

**Memorandum for the NWC.**

**Subject:** ANC Newspaper project. Appointment/Designation of ANC Trustees.

**Decision Required:** Designation of four persons to serve as Trustees of the ANC on the Mass Communications Trust.

short list proposed by DIP: Cdes Z. Pallo Jordan.

Thabo Mbeki.

Thomas Nkobi.

Vusi Khanyile.

Selby Msimang (Freddie Dlamini.)

Steve Tshwete.

Frene Ginwhala

**Motivation:** The Newspaper project is proceeding. Thus far we have established a Task Group charged with the actual setting up of the newspaper. Through our lawyers (Cheadle, Thompson and Haysom) we have obtained a Trust Deed and are in a position to now set up the democratic media trust.

The trust will be the body that has oversight on behalf of the Tri-partite alliance over the Mass Communications Trust. The trust will be the legal proprietors of the newspaper and other projects in this field. It will in turn appoint a board of directors who will run these on a day to day basis.

The Trust shall comprise 20 persons, four from the ANC, four from COSATU and two from the SACP. In addition ten other trustees, drawn from the ranks of the broad democratic movement will be nominated by the alliance.

The SACP and COSATU have already nominated their trustees;

They are: Cdes Sam Shilowa;

Marcel Golding;

Langa Zitha;

Mapetle Leeu for COSATU.



Cdes Blade Nzimande;  
Thenjiwe Mtintsho for the SACP.

The following short list appointees have thus far been proposed of behalf of the tri-partite allies by the task group to serve as the additional 10 members of the board of trustees.

1. Enos Mabuza.
2. Archbishop Desmond Tutu.
3. Nadine Gordimer.
4. Prof Jakes Gerwel.
5. Prof Reddy (UDW)
6. Sibusiso Bhengu.
7. Dean Farisani.
8. Imam Solomon.
9. Ellen Khuzwayo.
10. Gabriel Mokgoko (NAFCOC)

The list is of course subject to amendment and reconsideration.

The Newspaper Project is set out in greater detail in the attached report.





## **AFRICAN NATIONAL CONGRESS**

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### **DIP REPORT ON THE NEWSPAPER PROJECT.**

#### **INTRODUCTION:**

After the lifting of the ban on the ANC in February 1990, we agreed that our objective should be, after thorough discussion with the relevant MDM and other bodies, to create a daily democratic newspaper with the broadest appeal. While this is in the process of being established, we should ensure the closest contact with the alternative media to utilise their papers to put across the views of the ANC.

We agreed that we should also build towards the establishment of an ANC newspaper (weekly or fortnightly) as part of the process of establishing ourselves on the ground.. This was seen as a medium-term task, not an immediate priority.

We agreed that thorough investigation of the ownership of the various alternative media be undertaken. Ownership is a major consideration, because irrespective of the sympathies of the editors/journalists, ownership ultimately means control and determination of editorial policy, and our friends today may not be our friends tomorrow.

We agreed that it would be necessary to assess the readership of all the newspapers, including establishment papers, to see if there are ways we can reach those target audiences. We also needed to find ways to have our views carried in such newspapers.

1.1.1. Since we relocated the DIP in South Africa, after May 1990, the DIP has worked assiduously to realise this project. We recognised quite early that such a newspaper could not be an exclusively ANC project and therefore drew the Tri-partite allies, the SACP and COSATU. We were



fortunate in that this coincided with an offer arising from an Italian Trade Union solidarity project with COSATU. COSATU was most amenable to its allies coming in on the project with itself. It was recognised by all quite early that the non-Communist unions and the Italian government might find the role of the SACP unacceptable. It was therefore mutually agreed that the SACP's profile will not be raised within the project though it would obviously be one of the participants.

In September 1990 a letter jointly signed by the ANC's then Deputy President, Cde Nelson Mandela, and COSATU General Secretary, Jay Naidoo, was sent to the three Italian Trade Union Federations - CGIL(Communist),CISL (Catholic), and UIL(Socialist)- formally asking them for assistance in establishing a multi-media centre in South Africa. The letter specified that the project will be managed by an institution representative of the broad democratic movement as a whole. This institution would be a Mass Communications Trust, in which ANC, COSATU and the SACP would be the key movers.

Arising from such considerations we established a Tri-partite Task Group charged with the task of planning and executing the alliances plans to set up a newspaper. The Task Group is overseen by the information heads of the ANC, COSATU and the SACP, with myself as the chairperson. After months of planning and investigation the committee recommended that a Mass Communications Trust (henceforth The Trust), led by the ANC, be established to intervene in the ownership of the mass media in South Africa. Its first priority will be founding a daily newspaper.

#### 1.1.2. Mass Communications Trust.

The recommended composition of the Trust is as follows:

ANC	4 trustees.
COSATU	4 trustees.
SACP	2 trustees.
Religious bodies	2 trustees.
Civics	1 trustee.
Eminent Persons	6 trustees.
Executive Sect	1 trustee.
TOTAL	20 Trustees.



These recommendations have been submitted to the NWC of the ANC, the CEC of COSATU and the CC of the SACP. Both COSATU and the SACP have approved the recommendations and have nominated the following individuals to serve as trustees on their behalf.

