

How free is the media in South Africa?¹

Deon Basson

Deon Basson is an author, honorary professor in auditing at the University of Pretoria and a former forensic financial journalist. who has been voted South Africa's Financial Journalist of the Year in 1994, 1995, 1997, 1999, 2000 and 2002. His contribution is based on a chapter in a book titled "Public Interest Warriors" to be published soon) and his participation to a panel discussion at The Wits Power Reporting Workshop held in Johannesburg on 4 September 2007.

Thenever freedom of the press is debated it seems to be inevitable that the discussion will focus on the relationship between the press and the government of the day. Given the current state of play in South Africa and Zimbabwe this is understandable.

In South Africa the press is fighting a noble battle against censorship by government. In recent times the press had more often than once had to protect its rights in courts of law against government ministers.

One striking example where the press scored an overwhelming victory was when Beeld successfully defended an urgent application by the Minister of Transport Jeff Radebe to interdict it from publishing further details about the electronic traffic information system eNaTIS.²

But this is only one side of media freedom. Media freedom is also endangered by phenomena such as self-censorship and socalled media synergy. The effect of a synergistic relationship will be practically illustrated later-on. Please consider the following bullet points:

- First an international background. One should not be naïve about the inner-workings of the capitalist system. But we must consider the effect of commercialization on freedom of speech and investigative journalism. In his book The habits of highly deceptive media Norman Solomon writes (in an American context): "Prospects are bleak. Consolidation of media ownership has been so rapid in recent years that now just ten corporations control most of this country's news and information flow. The top spot belongs to Time Warner, followed by Disney, Viacom, News Corporation (Rupert Murdoch)...Those conglomerates are in business to maximize profits. They are hardly inclined to provide media space for advocates of curtailing their power." ³ We in South Africa should consider this issue carefully particularly because the SABC, Naspers, Johncom, Independent Newspapers and Caxton dominate the market and limit media diversity.
- A survey done in 2000 among 300 journalists and news executives in the USA revealed that self-censorship is commonplace in the news media. The survey was conducted by the Pew Research Center and the Columbia Journalism Review. About one-quarter of the local and national journalists said they have purposely avoided newsworthy stories, while nearly as many acknowledged they had softened the tone of stories to benefit the interests of their news organizations. Fully four-in-ten (41%) admit they have engaged in either or both of these practices.⁴ A challenge to journalism schools what about a similar survey in South Africa?

- To get an understanding of the above-mentioned phenomenon in global context it is probably necessary to thoroughly study the business and journalistic practices of Rupert Murdoch's News Corporation. The removal of the BBC world service from his Star satellite network⁵ and the infamous self-censorship by Newscorp subsidiary HarperCollins of Chris Patten's book East and West to appease the Chinese government is a case in point.⁶ Patten was Hong Kong's last governor. In my view the books on Rupert Murdoch referenced below should be prescribed to all journalism students in South Africa.
- Closer to home we should take note of an excellent exposition of some of the issues at hand. In a Masters dissertation at the University of Stellenbosch Gabriël Botma, a former art editor of Die Burger investigated media synergy as a strategy at that newspaper and the broader Media24 and Naspers groups comprehensively. His study found that synergy is a popular strategy at Die Burger in an effort to balance economic and political interests in reaction to real and perceived threats to the newspaper's survival and future growth. The critical study also shows that synergy has negative implications for the content of Die Burger, the organization of coverage, as well as traditional journalistic ideals of independence.⁷
- What will happen to freedom of the press in South Africa if the full force of a 'symbiotic' relationship between government and big business hits the big media companies? Historian Prof. Hermann Giliomee wrote in his book Die Afrikaners (my translation) about Naspers: "There is the further consideration that Naspers as company earns more than three-quarters of its revenue from electronic business. The press group is exposed to interference by a governing party. If provocation is strong enough they (government) can withdraw (television) licenses." ⁸
- A closing paragraph in a leader published in The Economist offers an alternative solution to big media companies who depend on synergistic relationships: "In future, argues Carnegie, some high-quality journalism will also be backed by non-profit organizations. Already, a few respected news organizations sustain themselves that way including the Guardian, the Christian Science Monitor and National Public Radio. An elite group of serious newspapers available everywhere online, independent journalism backed by charities, thousands of fired-up bloggers and well-informed citizen journalists: there is every sign that Arthur Miller's national conversation will be louder than ever." 9
- Finally, on a personal note, I am proud that I have been fighting on my own for almost two years to stop a court

