between foods made by Mother Nature and those made by man. What's artificial is the line drawn between them." [3]   
  
To implement their strategy, the biotech companies needed to control the seeds—so they went on a buying spree, taking possession of about 23 percent of the world's seed companies. Monsanto did achieve the dominant position, capturing 91 percent of the GM food market. [4] But the industry has not met their projections of converting the natural seed supply. Citizens around the world, who do not share the industry's conviction that these foods are safe or better, have not "just sort of surrendered."  
  
Widespread resistance to GM food has resulted in a global showdown. U.S. exports of genetically modified corn and soy are down, and hungry African nations won't even accept the crops as food aid. Monsanto is faltering financially and is desperate to open new markets. The U.S. government is convinced that EU resistance is the primary obstacle and is determined to change that. On May 13, 2003, the U.S. filed a lawsuit with the World Trade Organization (WTO), charging that the European Union's restrictive policy on GM food violates international agreements.  
  
On the day the WTO suit was filed, U.S. Trade Representative Robert Zoellick declared, "Overwhelming scientific research shows that biotech foods are safe and healthy." [5] This has been industry's chant from the start. It is the key assumption at the basis of their master plan, the WTO challenge, and the president's campaign to end hunger. It is also, however, untrue.  
  
The following chapters reveal that it was industry influence, not sound science, which allowed these foods onto the market. Moreover, if overwhelming scientific research suggests anything, it is that the foods should never have been approved.  
  
Just as the magnitude of the industry's plan was breathtaking, so too are the distortions and cover-ups. While many of the stories in this book reveal government and corporate maneuvering worthy of an adventure novel, the impact of GM foods is personal. Most people in North America eat them at every meal. These chapters not only dismantle the U.S. position that the foods are safe, they inform you of the steps you can take to protect yourself and your family.  
  
Chapter 1: A Lesson From Overseas  
  
When eminent scientist Arpad Pusztai went public about his accidental discovery that genetically modified (GM) potatoes severely damage the immune system and organs of rats, he was suspended from the prestigious Scottish research institute where he had worked for thirty-five years. He was silenced with threats of a lawsuit while the Institute denied or distorted his findings.  
  
In the ensuing war over public opinion, biotech advocates tried to spin the science in favor of GM foods, but were thwarted at each attempt by leaked documents and compelling evidence. Pusztai, who describes this chapter as "the most thorough and accurate report on the topic," was ultimately vindicated when his potato study was published in the Lancet. His remains the only independent safety assessment in a peer-reviewed journal. It contrasts sharply with the handful of published industry studies, an analysis of which reveals how they were designed to avoid finding problems.  
  
Excerpt:   
  
When Susan answered the door, she was startled to see several reporters standing in front of her. Several more were running from their cars in her direction and she could see more cars and TV news vans parking along the street.  
  
"But you all know that we can't speak about what happened. We would be sued and—" [6]  
  
"It's OK now," the reporter from Channel Four Television interrupted, waving a paper in front of her. "They've released your husband. He can talk to us."  
  
Susan took the paper. "Arpad, come here," she called to her husband.  
  
Arpad Pusztai (pronounced: Are-pod Poos-tie), a distinguished looking man in his late sixties, was already on his way. As his wife showed him the document, the reporters slipped past them into the house. But Arpad didn't notice; he was staring at the paper his wife had just handed him. He recognized the letterhead at once—The Rowett Institute, Aberdeen, Scotland. It was one of the world's leading nutritional institutes and his employer for the previous thirty-five years—until his sudden suspension seven months ago. And there it was, clearly spelled out. They had released their gag order. He could speak.  
  
The document was dated that same day, February 16, 1999. In fact, less than twenty minutes before, thirty reporters had sat in the Rowett Institute press conference listening to its director, Professor Phillip James, casually mention that the restrictions on Dr. Pusztai's speaking to the press had been lifted. Before James had finished his sentence, the reporters leaped for the door. They jumped into their cars and headed straight to the Pusztai's house on Ashley Park North, an address most were familiar with, having virtually camped out there seven months earlier. Now those thirty reporters, with TV cameras and tape recorders, were piled into the Pusztai's living room.  
  
Arpad Pusztai read the document—twice. As he looked up, the reporters started asking him questions all at once. He smiled, and breathed more easily than he had in a long time. He had all but given up hope. Now he finally had the chance to share what he knew about the dangers of genetically engineered foods.  
  
The story of Arpad Pusztai made headlines throughout Europe for months, alerting readers to some of the serious health risks of genetically modified (GM) foods. It was barely mentioned, however, in the U.S. press; the media watchdog group Project Censored described it as one of the ten most underreported events of the year. [7] In fact, major U.S. media avoided almost any discussion of the controversy over genetically modified organisms (GMOs) until May 1999. But that was all about saving the monarch butterfly from GM corn pollen, not about human food safety.  
  
It wasn't until the massive food recall prompted by StarLink corn that Americans were even alerted to the fact that they were eating GM foods every day. Moreover, the American press was forced to question whether GM foods were safe. Up until then, the media had portrayed European resistance to America's GM crops as unscientific anti-Americanism. But as the story of Arpad Pusztai reveals, the European anti-GMO sentiment had been fueled, in part, by far greater health risks than the scattered allergic reactions attributed to StarLink.  
  
Between the Chapters: The Wisdom of Animals  
  
Mice avoid eating GM foods when they have the chance, as do rats, cows, pigs, geese, elk, squirrels, and others. What do these animals know that we don't? At the end of each chapter is a one-page story describing how farmers, students, and scientists discovered that animals refuse to eat the same GM foods that we consume every day.  
  
Excerpt:  
  
The Washington Post reported that laboratory mice, usually happy to munch on tomatoes, turned their noses up at the genetically modified FlavrSavr tomato. Scientist Roger Salquist said of his tomato, "I gotta tell you, you can be Chef Boyardee and mice are still not going to like them." [8] The mice were eventually force fed the tomato through gastric tubes and stomach washes. Several developed stomach lesions; seven of forty died within two weeks. The tomato was approved without further tests.  
  
Chapter 2: What Could Go Wrong—A Partial List  
  
Genetic engineers continually encounter unintended side effects—plants create toxins, react to weather differently, contain too much or too little nutrients, become diseased or malfunction and die. This chapter describes the process of genetic engineering and twenty-one ways in which it can create unexpected, potentially serious problems.  
  
Excerpt:  
  
New DNA chip technology has recently allowed scientists to monitor changes in DNA functioning when foreign genes are inserted. In one experiment, there was a staggering 5 percent disruption of gene expression. In other words, after a single foreign gene had been added through genetic engineering, one out of every 20 genes that were creating proteins either increased or decreased their output. According to Professor David Schubert, "while these types of unpredicted changes in gene expression are very real, they have not received much attention outside the community of the DNA chip users." He adds that, "there is currently no way to predict the resultant changes in protein synthesis." [9]  
  
Chapter 3: Spilled Milk  
  
"The scientists' testimony before a Senate committee was like a scene from the conspiratorial television show The X-Files." [10] This was how Canada's leading paper described the story of six Canadian government scientists who tried to stand up to pressure to approve Monsanto's genetically engineered bovine growth hormone (rbGH) which they believed was unsafe. The scientists were threatened by senior government officials, files were stolen from their locked file cabinets, Monsanto allegedly offered them a bribe of $1-2 million, and one senior official suddenly quit and disappeared, avoiding an appearance before a Parliamentary Committee. [11]  
  
What was happening to the Canadian scientists in 1998 amounted to "re-runs" of what U.S. government scientists faced in the 1980s. When FDA scientists tried to blow the whistle on what was happening, they were stripped of responsibilities or fired. The FDA eventually approved rbGH on the basis of a research summary submitted by Monsanto that had distorted and deleted data about serious health effects, including cancer.  
  
