

NEWS 

Table Talk

Magda Wierzycka: I know, I have made myself hugely unpopular

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Not for the first time in recent months, a senior partner at an embattled corporate giant is sitting in Wierzycka's minimalist glass-walled boardroom. Wierzycka is the CEO of Sygnia, a successful asset management company, but one that is small by international business standards. So why is an exec from a multinational asking her advice on damage control linked to the state capture web it has found itself in?

Several corporate bigwigs have come to Wierzycka in search of help on how to clean their noses. Not because Sygnia as an asset manager can assist in any business dealings, but because she has become an outspoken powerhouse. People like you and me, governments new and old, and international investors are paying attention to Wierzycka.

She has taken on companies accused of malfeasance, drawn up a 10-point plan to fix South Africa, and tweeted that it would have taken 30 minutes to work out the fraud on Steinhoff's books.

The multinationals know that if this small territory sneezes the word "malpractice", the international company gets a reputational cold - or pneumonia.

For the senior partner of the embattled firm who has come to see her, there is a lot of money at stake, much more than the Asset Forfeiture Unit's pay-back-the-money ticket handed to global consultancy McKinsey for its dealings with Eskom and Gupta-linked Trillian.

Wierzycka's advice for the executive is simple. He has wasted a vast sum on an audit by "25-year-old graduates" at a prestigious law firm who have spent their festive season trawling through documents to find the rot.

"You will only get 60% to 70% of the answers," she tells him. "Go to the people whose signatures are on the documents, to ensure they uncover all the wrongdoing. Once they have the information, they must come clean and make restitution, such as donating all ill-gotten gains to civil rights organisations. Don't try to cover things up, because the South African public is too angry to listen to excuses."

Asked why people are coming to her, she laughs and says: "I am not an oracle on corporate governance. To me what has happened is inexplicable, but since I have been doing what I'm doing, people seek you out because they want to fix their bad name.

"The reputational damage is immeasurable here. Or they don't have a voice but want information in the public domain. There are many whistleblowers who want to come forward and who want to have a voice."

There is a reason the Sygnia brand focuses on transparency - its corporate artwork consists of X-rays, a sign that it states its fees upfront.

But what is Wierzycka's long-term goal for getting involved in the murky

Bianca Goodson, the whistleblower and former CEO of the Gupta-linked Trillian Management Consulting.

Late last year, after Goodson had opened a can of worms by revealing Trillian's influence-peddling in return for hefty "consulting" fees from Eskom, Wierzycka had said on a radio show that she would employ Goodson - whom she had not met - because of her bravery.

This followed a year in which Wierzycka, 47, made the 2016 rich list after turning her company into a multibillion-rand operation. What was unusual, apart from her surname (pronounced where-zheit-ska - she is a Polish immigrant), was a business executive being vocal in the political and private-sector arenas. For example, she has tweeted: "We have thieves running Eskom (no one is actually running Eskom) who steal and plunder via many avenues. This has emboldened others to do the same. If the ANC claims it can control JZ, prove it by forcing him to fire the characters who enable this."

Last month, Wierzycka partnered with the Helen Suzman Foundation to take "everyone and anyone" linked to irregularities at Eskom to court. It is expected to be a precedent-setting case for tackling mismanagement at state-owned enterprises.

Some have lauded her efforts. Others have wondered about her motivation.

"I know, I have made myself hugely unpopular," she laughs.

But it is no laughing matter that her life and her family have been threatened.

Controversy first flared in March, when she said that Allan Gray, through its involvement in Cash Paymaster Services and Net1, was "fleecing the poor" with dodgy state pension-linked financial services. Her condemnation of state capture on Twitter led to run-ins with Gupta family backer Mzwanele Manyi, who called her a racist and asked whether, because of her Polish origins, she was related to Janusz Walus, assassin of SACP leader Chris Hani. She also received death threats.

DEFAMATION

Almost immediately, "GuptaBots" tweeted Photoshopped pictures of her in bondage gear, saying she had started out in life as a stripper. "I joked with my husband that he shouldn't get any ideas, but I shut that down and took Manyi to court for defamation."

Manyi was ordered to remove the posts. Wierzycka's public profile grew.

"I always have been involved in investments and economics. We manage money on behalf of retirement funds and individuals and I am very aware of what happens economically in the country in terms of investments. That was no mystery.

"When things started spiralling downwards economically is when I started asking questions. Unemployment was going up. Education, infrastructure, electricity costs - everything was deteriorating. This reality of things starting to go pear-shaped, and particularly Eskom, was like a supertanker heading for Cape Town about to crash into the harbour."

She wants the country to reclaim every cent misspent by the power utility.

