



2010 Annual Report

The Restitution Foundation

A Word from the Restitution Foundation Office



In the almost 17 years since the establishment of democracy, much has been achieved in terms of transformation. Some progress has been made with reconciliation. But the legacies of the Colonial and Apartheid eras are still haunting our society.

The huge gap between rich and poor is testing the patience of marginalised people and many are starting to question whether their lives have substantially changed for the better. This increasing impatience about the slow progress with social transformation is a real

challenge for the reconciliation process and a peaceful future in South Africa.

Some beneficiaries of South Africa's undemocratic past are likely opt for a very simplistic approach towards reconciliation: *"We acknowledge that Apartheid was wrong and we apologise for it ... but let us move on and not dwell too much in the past. Let us look towards the future and leave what is in the past behind us"*.

This approach is not serving the interest of a healing agenda. Healing requires a concrete response to the political, cultural and social damage caused by Colonial and Apartheid rule. An acknowledgement and an apology for the trauma caused are important elements of the healing process. But the *impact* of the acknowledgement and apology would be far greater if it is accompanied by tangible gestures of restorative justice, allowing the anger and hurt to subside, and a grieving process to start. Restitution therefore remains a key element in the healing process.

Some post transition governments have led initiatives of restitution and reparations (i.e.

German after the Second World War, Chile e.t.c.). In South Africa, the Truth and Reconciliation Commission (TRC) recommended that the government lead with restitution strategies (i.e. solidarity tax). For various reasons the government has not taken up the reparation recommendations of the TRC and many victims of Apartheid feel that justice has not been served. But the lack of a comprehensive government instituted restitution strategy does not mean that this crucial ingredient of the healing process should be ignored.

At its inception the Restitution Foundation adopted the mission to be a catalyst for restitution that will lead towards healing and justice within South Africa. Very soon it became clear that there were no practical restitution models for communities to implement. One of the main activities of the Foundation has been the design of a community restitution model that can be implemented by local communities. This model was consolidated in 3 programmes:

1. **Restitution Theory:** The Restitution Foundation's Restitution Toolkit provides communities with a theoretical understanding of different restitution related concepts (i.e. what is restitution, what is charity, what is the difference between restitution and charity, etc).
2. **Community-led Restitution:** The facilitation of a Community-led Restitution intervention draws a community into the development of a restitution strategy for their area.
3. **Restitution Financing:** The Foundation's restitution financing model releases equity and money available for redress.

During the past year the Restitution Foundation piloted this restitution model

in the town of Worcester. A progress report follows later in the report.

Some of the other highlights celebrated within this report include:

- In March, Simon Mabulawa became the first beneficiary of the Restitution Financing Project for Enterprise Development when he bought a vehicle for his business. ABSA approved Simon's vehicle financing loan when the Restitution Foundation agreed to take responsibility for the monthly payment of the interest to the loan, as an act of restitution.
- In June, the National Geographic Magazine reported on the work of the Restitution Foundation in the town of Worcester WEBSITE address!!
- In June, Prof Jonathan Jansen, Vice Chancellor of the University of the Free State addressed the Annual Meeting of the Restitution Foundation.
- In November the Restitution Foundation presented its Restitution Financing models at an internal Micro Finance Conference in Gauteng

The Restitution Foundation would like to acknowledge the financial contributions of the following donors during the past year:

- Mike Winfield
- Hildegard Malherbe
- The Desmond Tutu Peace Foundation
- F & R Crous Foundation
- Transnet
- Cathy and Anthony Cordle
- The Sowers Trust



Deon Snyman
Chief Operating Officer
Restitution Foundation
January 2011
Cape Town

The Restitution Process in Worcester

In January 2010 residents of the Boland town Worcester invited the Restitution Foundation to facilitate a community based restitution programme in the town. In partnership with the residents, the organisation identified the 1996 Christmas Eve Worcester bombings at Shoprite as a catalytic tool to mobilize the town for the process.

easier for other people to be convinced that there is real remorse about past human rights abuses in Worcester”.

The meeting shared with each other their dreams and expectations of the Worcester process and decided that the story of the



Members of the Worcester Restitution Project

The victims of the bombing assisted the Restitution Foundation with the identification of 20 key people (representative of all spheres of influence in the town) to develop and implement the process. The organisation then visited the identified individuals and invited them to participate in the process.

All accepted the invitation. The group first met on the 23 January 2010 where the four people who visited one of the perpetrators of the bombing, Stefaans Coetzee in prison shared their experience, challenging them with the words “... *if we can reconcile with Coetzee, the rest of Worcester can reconcile with each other. Let us take the challenge of restitution seriously to make it*

Background information on the 1996 Worcester bombing

On the afternoon of the 2 December 1996, 6 people died and 67 were injured after three bombs exploded at the Shoprite shopping complex and a nearby pharmacy in Worcester. Six people were arrested, convicted and sentenced to long term jail sentences. The motive of the perpetrators was grounded in a white supremacist ideology and theology which denied the humanity of people of colour.