Excerpt:  
  
The FDA's article states, "it has also been determined that at least 90 percent of bovine growth hormone (bGH) activity is destroyed upon pasteurization of milk. Therefore, bGH residues do not present a human food safety concern." [12] Robert Cohen decided to investigate this claim. He uncovered what he considers to be blatant scientific fraud. The research had been conducted by undergraduate Paul Groenewegan. His three co-authors all had close ties with Monsanto. The paper described how they heated milk at 162ºF for thirty minutes.  
  
Cohen said, "when I read that, I said, wait a second, milk is pasteurized for 15 seconds at that temperature—not 30 minutes. They intentionally tried to destroy the hormone…. That must have been their mission. Why else would they heat the milk for 30 minutes at a high temperature reserved for a 15 second treatment?" But even after thirty minutes only 19 percent of the bGH in milk from hormone-treated cows was destroyed.  
  
According to Cohen, "They then ‘spiked' the milk. This is their word, ‘spike.' They added artificial bGH … 146 times the level of naturally occurring bST in powdered form to the milk and heated it. The powdered bGH in milk was destroyed! They saved the day for Monsanto. The experiment worked. These men of science could claim that heat treatment destroys bGH." [13]  
  
Chapter 4: Deadly Epidemic  
  
In 1989, first dozens, then thousands fell sick. About one hundred people died, others struggled with paralysis, unbearable pain, and debilitating symptoms. [14] Authorities eventually tracked its cause: contaminants produced in one company's genetically modified variety of the food supplement L-tryptophan. [15] This chapter describes the evidence implicating genetic engineering as the cause of the epidemic and the efforts by industry and the FDA to divert the blame. Current regulations are so loose, they would allow that same type of deadly supplement onto the market today.  
  
Chapter 5: Government By the Industry, For the Industry  
  
Henry Miller was in charge of biotechnology issues at the FDA from 1979 to 1994. According to Miller, "U.S. government agencies have done exactly what big agribusiness has asked them to do and told them to do." [16] This chapter reveals how industry influences has dictated policy, and how the FDA ignored the recommendations by the majority of their own scientists by approving GM foods without requiring safety tests.  
  
Excerpts:  
  
The biotech industry's success with these government leaders became apparent on May 26, 1992 in the Indian Treaty Room of the Old Executive Building. There, Vice President Dan Quayle announced the Bush administration's new policy on genetically engineered food: "The reforms we announce today will speed up and simplify the process of bringing better agricultural products, developed through biotech, to consumers, food processors and farmers. We will ensure that biotech products will receive the same oversight as other products, instead of being hampered by unnecessary regulation." [17]  
  
By "receive the same oversight as other products," Quayle meant that GM foods would be considered just as safe as natural, non-GM foods. And sidestepping "unnecessary regulation" meant that the government would not require any safety tests or any special labels identifying the foods as genetically engineered. The rationale for this hands-off policy was spelled out in an FDA document dated three days after Quayle's announcement. "The agency is not aware of any information showing that foods derived by these new methods differ from other foods in any meaningful or uniform way." [18] Monsanto had what it wanted: government endorsement of safety, and no regulations that would interfere with its plans for rapid worldwide sales.  
  
Political Science at the FDA  
  
Attorney Michael Taylor was involved in the development of FDA policy. Prior to working at the FDA, Monsanto was his personal client. Taylor had helped Monsanto draft pro-biotech regulations that the industry would lobby for. While working for the FDA, Taylor could implement those laws himself. For Monsanto, there was no better person to step into a leadership role at the FDA.  
  
Taylor did not simply fill a vacant position at the agency. In 1991 the FDA created a new position for him: Deputy Commissioner for Policy. He instantly became the FDA official with the greatest influence on GM food regulation, overseeing the development of government policy.  
  
According to public interest attorney Steven Druker, who has studied the FDA's internal files, "During Mr. Taylor's tenure as Deputy Commissioner, references to the unintended negative effects of bioengineering were progressively deleted from drafts of the policy statement (over the protests of agency scientists), and a final statement was issued claiming (a) that [GM] foods are no riskier than others and (b) that the agency has no information to the contrary." [19] In 1994, Taylor became the administrator at the Department of Agriculture's Food Safety and Inspection Service, where he was also involved in biotechnology issues. He later became Vice President for Public Policy at Monsanto.  
  
When the FDA announced its policy, the public was not aware of any internal dissent. The policy boldly claimed that there was no information to indicate that GM foods were different or more risky than natural varieties. Since the American public generally trusts the FDA, people assumed that no such risks existed. But nearly a decade later, the agency's internal documents—made public for the first time through a lawsuit—told a different story.  
  
Linda Kahl, an FDA compliance officer, protested that by "trying to force an ultimate conclusion that there is no difference between foods modified by genetic engineering and foods modified by traditional breeding practices," the agency was "trying to fit a square peg into a round hole." She insisted, "the processes of genetic engineering and traditional breeding are different, and according to the technical experts in the agency, they lead to different risks." [20]  
  
One such expert was FDA microbiologist Louis Pribyl. "There is a profound difference between the types of unexpected effects from traditional breeding and genetic engineering," wrote Pribyl in a letter to James Maryanski, the FDA's biotech coordinator. Pribyl said that several aspects of gene splicing "may be more hazardous." [21] According to the New York Times, "Dr. Pribyl knew from studies that toxins could be unintentionally created when new genes were introduced into a plant's cells." [22] Moreover, Pribyl wrote "there is no certainty that [the breeders of GM foods] will be able to pick up effects that might not be obvious." He declared, "This is the industry's pet idea, namely that there are no unintended effects that will raise the FDA's level of concern. But time and time again, there is no data to back up their contention." [23]  
  
Pribyl was only one of many FDA scientists asked to provide input during the formulation of the FDA's policy on genetically engineered food. According to Druker, records show that the majority of these scientists identified potential risks of GM foods. Druker was the main organizer of the lawsuit that forced the FDA documents into the public domain. His nonprofit organization, the Alliance for Bio-Integrity, was the lead plaintiff. Having sorted through tens of thousands of pages of FDA documents, he described the opinion of the agency's scientists as follows: "The predominant view was that genetic engineering entails distinct risks and that its products cannot be regarded as safe unless they have been confirmed to be so through appropriate feeding studies." Druker says several scientists "issued strong warnings." [24]  
  
The Toxicology Group, for example, warned that genetically modified plants could "contain unexpected high concentrations of plant toxicants," and described the reasons why these might be very difficult to identify. [25] Their director wrote, "The possibility of unexpected, accidental changes in genetically engineered plants justifies a limited traditional toxicological study." [26]  
  
The Division of Food Chemistry and Technology outlined four potential dangers:  
"Increased levels of known naturally occurring toxins"  
"Appearance of new, not previously identified" toxins  
Increased tendency to gather "toxic substances from the environment" such as "pesticides or heavy metals"  
"Undesirable alterations in the levels of nutrients"  
  