:Auditing SA

interdict and a defamation suit of R20.9m (the Freedom of Expression Institute couldn't help financially). So far the matter hasn't gone to court and there is no interdict against me. In fact, the applicant, a promoter of property syndications named Sharemax Investments (Pty) Ltd, has filed a new application asking the court to strike its original application from the court roll.1

I wish to share with you a letter filed by Sharemax Investments (Pty) Ltd in court papers illustrating a synergistic relationship endangering independent journalism:

Dear Willie¹¹

Thank you for the confirmation and information on Sharemax you had faxed to me.

The relationship between Geld-Rapport¹² and Sharemax had always been important to us.

No investor has complained with us that Sharemax doesn't fulfil its promises. In fact, we only get positive comments.

We don't want to get involved in a debate between Deon Basson and yourselves. As far as Geld-Rapport is concerned, we feel until this day that Sharemax has rendered an excellent service to investors as an authorised financial services provider.

Consequently, I have requested Johan Geertsema13 of Geld-Rapport to finalise Sharemax's participation for 2006.

We are looking forward to an exciting year. We want to keep our readers updated about investment opportunities from the horse's mouth.

Fanus Gous14 Editor

In an affidavit Sharemax MD Willie Botha made much of the letter written by Dr Gous: "The editor of "Geld-Rapport" is supportive of Applicant and is of the view that Applicant '...'n besondere diens aan die beleggers lewer en 'n gemagtigde finansiële diensverskaffer is..

"This respected editor has also confirmed that over the years ..nog geen belegger (het) by ons gekla dat Sharemax nie hul beloftes gestand gedoen het nie. Trouens ons ontvang net goeie kommentaar.

"The respondent's campaign can justly be said to be a lone campaign...To demonstrate the falsity and futility of the Respondent's campaign, I attach and e-mail received from the Editor of the "Geld" section of the Rapport newspaper. The e-mail proceeds to state, contrary to the (alleged) fears expressed by Respondent, that '...nog geen belegger het by ons gekla dat Sharemax nie hulle beloftes gestand doen nie. Trouens, ons ontvang net goeie kommentaar.

I responded in my answering affidavit: "...historically I got used to it to often work virtually alone on a story. It is indeed not a strange scenario for an investigative journalist. In 2002 I worked for many months alone on the PSCGG/Tigon story although Moneyweb, Business Times and Personal Finance had previously made a huge contribution.

"Once Mr. Gary Porritt was arrested in December 2002 other newspapers and magazines followed. Applicant cites the favourable publicity it gets from Rapport's Geld magazine. The magazine actually practices what is commonly known as sun-shine journalism. Many articles in the magazine are actually written by directors of companies such as Applicant.

"The company normally advertises on the same page where the "editorial" is published. In that sense the editorial space had actually been bought. As a newspaper Rapport and in particular Dr. Fanus Gous, the editor of Geld-Rapport and previously editor of Sake-Rapport, had some bad experiences.

"During his tenure as editor of Sake-Rapport he published various positive articles about Tigon, PSCGG and Gary Porritt. One such article written by dr. Gous "Onderverdeling help Tigon om uit te blink op beurs" was published on 24 October 1999... In 2002 the newspaper published huge advertisements promoting PSCGG as an investment. On 12 May 2002 it published a promotional article titled 'Fonds verdubbel beleggers se geld blitsig'...

"Shortly afterwards the editor of Rapport, Mr. Tim du Plessis phoned me and asked my opinion and he stopped the advertisements and promotional copy. PSCGG was liquidated and its chairman Jack Milne convicted and sentenced to imprisonment.