One of the perpetrators, Stefaans Coetzee, was only 18 years old when he committed the crime. Coetzee grew up in a very unbalanced home. His father was an alcoholic and his mother was unstable. He spent some years in a children's home and left school while in Standard 8. He then came under the influence of the leader of a white supremacist group who recruited him to commit the crime.

In prison Coetzee realized the perversity of his beliefs and indicated that he would like to meet the victims of the bombing to:

- explain his motive for planting the bombs*
- to hear from the victims how his action affected their lives*

In November 2009 Coetzee met with Olga Macingwane (one of the victims of the bombing) and Harris Sibeko, Nobantzi Ndamoye and Gertrude Louw (representing the other victims) in the Pretoria Central Prison in Pretoria. The outcome of the meeting was reconciliation between Coetzee and Macingwane, and the representatives of the victims. Macingwane reported on the visit to all the other victims of the bombing on the 27 December 2009. The victims unanimously agreed that they would also like to meet with Coetzee.

1996 Worcester Shoprite bombing should be used as the catalytic tool to mobilize the Worcester Community to do restitution. The envisioned the process: *“To develop and implement a restitution strategy in Worcester that would contribute towards healing the rifts caused by Apartheid”* and selected a steering committee of 7 people.



Members of the Worcester Restitution Project

The steering committee met at least once a month and gave monthly feedback of the process to the rest of the group.

The Worcester Restitution Project was officially launched on the 21 March at the Worcester Dutch Reformed Church and was attended by 250 residents.

In August the group decided to adopt the Restitution Foundation's restitution financing model for enterprise development as its first restitution initiative and raised R100 000 for the project. The aim is to use the funds to cover the interest of banking loans of successful Worcester entrepreneurs who do not have the necessary collateral to qualify for banking loans to expand their businesses.

The steering committee advertised the project in the local Worcester media and selected the 6 strongest applications for interviews. The 1st successful applicant will be assisted to qualify for a banking loan in January 2011.

The steering committee arranged for a group of 25 residents from Worcester to attend a Healing of Memories Workshop from the 22nd – 24th of November in Constantia, Cape Town. This diverse group of people spent the weekend listening to each other's personal experiences of pain, shame and guilt related to the South African history. The group

deliberated with each other on important issues such as justice, apology restitution and

forgiveness and agreed to participate in the healing process of Worcester.

Restitution Financing for Housing

During the past year a “think tank” of business people in Cape Town was established to assist the Restitution Foundation with the further development of its restitution financing models. The group clarified the basic concept of covering of the interest of banking loans as an act of restitution to enable previously disadvantaged South African entrepreneurs to qualify for banking loans. The “think tank” has also started to expand the concept to housing.

The crux of this project is to provide commercial banks a mechanism of reduced risk to enable them to grant affordable home loans to low income earners (i.e. monthly salary R3500 – R12000) at an interest rate between prime – 2% and prime. The task team has met with various senior officials of different banks during the past year who have showed keen interest in the initiative. This will be pursued further in 2011.

Restitution Theory

During the past year the restitution toolkit was developed further. The toolkit was summarised in a 1 page document (included in the back cover) to make it more easily accessible to all people. A number of bible studies have been developed to assist church members in understanding the theological rationale for restitution. A litany for restitution was also developed.

Restitution: What it is and why it Matters

Restitution is a complex term. We typically hear it in a legal sense: a man who has stolen R1000 is ordered to make compensation in the same amount. We often understand it as a quid-pro-quo kind of arrangement: pay back precisely what was taken, and all parties can go their separate ways with the matter resolved.

We understand restitution to go much deeper than this, and to be one of the most significant tools available to us in addressing the residual ills of discrimination as well as other causes of inequity in our communities. Restitution involves seeking to set right the generational ills of inequality by engaging those who have benefited from the system,

directly or indirectly, in transferring wealth and social capital and reinvesting in communities that are still suffering. We understand this not to be purely a black-white issue, although we believe addressing the apartheid past is part of our mandate; but we believe restitution should become part of our common vocabulary and set of tools for addressing situations in which any person or community has suffered harm.

Restitution is easy to imagine in concrete terms. We understand the loss of money, land or even life. Now imagine that theft not only of resources such as land, education and money has occurred on a broad scale, but also of intangibles: dignity, a sense of safety, self-worth, an understanding of one's rights, a sense of belonging in one's own country.

The process of restitution recognizes that this is precisely the situation we face in South Africa today. How we make restitution for not just the tangible but intangible things that are lost when a person or community is harmed and dehumanized is something we must struggle through together, with both humility and hope.