They warned, "unless genetically engineered plants are evaluated specifically for these changes," these four "may escape breeders' attention." The division recommended testing every GM food "before it enters the marketplace." [27]  
  
Gerald Guest, the director of FDA's Center for Veterinary Medicine (CVM) sent a letter to the FDA's Biotech Coordinator, James Maryanski, saying that he and the other CVM scientists concluded that there is "ample scientific justification" to require testing and review of each GM food before it is eaten by the public. He stated, "CVM believes that animal feeds derived from genetically modified plants present unique animal and food safety concerns." He pointed out that, "residues of plant constituents or toxicants in meat and milk products may pose human food safety concerns." [28]  
  
In spite of repeated internal memos outlining the potential for increased health risks posed by this new technology, subsequent drafts of the FDA's policy statement, overseen by Taylor, deleted more and more of the scientist's input. In a fiery memo to Maryanski, Pribyl challenged the direction the policy statement had taken: "What has happened to the scientific elements of this document? Without a sound scientific base to rest on, this becomes a broad, general, ‘What do I have to do to avoid trouble'-type document…. It will look like and probably be just a political document…. It reads very pro-industry, especially in the area of unintended effects."  
  
But while the FDA's scientists were emphasizing caution and testing, its leaders were beholden to an altogether different lobbying effort. A March 1992 memo from FDA Commissioner David Kessler, confirmed the White House's influence in the crafting of the agency's policy. "The approach and provisions of the policy statement are consistent with the general biotechnology policy established by the Office of the President…. It also responds to White House interest in assuring the safe, speedy development of the U.S. biotechnology industry." [29]  
But even the draft of the policy that Kessler praised as White House-friendly was subject to further revision as it went up the political chain of command. A memo from the Office of the Assistant Secretary for Health, at the Department of Health & Human Services, expressed reservations about the length and depth of the policy statement's concern for environmental effects of GM crops. The letter said, "The extensive twelve page discussion seems to be…dangerously detailed and drawn-out." [30] In the end, it was the political, rather than scientific considerations that prevailed.  
  
The agency not only ignored its scientists, it claimed their concerns never existed. For example, the State Department's Melinda Kimble, while negotiating GMO trade policy said, "I want to make very clear that it is the position of the United States government that we do not believe there is a difference between GMO commodities and non-GMO commodities." [31] Likewise, a March 2003 statement by Speaker of the House Hastert declared, "There is general consensus among the scientific community that genetically modified food is no different from conventional food." [32]  
  
When the FDA documents eventually became public, Maryanski defended the agency's policy. On February 28, 2000, he told the OECD Conference on GM Food Safety in Edinburgh, Scotland that the FDA scientists had merely been asking questions about the various issues involved in bioengineered food. Maryanski was unpleasantly surprised when Druker, who was a member of the conference, stood up and invited the audience to read the FDA memos that were posted on his organization's website. They could see for themselves that the agency's scientists were not merely asking questions; many of their statements were quite emphatic about the unique risks of GM foods.  
  
Maryanski, other FDA officials, and representatives throughout the U.S. government continue to claim there is overwhelming consensus among scientists that GM foods are safe. In an Oct. 1991 letter to a Canadian official, however, Maryanski himself had admitted that this was not true. He said, "there are a number of specific issues… for which a scientific consensus does not exist currently, especially the need for specific toxicology tests." Maryanski also said, "I think the question of the potential for some substances to cause allergenic reactions is particularly difficult to predict." [33]  
  
Commenting on statements made by FDA scientists, the New York Times wrote. "The scientists were displaying precisely the concerns that Monsanto executives from the 1980's had anticipated -- and indeed had considered reasonable. But now, rather than trying to address those concerns, Monsanto, the industry and official Washington were dismissing them as the insignificant worries of the uninformed." [34]  
  
Many scientists who understood the dangers, however, were not convinced by the FDA's assurances. Geneticist David Suzuki, for example, said, "Any politician or scientist who tells you these products are safe is either very stupid or lying. The experiments have simply not been done." [35] A January 2001 report from an expert panel of the Royal Society of Canada likewise supported the conclusions of the FDA scientists.  
  
The Royal Society of Canada report said it was "scientifically unjustifiable" to presume that GM foods are safe. The report explains that the "default prediction" for any GM foods is that "expression of a new gene (and its products) … will be accompanied by a range of collateral changes in expression of other genes, changes in the pattern of proteins produced and/or changes in metabolic activities." This could result in novel toxins or other harmful substances.  
  
The report emphasized the need for safety testing, looking for short and long-term human toxicity, allergenicity, and other health effects. The panel began their comprehensive 245-page report by quoting the editors of the UK's Nature Biotechnology. "The risks in biotechnology are undeniable, and they stem from the unknowable in science and commerce. It is prudent to recognize and address those risks, not compound them by overly optimistic or foolhardy behavior." [36]  
  
FDA veterinarian Richard Burroughs described the changes he saw at the FDA. "There seemed to be a trend in the place toward approval at any price. It went from a university-like setting where there was independent scientific review to an atmosphere of ‘approve, approve, approve." He said, "the thinking is, ‘How many things can we approve this year?' Somewhere along the way they abdicated their responsibility to the public welfare." [37]  
  
A congressional aide said, "At FDA morale stinks. Hundreds of people have either retired or quit in disgust. All the best people, who believed in working on behalf of public health, have gone." Dan Glickman, former Secretary of Agriculture, describes the government's pro-biotech mind-set. "It was almost immoral to say that it wasn't good because it was going to solve the problems of the human race and feed the hungry and clothe the naked." He said, "You felt like you were almost an alien, disloyal, by trying to present an open-minded view…. So I pretty much spouted the rhetoric… It was written into my speeches." [38]  
  
Chapter 6: Rolling the Dice With Allergies  
  
An infant girl in England broke out in cold sores from drinking soymilk, but was tested as "not allergic" to normal soy. Was she allergic to something in GM soy instead? Perhaps it was the increased amount of the allergen—trypsin inhibitor—found in Monsanto's Roundup Ready soybeans? Could this also explain why soy allergies in the UK jumped by 50 percent after Roundup Ready soy were introduced? It's difficult to say, because although scientists have confirmed that deadly allergies can be transferred into foods via genetic engineering, there are no robust allergy tests done on GM foods. This was brought to the public's attention only after StarLink had been blamed for severe, potentially fatal allergic reactions. It took the FDA nearly a year to develop a test to see if StarLink was allergenic. The test was so poorly designed and unreliable, even the EPA rejected the results.  
  
Excerpts:  
  
In March 1999, the York Nutritional Laboratory, Europe's leading specialists on food sensitivity, reported that soy allergies skyrocketed over the previous year, jumping 50 percent. The increase propelled soy into the top ten lists of allergens for the first time in the 17 years of testing. York scientists tested 4,500 people for allergic reactions to a wide range of foods. In previous years, soy affected 10 percent of consumers. Now, 15 percent reacted with a range of chronic illnesses, including irritable bowel syndrome, digestion problems, and skin complaints, as well as neurological problems, chronic fatigue syndrome, headaches and lethargy. Researchers confirmed the link with soy by detecting increased levels of antibodies in the blood. Furthermore, the soy tested in the study was likely to contain significant percentages of the genetically modified Roundup Ready variety.  
  