**COSATU:**

Sam Shilowa, Asst General Secretary.  
 Marcel Golding, Asst. General Secretary of NUM.  
 Mapete Leeuw, Education Secretary for COSATU.  
 Langa Zitha, Information Officer of NUMSA.

**SACP:**

Thenjiwe Mthintso, Member of the CC.  
 Blade Nzimande, Member of the CC.

We have formally proposed that the NWC of the ANC give consideration to the following short list as possible nominees. The NWC shall and must have the final word on the four whose names will go forward.

Z. Pallo Jordan, Secretary of Information.  
 Thabo Mbeki, Secretary for International Affairs.  
 Vusi Khanyile, Thebe Investment Corporation.  
 Thomas Nkobi, Treasurer-General.  
 Frene Ginwhala, Head of Research Dept.  
 Selby Msimang, Task Group on Mass Communications.  
 Steve Tshwete, Head of Organising Department.

Attached hereto as appendix no 1. is the proposed trust document drawn up by our lawyers. Cheadle, Thompson and Haysom.

**1.1.3. Structure and Operations.**

The alliance task group has recommended that the Trust, Private Investors and the Staff employed in the multi-media project jointly establish a Holding Company (henceforth the Company) that will become the legal proprietors of the Newspaper and other projects that will be undertaken by the Mass Communications Trust.

The shareholding in the company will be distributed as follows:



Trust	51%
Private Investors	47%
Staff	2%

It is proposed that the board of directors of the company reflect this distribution of power.

Trust	4 directors
Private Investors	4 directors
Staff	2 directors
Management	1 director.
TOTAL	11 directors.

Attached hereto as appendix no.2. is a flow chart setting out the structure of the Trust and the Company.

1.1.4. The initial costing of the project indicate that setting up of a newspaper will be an exceedingly costly undertaking. It was therefore recommended that private investors be invited to contribute capital towards the trusts projects. We have approached the following organizations to contribute financially towards the daily newspaper project.

Thebe Investment Corporation.  
 National Sorghum Breweries.  
 Washington Development Capital Corporation (USA)  
 The Lonrho Group (London)  
 NAFCOC  
 Concord Group (Lagos) - Chief Abiola's Company.

All these have expressed their willingness to participate.

The following have been approached and are still considering:

Liberty Life  
 SANLAM  
 Time-Warner (New York)  
 Lotus Development Corporation. (Boston, Mass.)  
 Nedcor.  
 Norwich Life.  
 US News and World Report. (New York)



Capital of about R50 million is required to start the newspaper and we hope to raise all that capital from the private investors listed above. The Lonrho Group (London) who are also the owners of the "Observer" newspaper have agreed in principle to lend us technical, managerial and editorial assistance from that newspaper to launch the project. This will entail us identifying suitable candidates who will understudy persons seconded by the "Observer" with a view to locals taking over managerial responsibilities as soon as possible. In this context a managerial contract, subject to regular review might also be considered.

## 1.2. Other Newspapers and News-sheets.

Nine ANC regions now produce their own newsletters and bulletins. In many instances they are the direct result of training programmes the DIP has run over the past three years for its regional personnel. During 1993 we shall be running at least one training course to skill editors and personnel working on the regional newsletters.

1.2.1. "Iliso Lomzi", a Transkei based Xhosa language newspaper, is up for grabs because its owner/editor does not have sufficient funds to improve it. We have entered into a deal with him to invest in the paper, improve its layout and design and hopefully improve its finances and circulation. We are of the view that the paper could become an attractive Nguni newspaper serving both the Transkei, Border and parts of Southern Natal provided it is upgraded in every respect. We are presently exploring the upgrading of plant and a new printing contract. A designer has been engaged to improve the paper's appearance with a view to having it attract ad-revenues.

### 1.2.2. Operation to rescue "The Indicator".

During 1992 we were informed by the owner/editor of The Indicator that he was in financial difficulties and would have to sell his paper. There were indications on the media circuit that Nasionale Pers, one of the NP's publishing companies, was making a bid to buy it. We persuaded Ameen Akalwaya to hold off on selling, especially not to sell to the Nasionale Pers, who would promptly use the paper to make inroads into the Indian community.

We propose that the ANC act to rescue **The Indicator** and through our financial intervention help steer it towards becoming a newspaper serving



not merely Lenasia but also the Coloured townships of Ennerdale, El Dorado Park and the Indian communities of the Transvaal and Natal. Our intervention can take one of two forms. (a) Direct ANC investment or (b) ANC encouragement of investment by our supporters in the Indian community.

The proposal (under 2.2, (c) below) for a weekly magazine published in conjunction with the AFRICAN CONCORD would also constitute a major injection of funds that will assist **The Indicator** to address its cash flow problems.

1.2.3. Raymond Louw's Newsletter "Southern Africa Report" is up for sale. A group of journalists has suggested that the ANC assist them with a soft loan to acquire the newsletter which can then serve as a useful and ANC - friendly voice among the newsletters that have proved so influential among opinion-makers. As the newsletter has an established reputation both here and abroad, the DIP is of the view that we should assist.

In the USA our Washington Office has identified a regular newsletter, directed at key decision makers and corporate executives, as one of our key needs to get the ANC's view across. We feel the newsletter, under new management, could serve this purpose.

1.2.4. The DIP is also examining strategic investments in two other small newspapers in the Northern Transvaal and Natal respectively.

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