

# Zuma for sale

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Once, when he was riding high, Schabir Shaik enjoyed boasting that he had Jacob Zuma in his pocket.

The draft charge sheet in the Scorpions's case against Shaik demonstrates just how thoroughly Shaik allegedly "owned" the deputy president and deployed him as "political capital".

An annexure to the charge sheet details hundreds of payments, totalling R1,16-million, made by Shaik or his Nkobi Group of companies, allegedly on behalf of Zuma, between October 1995 and September 2002. They range from cash for Zuma to allowances for his children, to rent and repayments on various loans.

Most telling is the allegation that Zuma was a secret shareholder in Nkobi itself, an allegation denied by Shaik.

Zuma defended himself this week by repeating the argument that Shaik, as his financial adviser, administered "all his financial matters, including bank accounts".

Missing so far from the evidence is any analysis of Zuma's legitimate income, such as salary, which Shaik has previously said was also paid into accounts controlled by him.

But the charge sheet does allege that Zuma was living way beyond his means, and had to be subsidised by Shaik or Nkobi to the tune of R290000 to R370000 a month.

"Accused 1 [Shaik] and/or [Nkobi group companies] paid Zuma to further their private business interests at the cost of funding Zuma's excessive expenditure," say the Scorpions.

Zuma's alleged lobbying — and even blunt intervention — on behalf of Nkobi is detailed extensively in the charge sheet, with the instance of the bid for Durban's Point Waterfront development providing an early case study.

In October 1995 the Point Waterfront Company called for proposals from the private sector for the development of the Point.

One bidder, the Malaysian Renong group, took the precaution of ensuring that its 49% empowerment partners, Vulindlela Investments, enjoyed the support of the South African government.

Shaik, however, attempted to put together a rival consortium. When it became clear that Renong were the favourites, Shaik allegedly tried to muscle in on the Renong consortium, telling Renong it would not be in their interests to proceed with Vulindlela.

According to the charge sheet, Shaik arranged for a Renong representative to meet Zuma — at the time leader of the African National Congress in KwaZulu-Natal and provincial minister of economic affairs and tourism.

“Zuma said that he was not happy with the persons nominated to represent empowerment interests in the Point Development and proposed that Accused 1 [Shaik] should be involved in the project. At one point Zuma made mention of the support and assistance he had received from Accused 1.”

Renong were sufficiently confident of their political support from other quarters to rebuff Shaik eventually, but the pattern of Zuma’s direct support for Nkobi is repeated throughout the charge sheet.

Other examples cited include:

\* In 1999 Zuma wrote to a British businessman, Professor John Lennon, who wanted to set up a tourism school in KwaZulu-Natal. In the letter, drafted with Shaik’s assistance and on Zuma’s ministerial letterhead, Zuma stated: “I feel that a local partner is required to form a joint venture with yourself ... I have had discussions with one such company namely Nkobi Holdings, headquartered in Durban...” When it appeared that Lennon might proceed without Nkobi, Shaik threatened “to inform Minister Zuma and seek to do whatever is necessary to stop Professor Lennon’s progress”.

\* In October 2000 Shaik wrote to Zuma requesting that Zuma, by then deputy president, arrange a meeting between Shaik’s United Kingdom partner, Grant Scriven, and then minister of safety and security Steve Tshwete, about the possibility of providing a fleet management service to the police. Zuma arranged the meeting, but Tshwete did not bite. In May 2001 Shaik wrote to Tshwete complaining that his lack of response was contrary to the advice from Zuma. Shaik, through Zuma, also arranged for Scriven to attend a function attended by Cabinet members in July 2001 at which Scriven was prominently and publicly hugged by Zuma — a sign Scriven interpreted as sealing his bid.

\* Zuma was also involved by Shaik early on in his attempts to woo the French defence company Thales. From the charge sheet it appears that senior Thales director Jean-Paul Perrier met with Zuma as early as 1997. In March 1998 Shaik indicated to Perrier that Zuma wished to meet him to soothe French fears that Nkobi was the wrong empowerment partner for their arms deal aspirations. Shaik, Perrier and Zuma met in London on July 2 1998. In November that year Zuma attended a meeting at Shaik’s offices, the purpose of which was to persuade the French to agree to sell Nkobi 10% of their South African subsidiary.

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<http://www.mg.co.za/Content/13.asp?ao=19758>