The fact that GM soy had just entered the food supply was not lost to the researchers, who, according to the Daily Express, "said their findings provide real evidence that GM food could have a tangible, harmful impact on the human body." A spokesman said, "We believe this raises serious new questions about the safety of GM foods."  
  
The British Medical Association had already "warned that the technology may lead to the emergence of new allergies." With the York's research in hand, now British scientists urged their government to impose an immediate ban on GM food until further testing evaluated their safety. Pathologist Michael Antoniou said that the increased allergic responses "points to the fact that far more work is needed to assess their safety. At the moment no allergy tests are carried out before GM foods are marketed." [39]  
  
At a business lunch with co-workers, 35-year-old Grace Booth dined on three chicken enchiladas, which she later recalled were very good. Within about fifteen minutes, however, something went wrong. She felt hot, itchy. Her lips swelled; she lost her voice and developed severe diarrhea. "I felt my chest getting tight, it was hard to breathe," recalled Booth. "She didn't know but she was going into shock," reported CBS news. "I thought, oh my God, what is happening to me? I felt like I was going to die." Her co-workers called an ambulance . . . . [40]  
  
Booth didn't know what had caused her nearly deadly allergic reaction. But this was September 2000 and within a few days she heard the news. A genetically modified corn product called StarLink, a potential allergen not approved for human consumption, was discovered in tacos, tortillas, and other corn products. More than 300 items were eventually recalled from the grocery store shelves in what was to become one of the world's biggest GM food debacles.  
  
Chapter 7: Muscling the Media  
  
The biotech industry uses its considerable resources to mold public opinion on genetically modified foods. In addition to promoting a one-sided image of the foods as safe and necessary, they stifle coverage about health and environmental damage. For example, a Fox TV station canceled a news series, a publisher canceled a book contract, [41] scientific journals refused papers, and a printer shredded 14,000 magazines, all due to fear of lawsuits by Monsanto. Other stories in this chapter describe how the industry manipulated news that was reported.  
  
Excerpt:  
  
A national TV commercial showed a montage of smiling Asian children, caring doctors, rice paddies, and a narrator who says that golden rice can ‘help prevent blindness and infection in millions of children' suffering from vitamin-A deficiency." [42] Time magazine went so far as to claim on their cover, "This rice could save a million kids a year." The biotech company Syngenta claims one month of a delay in marketing Golden Rice, would cause 50,000 children to go blind. [43]  
  
The biotech industry had found its poster child, genetically engineered rice that makes its own beta-carotene—a precursor to vitamin A. In his New York Times Magazine article, "The Great Yellow Hype," Michael Pollan says that golden rice impales Americans on the horns of a moral dilemma: "if we don't get over our queasiness about eating genetically modified food, kids in the third world will go blind."  
  
"Yet the more one learns about biotechnology's Great Yellow Hope," Pollan continues, "the more uncertain seems its promise." [44] A closer look reveals some interesting omissions in the industry's numbers. According to a Greenpeace report, golden rice provides so little vitamin A, "a two-year-old child would need to eat seven pounds per day." [45] Likewise, an adult would need to eat nearly twenty pounds to get the daily-recommended dose.  
  
"This whole project is actually based on what can only be characterized as intentional deception," writes Benedikt Haerlin, former international coordinator of Greenpeace's genetic engineering campaign. "We recalculated their figures again and again. We just could not believe serious scientists and companies would do this." [46]  
  
Even the president of the Rockefeller Foundation, which funded development of golden rice, said "the public-relations uses of golden rice have gone too far" and are misleading the public and media. He adds, "We do not consider golden rice the solution to the Vitamin A deficiency problem." [47]  
  
There are other considerations as well. No published study has confirmed that the human body could actually convert the beta-carotene in golden rice. Also other nutrients such as fat and protein, often lacking in the diets on malnourished children, are needed in order to absorb Vitamin A. And it is not clear whether the genes from the daffodil, which are used to create golden rice, will transfer known allergens from the flower. [48]  
  
The biotech proponents also admit that to persuade people to eat yellow rice may require an educational campaign. But if they are going to spend the time to educate, Pollan asks, why not instead teach "people how to grow green vegetables [that are rich in vitamin A and other nutrients] on the margins of their rice fields, and maybe even give them the seeds to do so? Or what about handing out vitamin-A supplements to children so severely malnourished their bodies can't metabolize beta-carotene?"  
  
Distributing supplements is precisely what the Vitamin Angel Alliance is doing. They give children who are at risk a high potency tablet, strong enough so that only two are required per year to prevent blindness. At a cost of only $.05 per tablet, only $25,000 is needed to prevent 500,000 children from going blind per year. [49] Contrast this with golden rice, which has cost more than $100 million dollars so far, and is not yet ready.  
  
Michael Khoo of Greenpeace says golden rice "isn't about solving childhood blindness, it's about solving biotech's public relations problem." If the industry were truly dedicated to the problems of malnutrition and starvation, a tiny fraction of their advertising budget could have been diverted to make an enormous difference already. Khoo says, "It is shameful that the biotech industry is using starving children to promote a dubious product." [50]  
  
Grains of Delusion, a research report jointly released by humanitarian organizations in Thailand, Cambodia, India, Philippines, Indonesia and Bangladesh, concluded that, "the main agenda for golden rice is not malnutrition but garnering greater support and acceptance for genetic engineering amongst the public, the scientific community and funding agencies. Given this reality, the promise of golden rice should be taken with a pinch of salt." [51]  
  
Chapter 8: Changing Your Diet  
  
This chapter describes all the sources of GM foods and explains how to remove them from your diet. It also provides additional motivation to make a change, describing how food can dramatically influence mood and behavior.  
  
Chapter 9: What You Can Do  
  
This chapter offers some practical ways to stay informed and to make a real change. One of these is to get this book into the hands of those who can make a difference.  
  
Excerpt:  
  
Books have power. Upton Sinclair's novel The Jungle exposed the unsanitary conditions of the meat packing industry. After Teddy Roosevelt read the book on a long train trip, he pushed a bill through congress creating meat inspection. At a press conference, President Kennedy acknowledged the importance of Rachel Carson's book Silent Spring, which exposed the dangers of pesticides. Kennedy then had his scientific advisor look into the issue. The book was eventually "credited with beginning the American environmental movement, the creation of the Environmental Protection Agency, and the 1972 ban on DDT." [52]  
  
Officials around the world who are in charge of GM food policy need to be made aware of the foods' dangers and of how their approval was based on politics, not science. They have been subjected to relentless promotion by the biotech industry and bullying by the U.S. government to accept GM foods and crops. The revelations in this book might change that.  
  
Epilogue  
  
This section ties in recent events with a summary of some of the salient points from the book.  
  
Excerpt:  
  
There are the numerous ways in which industry researchers apparently doctored their studies to avoid finding problems with GM foods. For example, Aventis heated StarLink corn four times longer than standard before testing for intact protein; Monsanto fed mature animals diets with only one tenth of their protein derived from GM soy; researchers injected cows with one forty-seventh the amount of rbGH before testing the level of hormone in the milk and pasteurized milk 120 times longer than normal to see if the hormone was destroyed; and Monsanto used stronger acid and more than 1,250 times the amount of a digestive enzyme recommended by international standards to prove how quickly their protein degraded.  
  