Members of the Worcester Restitution Project at a strategic planning session, January 2011

It may help to know what restitution is not before we think about what it is. **Restitution is not charity.** Charity suggests discretionary giving out of one's abundance; it services poverty but does not eradicate it. Restitution, in contrast, is highly relational, potentially costly, and long-term. It aims to restore—or

even create—whole, healthy relationships where before there was brokenness and suspicion. In this relationship, we progress past the point in which there is a clear benefactor and a clear beneficiary, roles that still leave power on one side and that can be unintentionally dehumanizing. The relationship demands that we listen to all sides, hear the voices of those wronged when they articulate their needs, and move towards healing together.

Similarly, while restitution is about justice, **it is not about punishment.** We are used to thinking of a retributive model of justice in which payment is exacted in proportion to the crime, but nothing is done to restore the offender to the community and the community may not benefit at all from the judgment. **Restitution is about restorative justice.** It understands that a crime is rarely just one person against another; it tears at the fabric of the whole community. The violation of the social contract is what is at stake. But perhaps we must begin thinking beyond even restorative justice. The very notion of restoration suggests that there was some previous time in which the parties lived in harmony and right relation with each other. Yet that is not the case; we do not have a time we can look back to as the paradigm of healthy relationships to which we seek to return. Perhaps, then, we should begin thinking in terms of *transformational justice*. Such an idea recognizes that we need a wholesale shift in the way we relate to each other—a transformation—that opens up new possibilities. Transformational justice asks us to go deeper, as we ask difficult questions about why things are the way they are, and how we can change the cycles in which we operate so that we can reduce conflict and create new and equitable relationships. Restitution is a key piece in achieving this establishment of right relationship.

(Shortened version, Restitution Toolkit)



The launch of the Worcester Restitution Project in the church building of the Worcester Dutch Reformed Church, March 2010

Prof Jonathan Jansen: Leadership to Heal our Broken Society

LEADERSHIP

TO HEAL OUR BROKEN SOCIETY

- THE FIVE THINGS EVERY LEADER MUST KNOW ABOUT LEADING IN A BROKEN HOME/COMMUNITY/NATION/WORLD

Invitation to a Public Meeting of the Restitution Foundation

Speaker: Prof Jonathan Jansen
(Vice Chancellor and Rector, University of the Free State)

Date: Monday 7 June 2010 (18:00 – 20:00)
Venue: Presentation Room, Mutual Park (Old Mutual), Pinelands
See separate directions. Ask at security for directions to the Presentation Room.

The Foundation for Church-led Restitution (Restitution Foundation) is a Cape Town based NGO which facilitates a social justice response to injustices and inequalities within the South African society. As strategy the organisation works towards the development, marketing, mobilising, advocating and implementation of a church-led restitution campaign.

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Chancellor of the University of the Free State) addressed the annual public event of the Restitution Foundation on the theme “*Leadership to heal our broken society*”. In his presentation he emphasised that good

leadership is always focussed on the principles of justice. Advocates of justice have to realise that some of the right decisions they make will not be popular amongst all the people. Restitution is one of these leadership decisions. The healing process within our country gets stuck when the acknowledgement and apologies for the injustices of Apartheid are not followed by restitution. Acts of restitution have the potential to convince victims that apologies by the beneficiaries of Apartheid are sincere. South Africa lacks leadership towards

On the 7 June 2011 Prof Jonathan Jansen (Vice

restitution and the healing process of our society is affected.

Prof Jansen further identified Clarity, Compassion, Conditioning (remembering where you as the leader comes from),

Contrition, Counter Cultural (do not just act according to the tradition that other leaders have set in place) as five important elements of good leadership.



The audience listen with attention to the address of Prof Jansen

Restitution Methodology Workshop



The methodology of the Restitution Foundation

In June 2010 a group of 70 representatives of businesses, churches and NGO's in Cape Town attended the Restitution Methodology Workshop organised by the Restitution Foundation. The workshop focussed on the three tiers of the organisation's work: The restitution toolkit, the community-led restitution model and the concept of restitution financing. In groups participants interrogated different themes and made recommendations how the organisation could

improve its approach. The participants stated that they were encouraged by the workshop and expressed general support for the organisation's approach.



Group discussions at a restitution methodology workshop, June 2010

“Reconciliation between People, Cultures and Religion”

The Restitution Foundation was invited to address the “*Reconciliation between People, Cultures and Religion*” conference on the theme of restitution. This Cape Town based conference was held from 8-11 September 2010 and was co-hosted by the Institute for the Healing of Memories, the World Council of Churches, the all Africa Conference of Churches and the Lutheran World Federation. The participants were predominantly representatives from Council of Churches in the Southern Africa Region. The conference looked at each country in Southern Africa through the prism of ancient and recent wounds and how these wounds are and should be addressed. In its presentation the Restitution Foundation shared with the conference the community-led restitution model currently piloted in Worcester as well as the Restitution Toolkit. The conference adopted a motion of support for both the model and the toolkit and showed eagerness to implement the model and toolkit within their respective regions. The World Council of Churches placed the toolkit on their website.