"Sadly Geld-Rapport afterwards continued to indulge in sunshine journalism. The email written by Dr. Gous to Applicants (and attached to its application) contains the following sentence: Ek het Johan Geertsema van Geld-Rapport derhalwe versoek om so gou moontlik Sharemax se voortgesette deelname aan Geld-Rapport vir 2006 vas te maak.

"Mr. Johan Geertsema is a former public relations manager and later company secretary of Saambou Holdings. He has since 2003 frequently acted as a consultant to Sharemax while also having a relationship with Rapport. It raises serious questions about the editorial independence of Geld-Rapport."

In conclusion: Take note of a recent court case and a Sanef press release dealing with the sub judice rule. 15 Hopefully editors will in future see property syndication schemes for what they are and report without fear or 'synergy' about it.

Footnotes

- This is a slightly expanded and edited version of the author's contribution to a panel discussion at the Wits Power Reporting Workshop held in Johannesburg at 4 September 2007.
- Mail & Guardianonline, 31 May 2007 http://www.mg.co.za/articlePage.aspx?articleid=310039&area=/breaking_news/breaking_news_national/ retrieved on 31 May 2007.

 Solomon, Norman. The habits of highly deceptive media Decoding, spin and lies in Mainstream News. Common Couragepress, 1999, p. 7. The Pew Research Center. Self-Censorship: How often and why Journalists avoiding the news. April 30, 2000. http://people-
- press.org/reports/display.php3?ReportID=39 retrieved on 22 June 2004
- Chenoweth, Neil. Virtual Murdoch Reality Wars on the Information Highway. Secker & Warburg. London. 2001, pp. 120, 147, 175, 190, 280, 281, 309, 327 & 337. Also Page, Bruce. The Murdoch Archipelago. Simon & Schuster. London and other. 2003, pp. 464, 468, 471, 472, 473, 474 & 476.
- Chenoweth, op cit, pp. 282-287 & 295 and Page, op cit, pp. 430, 467, 474, 477 & 486.
- Botma, Gabriel. *Sinergie as politiek-ekonomiese strategie in die bal-ansering van idealisme en markgerigtheid* by Die Burger Wes-Kaap, 2004-2005. Verhandeling ingelewer ter gedeeltelike voldoening aan die vereistes vir die graad M-Phil aan die Universiteit van Stellenbosch. http://ir.sun.ac.za/dspace/bitstream/10019/229/1/Botgj1.pdf retrieved on 3 June 2007
- Giliomee, Hermann. Die Afrikaners 'n Biografie. Tafelberg. Kaap-
- stad, 2004, p. 630 The Economist. *Who killed the newspaper?*, August 26 to September 1, 2006, pp. 9-10. See in the same edition *More media, less news*,
- Transvaal Provincial Division of the High Court. Sharemax Investments (Pty) Ltd vs Deon Basson. Case numbers 2492/2006 and 3208/2006. The court action and many related regulatory issues will be covered in Basson's book *Public interest warriors* to be published late in 2007 or early in 2008. Also view Basson, Deon. *Dubious investment schemes*. Presentation at the Wits Power reporting Workshop. Johannesburg, 4 September 2007
- "Willie" is Willie Botha, MD of Sharemax Investments (Pty) Ltd
- Geld-Rapport is a bi-monthly supplement to Afrikaans Sunday newspaper Rapport. It's business plan appears to be to allow companies to write about their industries and then advertise on the same page. The normal business section of Rapport is known as Sake-Rapport. Sake-Rapport has not investigated and written about Sharemax.
- At the time Geertsema was a consultant to both Geld-Rapport and
- Fanus Gous is a former professor in business economics at the then Rand Afrikaans University and a former editor of Sake-Rapport SA National Editors' Forum (SANEF) Press Statement welcoming judgment ending sub judice rule and reinforcing press freedom http://www.sanef.org.za/press_statements/257271.htm retrieved on 2 September 2007. Also see The Supreme Court of Appeal of South Africa. Midi Television (Pty) Ltd vs Director of Public Prosecutions (Western Cape). Case number 100/06. Auditing SA