Cows that got sick were dropped from Monsanto's rbGH studies, while cows that got pregnant before treatment were counted as support that the drug didn't interfere with fertility; differences in composition between Roundup Ready soy and natural soy were omitted from a published paper; antibody reactions by rats fed rbGH were ignored by the FDA; and deaths from rats fed the FlavrSavr tomato remain unexplained.  
  
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**Footnote 13: Eskom deal with BHP Billiton akin to power theft**

Footnote 13 is an extract of a media article published by Roger Toms from Hout Bay on November 12 2012 at 08:00am, as follows:

After many months, more like years, Eskom has responded to public pleading for information on their sweetheart deal with BHP Billiton, to supply cheap power to the Hillside and Mozal aluminum smelters.

A few days ago Paul O’Flaherty (Eskom’s chief financial officer) treated the nation to a lesson in modern arithmetic when he announced that the residual seven to eight years of the BHP Billiton “contract” would result in an accumulated loss to Eskom of R5.5 billion. Based on an ex-generator delivery of 2000 megawatts that represents a loss of something over 4c per kilowatt hour while Eskom’s present unit cost of production is declared at some 50c/kWh. To believe this is akin to O’Flaherty’s belief in leprechauns as the arithmetic is based on some wondrous crystal ball-gazing to estimate the future aluminum price, rand/dollar exchange rates, and world price of coal.

Why Eskom must pay world prices for its coal is another matter but one would suggest that Eskom’s calculations are a best-case estimate.

What the country needs to know is the present ongoing loss incurred by this sinful arrangement which probably landed Derek Keys, then minister of finance, one of the top jobs at Billiton: it is essentially the theft of power desperately needed by the country. The country is still not privy to the contents of the BHP Billiton contract but the DA estimates that the power is being “sold” at 10c/kWh. Assuming that to be a politically warped number, let’s use a “price” of double that, 20c/kWh, resulting in a direct loss of 30c/kWh. Simple arithmetic, without resort to any sort of crystal ball, results in a present annual loss of R4.8bn, roughly 5 percent of the cost of Medupi. To add insult to this considerable injury, Eskom has bought back, at some cost, large chunks of power from major revenue-earning consumers which are then shut down.

There can be little doubt that the Eskom/BHP Billiton contract was essentially criminal in nature, irrespective of its signatures, and Parliament should force Eskom to declare force majeure (or vis major) on its provisions, rather than forcing it to deceive the nation. Otherwise, Eskom should surely use some of its expensive talent to simply pull the plug on the aluminum smelters and leave the consequences to their much more expensive lawyers. Surely the consequences cannot be worse than depriving the nation of a precious power supply.

**Footnote 14: Eskom rate increases**

The following article is taken from the fm.co.za economy press release dated 7 March 2013 titled “Nersa takes a tough stance against Eskom”:

Nersa, the electricity regulator, seems to be taking a tough stance against Eskom by insisting the producer cannot build up its balance sheet and financial muscle at the expense of consumers. Limiting electricity price increases to 8% for each of the next five years, instead of the 16% that Eskom asked for, Nersa says the company must turn to its shareholder if it needs more funds.

"Eskom said it could not make it without a 16% increase, but it said the same in 2010 when it asked for a 35%/year increase," says Nersa electricity committee chairman Thembani Bukula. On that occasion Nersa granted an average 25% tariff increase for the three years to 2012. "We believe what it needs to operate effectively is the 8% we've given now."

The increase, effective from April, will raise the price of electricity to 89,13c/kWh by 2018, from 65,51c/kWh now. Eskom wanted the price to increase to 128c/kWh by 2018. Nersa has also reduced the company's return on equity to an average of 4% over the period, from a requested 7% return. In the six months to September, Eskom's return on equity was 11, 54%, down from 13, 92% in the year to March.

Nersa's decision will reduce Eskom's retained earnings to about R7bn, not the R46bn it wanted. "It will use that for the build programme and to service debt," says Bukula. Eskom's desired R46bn in retained earnings is "a nice to have", he says, "but what is it for?" Bukula points out that Eskom's infrastructure investment programme goes only as far as the construction of the Medupi and Kusile power stations, planned for completion in March 2019. "It is not building anything after that. So why does it need R46bn?" he asks.

Eskom said it needed a 13% tariff increase to build up its reserves so it could achieve a standalone investment-grade rating. The other 3% was to fund its acquisition of electricity from independent power producers, who are now in the process of building wind and solar power stations with a combined 1400MW capacity. "The independent power producers’ purchase is included in the 8% increase," says Bukula.

He extends his tough stance to the matter of a standalone investment rating. "Eskom's debt is guaranteed by the state. It can use that status to service debt," he says. Eskom has R190bn outstanding debt, which it is using to fund the construction of its 4800MW Medupi and Kusile power stations. The debt is set to rise to R350bn by 2018.

With an increase half what it asked for, Eskom will now be in a tight spot. The lower tariff increase has the potential to make its debt more expensive. Major rating agencies have already downgraded its debt profile (in line with SA's sovereign downgrade), and will likely do so again in their next round of rating assessments in the next quarter.

The company was banking on combined sales revenue of R1, 1trillion in the years to 2018. Now it will have to get by with R906bn. Future increases may not be better either.

Nersa says it will "strive for inflation-related" increments after 2018.

The utility had by the end of 2012 secured all the funds it needed to complete its build programme, says finance director Paul O'Flaherty. "But that plan assumed a certain tariff increase," he says. Now Eskom will have to wait for the full Nersa determination. "We'll need to look at it closely and see where it has taken off money [from the proposed increase]."

One thing Eskom won't have to look hard to find is its controversial electricity buy-back programme. The company has been buying back electricity from its biggest users for the past couple of years. It has steadfastly declined to reveal the amount it pays companies not to use its electricity. But its tariff application provided some indication of the cost.

Nersa turned down Eskom's request for a buy-back allowance of R8bn over the period. "Paying companies not to use electricity is not in Eskom's mandate," says Bukula. He says it is "also not in line with reality. We removed that." In addition to meeting its revenue shortfall, Eskom must make a decision about the feasibility of its buy-back programme.

Denying the company the opportunity to spend taxpayers' money buying back power, thereby partially shutting down industries, "is a good thing at face value", says Chris Logan, an investment analyst at Opportune Investments in Cape Town. Electricity consumption is already declining faster than Eskom budgeted for.

The volume of electricity consumption decreased by 2, 6% in the 12 months to December when compared to the prior year, Statistics SA said in its electricity report in January. Eskom had budgeted for a 1, 4% drop in consumption.

The amount of power produced last year was also 2, 9% lower than the five-year peak of 241,17GWh that Eskom produced in 2007.

"So if consumption is declining, why does Eskom still need to continue buying back power?" says Logan. Last year's power consumption declined even as the economy rose 2, 5%, indicating that industry might be finding alternatives and cutting back their usage, he says. Nersa's decision is a double whammy for Eskom. "That's because it won't be getting the revenue growth it wants, while consumption is also shrinking," says Logan.

Nersa agreed with Eskom on one thing, though: the projected cost of coal, the company's major input cost. In its application it forecast 10% annual growth in coal prices. The electricity producer spent about R25bn on coal in the six months to September, a 12, 4% increase on the prior year's figure.