"It is not like these idiots have the money in a bank account. They are spending the money, flying in private jets and buying jewellery and suitcases full of diamonds. So the sooner you start attaching the money, the better. That is why we decided [on] the civil case.

"I had the idea of a class action on behalf of South Africa, but the lawyers said it will take more than 12 months for a class to be recognised. So we got a grouping of individuals who have a vested interest, and are chasing all the decisions made at Eskom to be put aside. Or any gains, including the inflated price of coal for instance, penalties not paid ... for all of this to be returned to the fiscus."

What was the catalyst? "I was in London, and I saw a photo which tugged at my heartstrings. It was a photo of Pravin Gordhan and Mcebisi Jonas on an SAA flight flying back to South Africa, in economy class." Gordhan, who had taken the matter of Gupta bank accounts to the courts, was recalled from international investment meetings by Zuma just before he fired him as a finance minister.

"I just looked at this and thought it is abominable. There was a sense of huge outrage. Gordhan said people need to mobilise, and that is when I wrote about the 10 steps that business can take to make South Africa work again, to stop the assault on National Treasury by this bunch of crooks."

The post went viral and crashed the Daily Maverick's servers, says Wierzycka.

"It made me realise the impact of social media for information exchange, and what a powerful source for dissemination it is. The very next thing that

with proof. Story after story that made you realise that what Zuma has done is make corruption an acceptable, institutionalised way to do business.

"Everything that was about was encouraging this business model. The more other people stole, the less they can point fingers at him.

"And so you wait for something to happen. And nothing was happening. There is this proof of wrongdoing but you have a paralysed NPA, which I was vocal about on Twitter. People need to see that things can be done despite the fact that the NPA is captured, that we are not helpless because at the end of the day, if we assume that maybe 20,000 people are corrupt, there are 56 million people in South Africa.

"It is unfathomable to me that this small percentage can hold 56 million people hostage ... They are stealing from every single South African, and every taxpayer has been robbed. Paying taxes and electricity prices you shouldn't be paying, poor infrastructure, all of it because of state capture. I, too, have a vested and financial interest in it because I've been robbed. And I object." "I remember getting a phone call shortly after Zuma was elected in Polokwane. Mzi was so angry and spoke about this gallery of rogues. If only I realised what he meant back then."

Wealthy as she is, why concern herself with trying to fix South Africa when she could live anywhere in the world?

"Yes, I can emigrate and buy a nice property outside London. But I reached a Rubicon. I could have walked away, I knew the consequences, but what do you do? I am not that person who walks away."

It is possibly some sort of survival instinct or patriotic gratitude to the country that took her and her family in as refugees from Poland as the Soviet Union began to unravel. "I don't want to emigrate again. Having gone through what I did in childhood, possessions mean nothing to me. I had to leave my dolls and teddy bear as a child in Poland [at the age of 13], so nothing material is important."

With her medical doctor parents, Wierzycka and her two siblings left Poland in the dead of night and sought asylum in Austria. "I grew up [in Poland] in a 30m² flat with my sister, brother, parents and grandmother ... What we did have was excellent healthcare, good education with a big focus on maths and science, and everyone was employed. That euphoric, artificially created society obviously ran out of money very quickly.

"My life happened in chunks. I have vivid memories of every single part of it. I remember the food stamps and rations which meant you were entitled to get some food, but that didn't mean you got to buy it. Queues started forming overnight, things became very dire very quickly. "She recalls that, in the refugee camp, she slept on a bunk beneath a man with gangrenous feet.

'MISERABLE YEARS'

Wierzycka says the family knew nothing about South Africa, but the US and Canada, which accepted refugees, would not allow her parents to practise as doctors.

In the early '80s "The National Party government worked out that there were artisans and medical professionals in the camps and asked people to apply. We arrived at the airport and were taken to a hostel in Pretoria, with \$500 and no concept of English," she recalls.

In a stroke of luck, she was accepted into Grade 8 at Pretoria Girls High, where she excelled at maths and science, eventually getting a bursary to the University of Cape Town, where she studied actuarial science.

She interrupts herself to recall a speech she gave at the high school recently: "I had two introductions: one was inspirational and the other was about the most miserable years of my life at the school." She went with the latter; many girls came up to her afterwards to share similar feelings. "I think in schools, and as teenagers, maybe everywhere, there are more misfits and rejects than there are winners." "She established herself as an industry disrupter at fund manager Coronation where, she says, "women were not tolerated". She took a week's maternity leave for the birth of her first son and a total of two days for her second. "I was in labour and my CEO was screaming at me on the phone, while I was screaming from the contractions." It is one of the reasons she champions female executives at Sygnia...

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