Restitution and the Dutch Reformed Churches in Southern Africa

The Dutch Reformed Church was instrumental in the creation of a theological justification for Apartheid and gave concrete practice to this ideology by establishing 4 separate Dutch Reformed Churches for the different population groups. During the transition to democracy the Church confessed that Apartheid as ideology was never in line with the message of Scripture, apologised and declared their support for the unification of the different Dutch Reformed Churches. The reconciliation process between the different

churches has for many reasons reached a stalemate and full unification has not yet been achieved. In their deliberations the churches decided to consider restitution as a basis for future unification discussion and invited the Restitution Foundation to present its restitution model at a conference for the family of Dutch Reformed Churches in Gauteng on 6-7 September 2010. The conference indicated interest to consider the restitution model in their future deliberations towards church unity.

International Micro Finance Conference

The Restitution Foundation was invited to present its restitution financing model at an International Conference on Micro Finance held from 3-4 November in Sandton, Johannesburg. The theme of the conference was *“From Micro Finance to Inclusive Banking Challenges & Opportunities for Banks and other Financial Institutions”*. Present at the conference were senior representatives from different banks and micro finance institutions. The Restitution Foundation’s presentation focussed on the subsidising of the interest of banking loans as acts of restitution to enable previously disadvantaged South Africans to qualify for banking loans. In his response to the presentation, Prof Gerhard Coetzee (Specialist Advisor: Inclusive Banking: ABSA & Director: Centre for Micro Finance, University of Pretoria) lauded the Restitution Foundation for its innovative approach and remarked that each privileged South African should take cue from the restitution financing programme of the Restitution Foundation as a way to address the social inequalities within our society. The Restitution Foundation intends to take this up using a web based approach

Restitution Pilgrimages to Robben Island

One of the powerful tools that the Restitution Foundation uses to mobilise support for the organisation’s restitution agenda is the arrangement of pilgrimages to Robben Island.

Under the auspices of St George’s Cathedral in Cape Town the Restitution Foundation participated in the development of a liturgy for restitution. The liturgy is used to assist pilgrims to reflect on justice issues at the various historical sites on the island. After these reflections the pilgrims end their pilgrimage at the Church of the Good Shepherd on the island where pilgrims reflect on the theme of restitution as a way to acknowledge and take responsibility for the injustices within our society.

During the past year the Restitution Foundation assisted with the taking of ten groups on pilgrimage to the island. The groups returned to the mainland with a much better understanding of the importance of restitution in the healing process of South Africa.



A group from Paarl on a restitution pilgrimage to Robben Island

Financial Administrators of the Restitution Foundation

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Financial Statements for the year ended 28 February 2010

Income statement

	2010	2009
Revenue	331 639	147 423
Donation Income	700	1 350
Membership fees	332 339	148 773
Other Income	-	15 000
Other income	40 816	75 668
Interest received	40 816	90 668
Expenses	(630 316)	(468 292)
Deficit for the year	(257 161)	(228 851)

Expenditure statement

	2010	2009
Accounting Fees	(14 906)	(6 895)
Advertising	(2 371)	(15 826)
Auditors remuneration	(5 700)	(3 990)
Bank charges	(3 572)	(2 097)
Commission paid	-	(1 500)
Computer expenses	(350)	(468)

Depreciation, amortisation and impairments	(11 274)	(8 406)
Donations	-	(68 850)
Employee costs	(488 808)	(291 905)
Entertainment	(3 944)	(4 493)
Workshop and conferences	(4 143)	(18 593)
General expenses	(3 675)	(1 704)
Internet	(435)	(375)
Fundraising costs	(1 026)	-
AGM and Governance expenses	(22 867)	-
Electricity and water	(58)	-
Membership fees	-	(500)
Insurance	(3 391)	(2 074)
Legal expenses	(9 576)	-
Motor vehicle expenses	-	(767)
Postage	(322)	(290)
Printing and stationary	(10 682)	(19 687)
Repairs and maintenance	(80)	(85)
Telephone and fax	(11 417)	(5 485)
Travel - local	(31 719)	(14 302)
	(630 316)	(468 292)

Board Members of the Restitution Foundation

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Rev Xola Skosana (Vice Chairperson)

Mike Winfield
Dr Philip Knutson
Reuben Kadalie
Dr Charles Robertson
Rev Siyabulela Gidi
Christina Henda
René August
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Prof Jonathan Jansen in discussion with board members of the Restitution Foundation

Staff Member of the Restitution Foundation

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