In view of the lower than expected revenue, what can Eskom do to improve its financial fortunes? "In the real world it would seriously attack costs now," says Logan. Undesirable as job losses are, the utility may have to look at its head count. Since 2008 Eskom has increased its workforce by 23%. It employed 35400 people in 2008, and the number jumped to 44913 in September. It said its average total employee costs rose by an average 12% for each of the five years, to R500000/employee. "Eskom needs to bring down its costs. It's now getting less value from employing all those people," says Logan.

While cutting jobs may be the most natural step to take, state-owned Eskom is highly unlikely to propose such a step to its shareholder. O'Flaherty was attacked by the company's labour unions when he suggested in 2010 that it might have to cut its workforce. He was just three months into the job, having joined the company from the private sector. Eskom retracted the comment the following day.

Next month it will start wage talks with its labour unions on a new agreement as the two-year agreement they concluded in 2011 expires in July. The National Union of Metalworkers of SA (Numsa), one of the parastatal recognised unions, says its members will demand "a real increase in wages" when the talks resume.

"Employees are still being paid very low salaries," says Numsa secretary-general Irvin Jim. "We're still paying for the sins of the past." Without divulging what the union will be asking for at the talks, he says employees will remember that Eskom is now enjoying price increases above the inflation rate. "It will also take back the pay increases through the higher tariffs we will pay for electricity.”

<http://www.fm.co.za/economy/2013/03/07/nersa-takes-a-tough-stance-against-eskom>

**Footnote 15: Eskom salary increases**

In an article called ‘National Union of Mineworkers rejects Eskom pay offer’ dated Wednesday, the 23rd of June 2010, by Reuters, the failed wage negotiations for Eskom workers is discussed, as follows:

South Africa's biggest union National Union of Mineworkers said that it had rejected the latest wage offer by state owned power utility Eskom, but would pursue talks for now before considering a strike that could disrupt the World Cup.  
NUM, which represents about half of the 32,000 workers at the utility, toned down its strike threats this week on the advice of a mediator. The NUM said it would give Eskom until Thursday to come up with a better deal than the 8% pay increase offered.  
Mr. Lesiba Seshoka spokesman of the NUM, which last week warned that its members could down tools, said that "We are negotiating in good faith, but we have totally rejected that offer. We are giving Eskom up to Thursday to come up with a good offer; we have not reached a stage of strike action yet."  
A strike is unlikely to hamper electricity supply to stadiums which have standby diesel generators, but there is a concern that the action may interrupt electricity supplies and anger millions watching matches on television.  
The biggest worry is the effect a stoppage may have on the economy, especially manufacturers and mining companies in the world's top platinum and fourth largest gold producer. A prolonged strike could halt mining operations, and this may affect metal production and prices.  
The NUM and two other unions, which in total represent more than two thirds of the utility's staff, want a pay rise of more than three times the inflation rate of 4.8%. Should the strike go ahead, the other unions have said they may join in.  
Economists have accused unions of trying to hold state entities to ransom by using the World Cup to squeeze pay increases far above inflation, possibly damaging the economy as it emerges from its first recession in 17 years.  
Eskom has said any work stoppage would be illegal because the utility is classified by the state as an essential service, but should a strike go ahead, it will implement contingency measures to minimize the impact.  
The Eskom workers, represented by the NUM, the National Union of Metalworkers of South Africa and Solidarity, want a 15% wage raise and a housing allowance. Eskom's latest offer is for an 8% increase, a 5.6% increase to key allowances, and a ZAR 12,000 per employee once off payment, which the unions rejected.  
Mr. Bhabhalazi Bulunga HR MD at Eskom said that "This offer is as far as we can go. Our employees know the financial strain that the organization is under, and the need for substantial additional financing for our build program."

**Footnote 16: COSATU’s approach to ownership and governance of Eskom**

Eskom is a vital player both in South Africa’s economic development and in the meeting of people’s basic needs. Eskom has had considerable success in rolling out electricity to our people. By international standards, South African electricity is also very cheap. Access to affordable electricity is vital for many reasons, including industrial development, the growth of SMMEs, and improving people’s productivity and quality of life.

COSATU thus believes that it is imperative that electricity remains publicly owned and controlled.

This allows the state to drive universal service provision, ensure that electricity contributes appropriately to overall energy and industrial policies, and determine appropriate pricing structures. Private ownership, or a more commercial operating structure, would tend to shift Eskom’s focus towards profit maximization at the expense of national objectives.

COSATU is currently engaged in a process with the Departments of Public Enterprises and Minerals and Energy Among other things to emerge from this engagement is that according to the proposals in the Price Waterhouse Coopers reports commissioned by government, average electricity tariffs are projected to rise by between 22 – 50%, which would clearly have extremely negative effects on access to affordable electricity for the poor. COSATU is concerned that corporatization could have a negative influence in terms of pushing electricity tariffs higher, particularly if there are intentions of selling of some of Eskom’s share capital in future.

**Footnote 17: Eskom’s R20 billion to come from the national budget.**

In a news article called “Eskom billions funding mystery” dated the 19th of November 2010, it was announced that the funding of Eskom’s projects to the amount of R20 billion would come out of state coffers, as follows:

Power utility says it will go ahead with its plans even if the government can't decide where the additional R20-billion will come from.

Where will the money come from? This is the key question arising from confusion over the Cabinet’s decision to “support”—as opposed to authorize—a proposed additional R20-billion for the power utility, Eskom.

Two options have emerged despite the government’s mixed messages. One is to fund it directly from the budget, or, as was initially announced, by “liquidating state holdings in non-strategic and non-core assets”.

The government does have what could be termed “non-core” state assets, worth considerably more than R20-billion, although the amount could be substantially more. These include a 13,9% stake in Vodacom, which, based on the company’s market capitalization, is worth about R15-billion. Selling this off would provide 75% of the funds needed for Eskom’s equity injection.

The state also owns a 39,8% stake in Telkom, valued at about R7-billion, based on Telkom’s market cap. But the company, though listed, is more than 50% owned by the government due to the stake of the Public Investment Corporation and PIC-related entities. As such, any sale would need the buy-in of a number of state actors.

Cash also lurks in the balance sheets of state-owned entities such as the Central Energy Fund, which has cash and cash equivalents of about R15-billion. But that is earmarked for the company’s own strategic plans, including energy exploration.

PetroSA, a wholly-owned subsidiary of the CEF, has more than R10-billion in cash on its balance sheet. But it is looking to build a new refinery at the Coega industrial development zone in the Eastern Cape, currently the subject of feasibility studies by the department of energy.

But, any money destined for Eskom would be subject to a budgetary process as money from the sale of state assets reverts to the national revenue fund and any allocations from it must be determined in the budget.

‘Ideological opposition’  
So whatever way the government decides to raise the additional funding, Eskom will have to wait until February to get its money. An economist said that the sale of state assets was a viable option but that it would be met with ideological opposition.

“This shows there are very different views within the government on how to go about economic development,” he said. The treasury would not say how the money could be raised or what it might mean for state finances.

But Jabulani Sikhakhane, the treasury’s spokesperson, said: “The government continues to recognize Eskom’s critical role in the economy and the need to maintain energy security. For this reason, it is imperative that Eskom completes its planned build programme, while sustaining a solid investment grade credit rating.”

Ayanda Shezi, the spokesperson for the department of public enterprises (DPE), said: “How this equity will be raised is the detail that the government, comprised of DPE, national treasury and other relevant departments, needs to consult and deliberate on.”

Eskom has previously said that for each year that the Kusile power station is delayed it stands to pay about R14-billion in penalties. The company said in a statement to the Mail & Guardian that there were potential contractor claims looming, although it would be negotiating with them in a bid to bring them down. But it would not say how much the claims were currently.

Eskom’s confidence  
According to the statement, Eskom was confident that the money would be allocated, although it suggested that, should government retract its decision for any reason, it could continue with its operations.

“The government equity injection is a long-term commitment to strengthen Eskom’s balance sheet. More importantly is that our funding plan assumes we will obtain additional 25% tariff increases in the two years beyond [the second multi-year price determination], which is an important ‘equity’ injection through the retained earnings that will arise,” the statement said.

Economists say that South Africa could probably afford a budgetary allocation—although they question whether Eskom should be given the money at all. One of them, Mike Schussler, said that any additional funding called into question Eskom’s need for further tariff increases as determined by the national energy regulator.

“South Africa now has higher residential tariffs than those of the United States,” he said. “It’s questionable whether it should be given more money on top of the increases.”

He said that residential tariffs in the US averaged $0,12, or about 84c, whereas tariffs in Johannesburg were about 88c.

Besides, Schussler said, the strengthening rand would have made many of Eskom’s purchases more affordable, granting the company considerable savings.

Dennis Dykes, Nedbank’s chief economist, said that South Africa could probably afford a direct budgetary allocation but that would undermine some of the positive gains made in terms of the reduction of the budget deficit from 5,3% to 3,2% in the next three years.

Nevertheless, if the additional funding meant greater security for South Africa’s energy supply, then it should be allocated. But, he said, the fundamental problem with the local electricity sector remained the dearth of competitors for Eskom. “If the sector had been opened up we’d see more capital and projects entering the country,” said Dykes.

Ideally, the R20-billion could have been saved if independent players had been able to enter the system, but “the lack of an adequate regulatory framework has left South Africa years behind”, he said.

Opposition parties have criticized the government’s handling of the matter. Atholl Trollip, the Democratic Alliance’s parliamentary leader, in a statement to the national assembly earlier this week said that “the Cabinet’s vacillation on the source of this additional funding indicates the deep divisions in the executive” and showed little regard for treasury protocols.

“There appears to be complete chaos—a full-blown meltdown in both the administration’s ability to communicate their plans to the public and with the internal coherence of their policymaking,” he said.

<http://mg.co.za/article/2010-11-19-eskom-billions-funding-mystery>

See also:

* [State assets to be sold to fund Eskom](http://mg.co.za/article/2010-11-11-state-assets-to-be-sold-fund-eskom)

<http://mg.co.za/article/2010-11-11-state-assets-to-be-sold-fund-eskom>;

* [Eskom's R20bn fillip to come from budget](http://mg.co.za/article/2010-11-12-eskoms-r20bn-fillip-to-come-from-budget)

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* <http://www.fin24.com/Companies/Eskom-provides-for-big-shares-bonuses-20100615>

**Footnote 18: Interview with Mr Jan A De Beer, CEO of Eskom Enterprises.**

From the Eskom website, the following interview with Mr. Jan A De Beer, CEO of Eskom Enterprises, is provided:

How successful have you been at ESKOM Enterprises in the year 2000, and what are your financial expectations for this year?  
  
Eskom Enterprises group achieved an operating profit of R67.4 million in its first year of operations during 2000. Turnover exceeded R2 billion with the Rotek subsidiary exceeding R1 billion for the first time following its transfer to Eskom Enterprises. The 61% growth in non-Eskom sales - from R353 million to R567 million - in line with the strategic intent to achieve 50% of sales from non-Eskom sources by 2005. The before tax return on equity (excluding exceptional write-offs) of 8.19% is noteworthy considering that the businesses mainly served as internal service providers to Eskom in the past.  
  
The Group expects to double its operating profit in 2001. Turnover is targeted to grow by at least 15%. External non-Eskom sales are targeted at 35% of total sales. The return on equity is expected to increase in excess of 10%. Significant project work is expected to arise from the marketing efforts, especially in Nigeria and the rest of West Africa. The group's 45% investment in Arivia.kom is expected to deliver returns above expectations whilst the investment in Tele-com Lesotho will deliver returns in the medium term.  
  
The investment in the Fiber Optic Network will impact adversely on the Debt: Equity ratio and returns, as the benefits will only flow in the medium term.  
  
Could you elaborate on your major investment plans, and on the commissioning of the Pebble Bed Modular Reactor ( PBMR ) in particular?  
  
Regarding the PBMR, we already have three partners, and are awaiting the fourth one. ESKOM Enterprises itself has 30%, IDC (Industrial Development Corporation) has 25%, British Nuclear Fuel of the UK 22.5% and EXCELON Corporation of the United-States 12.5% and we reserve 10% for Black Empowerment. We are busy at the moment with feasibility studies that are almost completed. The figures look good. We are also busy with the environmental impact assessment and with the licensing process. Should all of these be positive, we would go back to our government towards the end of this year to ask for approval to start construction of a demonstration plant next year. That should take us about three years, and you could add a year for commissioning, testing and improving before we are ready for export. Right now, the figures we are seeing in USD cents per kWh are still extremely competitive.  
  
Is this your main emphasis at this stage, or do you have any other projects currently being undertaken?  
  
We are looking at two other areas. We are committed to become involved in the second telecommunications network in RSA - the TELKOM competition for the future and we are seriously positioning primary energy as an opportunity.  
  
This is quite a diversification!  
  
In a way yes, because telecommunications is a different kind of business: higher risks, higher returns, quick turnaround and definitely different from the normal power utility business. However, you have to look at the advantages you can get out of using your electricity infrastructure: One entails putting the fiber optic on transmission lines where you already have the infrastructure and the right of way. This translates into a saving of three to four hundred million Rands over a Greenfield approach. We can also do it very fast, we will have a fully developed fiber optic backbone system in place by the time TELKOM's monopoly ends next year. Secondly, there is the advantage that we already have customer service centers, the necessary maintenance and field services teams, we already have a wire into peoples' houses, and are sending them accounts, so we could build on that.  
  
The rationale for getting into primary energy is not altogether different in that we want to exploit our existing coal assets and, gas distribution is quite close to our current electrical distribution ability.  
  
Economies of scale…  
  
Precisely.  
  
What initiatives should be taken to enhance the Southern Africa Power Pool (SAPP)?  
  
The concept of the SAPP is a very good one and is growing all the time. Regional co-operation is leading to other spin-off developments such as MOTRACO - that is a line built in a joint venture between ESKOM, Swaziland Electricity Board and EDM ( Electricidade de Mozambique ). ESKOM supplies power at a very competitive price to the Aluminum Smelter ( Mozal ) in Mozambique through that line. We are now looking at building on that kind of example where ESKOM Enterprises with EDM and another partner would extend the MOTRACO line now to the so-called "Corridor Sands Project" in Mozambique. There is also a need for a transmission line between Tanzania and Zambia, as well as between Tanzania and Kenya. For any of the utilities to go into that kind of effort alone while being privatized is probably not a wonderful idea. Instead, if you join efforts with private developers, and involve the various governments in the project, things will get done. As more IPPs come in, the SAPP matures further, and transmission and telecommunications interconnections are being established for sound commercial reasons, these elements will have a positive impact on each other.

In terms of the brain-drain, what makes it a lot worse is that not only South Africa is losing a lot of its skills but so is the rest of Africa. As a short-term solution, we at ESKOM Enterprises are bringing in international partners. For instance FLUOR DANIEL is our partner in the transmission business. Bringing in the SHELL's, SIEMENS's and ABB's of this world as partners as well as local Black Business and the various governments is a way of ensuring our future.

We also have a subsidiary company in Mozambique called ELGAS, which is doing power generation and gas distribution. We will be finalizing our deal in Mali to take over the management of MANANTALI. We have also recently established a joint venture in Libya (GESCO). So, we are working right across Africa but always being very careful not to be seen as "Big Brother" wanting to come and take over. We are setting up partnerships. And we have no problem creating joint ventures where we have the minority share. We are not trying to colonize anybody!

**Footnote 19: Newspaper article: Concern over SA’s billions in DRC Inga project**  
BY MOYAGABO MAAKE, 24 MARCH 2013, 08:48

THERE are concerns about investing billions in taxpayers’ money in a joint infrastructure project between South Africa and the Democratic Republic of Congo (DRC), one of the world’s most corrupt countries.  
  
Last month, Finance Minister Pravin Gordhan set aside R200bn for the 40,000MW Grand Inga hydroelectric project, set to be built at the Inga Falls on the Congo River, about 300km from Kinshasa.  
Earlier this month, the two governments finalized a draft treaty on the project.  
The World Bank “tentatively” estimates the cost of the first phase of the project — the 4,800MW Inga 3 — at $40m-$45m.  
Some observers say this is a lot of money to entrust to a country with a less than shining reputation.  
Transparency International’s latest corruption perception index ranked the DRC 160th on a list of 176 countries. It scored 21 on an index where a score of 100 indicates the least corrupt countries and 0 indicates the most corrupt.  
  
In 2011, after feasibility study on Inga 3 began, African democracy watchdog Idasa called for care to be exercised in funding the project.  
“The various foreign investors plying the project with funding could reduce it to a minefield of corruption in a state infamous for state and political manipulation of contracts and tenders,” said Charlotte Johnson, then a researcher with Idasa.  
  
But Energy Minister Dipuo Peters said in an interview with Business Times that she believed the DRC government should be given a chance to prove itself as the project had so many potential benefits for South Africa and the continent, and the DRC had been transparent with her team thus far.  
“People must be given the benefit of the doubt,” she said. “If we worked in a transparent manner, we will continue to work in a transparent manner. We must allow ... it is very painful seeing people without electricity.”  
Ms Peters said the project would be implemented in accordance with the rules and regulations of the DRC, which she believed would minimize the risk and perception of corruption.  
Perhaps providing a further measure of comfort that the project will not degenerate into a corrupt free-for-all is the involvement of the World Bank, which provides finance for capital projects in developing countries.  
A spokesman for the bank said that it planned to support the Inga 3 development in collaboration with other development partners such as the African Development Bank. It is helping rehabilitate the Inga 1 and 2 plants, built during Mobutu Sese Seko’s dictatorship and which fell into disrepair during the civil war after his ousting.  
“As is customary for all World Bank-financed projects, all project documentation is placed in the public domain and is accessible online,” said the spokesman.  
“The World Bank has a zero-tolerance policy on corruption, and we have some of the toughest fiduciary standards of any development agency, including a 24/7 fraud and corruption hotline with appropriate whistle-blower protection.”  
  
Ms Peters, who are spearheading South Africa’s involvement in the project, said the potential benefits were immense. The World Bank estimated Inga 3’s export potential to South Africa at 2,500MW.  
The government’s integrated resources plan, signed and published by Ms Peters in the Government Gazette in May 2011, envisaged 6%, or 2,600MW, of the country’s electricity coming from hydro sources by 2030. Inga 3 is expected to be commissioned in about 2020.  
“We can buy (the power) in bulk, making it affordable,” said Ms Peters.  
  
Once complete, Grand Inga will generate almost double the power coming from the Three Gorges Dam in China, which now holds bragging rights as the world’s largest hydropower complex with 22,500MW capacity.  
This is only a fraction of the DRC’s total hydropower resources, which the World Bank estimates at 100,000MW.  
“Those are the riches of the DRC,” said Ms Peters. “They can help extend the tentacles of energy access in Africa.”  
She said Grand Inga would satisfy the African Union’s search for catalytic projects, as it had benefits for agriculture, mining and other sectors in the Southern African Development Community (Sadc) region. Five other African countries outside the region will be connected to the grid.  
  
World Bank estimates suggest the complex could supply energy to as many as 500-million households across the continent.  
In 2004, the national power utilities of Botswana, Namibia and Angola jumped at the opportunity to tap into these resources by forming the Westor Power Project, together with Eskom. But this fell by the wayside, with South Africa taking steps to fill the vacuum.  
  
President Jacob Zuma tentatively locked down South Africa’s involvement in the Grand Inga complex with the November 2011 signing of a memorandum of understanding with the DRC, in which it was agreed South Africa would be a potential customer.  
Within six months of the memorandum, a draft Grand Inga treaty was drawn up, then approved by the cabinet.  
On March 7, negotiation teams from both countries put the final touches to the draft treaty of joint co-operation.  
“This is going to be so involved a project that we didn’t want to rush,” said Ms Peters.  
  
Other factors contributing to the length of time included the composition of the teams — with an average of two people from eight South African government departments — and overcoming the language barrier, with the DRC’s official language being French.  
  
Ms Peters said the terms of the final draft treaty addressed how the project would be developed, the phases of the project, the governance processes to be followed, the responsibilities of each partner, the flow of the electricity, and how the electricity would be transmitted from the Inga site to South Africa.  
Barring any unforeseen circumstances, this treaty will be presented to parliament next month as Ms Peters’ department is still busy preparing a cabinet memorandum. The Congolese team will follow the same process, after which the two countries will work on a final treaty.  
“Working as the Sadc, and working as Africans, we can keep the lights on cleanly. I’m so excited about this project,” Ms Peters said.  
\* This article was first published in Sunday Times: Business Times

ATTACHMENTS AVAILABLE IN BOOK FORM:

BUNDLE 1: Attachments 1 - 3 <https://www.createspace.com/4392573>

BUNDLE 2: Attachments 4 - 8 <https://www.createspace.com/4398589>

BUNDLE 3: Attachments 9 - 10 <https://www.createspace.com/4416061>

BUNDLE 4: Attachments 11 - 14 <https://www.createspace.com/4400727>

BUNDLE 5: Attachments 15 <https://www.createspace.com/4415962>

BUNDLE 6: Attachments 15a <https://www.createspace.com/4497969>

BUNDLE 7: Attachments 16 - 18 <https://www.createspace.com/4415984>

BUNDLE 8: Attachments 19 - 26 <https://www.createspace.com/4416010>

BUNDLE 9: Attachments 27 - 30 <https://www.createspace.com/4416021>

BUNDLE 10: Brief <https://www.createspace.com/4437109>

BUNDLE 11: Brief Concordance <https://www.createspace.com/4497991>

BUNDLE 12: Attachment 15b, update of

genocide records, 2013 will be available

during April 2014 on <https://www.createspace.com/4498007>