

# Investing when universities are burning

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**As I am writing this, the universities in my country are burning and our finance minister has been summoned to court** on charges of fraud causing the currency, once again, to devalue like a rock falling.

What does it mean to be wise as serpents and as harmless as doves when you are a business person under such circumstances?

Shrewd South Africans seem to have acquired the ability to create a **parallel reality** in which they operate, ignoring bad news on the one side and building property, business and family on the other side. Going peacefully about your business is however not enough because wisdom comes from consulting many counsellors and those who are consistently making the right choices, do so based on aged-old principles.

Twenty years ago I was blessed to read a book by Davidson and Rees Mogg called "The Great Reckoning" which impressed on me the following fact: you can live in a country, a beautiful country, but you can't live everywhere in it. The authors described **the trend of emigration within a country's borders** and specifically to places which they named the "ex-urbia".

These are towns or communities somewhat isolated from public transport and the masses, with exceptional natural beauty and life style attributes like good schools, sport and medical facilities. These places in America were even listed by name in the book.

I took one look at my country and identified the Western Cape as a region, and particularly Franschoek and other Boland towns as places that qualify to their criteria and urged my husband to move from, the then, Pretoria to Somerset West – which we did. That was one of the best decisions we have ever made.

Now everybody is calling this "semigration", however the trend has been going on for almost fifty years – all over the world, where the wealthy and, or the wise has been impressed with the need to demographically remove themselves to safer havens.

Society is quietly moving back to the middle ages where power is usurped by dangerous criminals and you need a convoy of soldiers to go buy bread and milk.

When the smoke blows over and every brick has been broken down of the physical buildings that represent privilege, the disillusioned will find themselves wandering the streets hungry and dangerous as there is no access for them to **the real world – cyberspace** – where everything of significance will be happening soon.

We have been blessed this year to experience the next trend, with our matric leaver last year, to have been able to enroll him in our own town for a gap year in engineering at a small private institution that specializes in engineering and which is affiliated with an university overseas. As he is slightly ADD, he gets private instruction, at his pace, and has decided to do a diploma in mega-tronics next year there.

**Robotics and the replacement of jobs in the next twenty years**, is in my thinking, a far bigger problem than the burning of universities and the emptying of state coffers, because worldwide wealth is being moved at a rapid rate to havens where the sticky fingers of administrators cannot reach and physical bodies are moved to well-managed localities similar to the Western Cape.

When you have made your decision to live in a country based on the sheer natural beauty of it, the lifestyle and the living costs (of which we are apparently currently the worldwide leaders in terms of value), the next question of where can only be answered based on a **proven track-record of "better" management** in your county of choice.

The esteemed authors of the mentioned book wrote a sequel to their book called “The Sovereign Individual” wherein they predicted the fall of the welfare state and the rise of the sovereign individual – who will be able to conduct his business in cyberspace and be extremely picky where he lives – as his job is not dependent on physical space.

In medieval times communities gathered themselves in walled cities that provided protection and all they needed inside that space. If that is not a definition of the latest version of a “**security estate**” as we know it – I will eat my hat. A crucial difference to them is that we need web connectivity and any developer worth his salt will put that on the top of his list.

Blatant corruption and unrighteousness have their benefits as a society’s sheer repulsion to the evil displayed will cause a separation between the sheep and the goats in a dramatic way. The inevitable choice in favour of light against darkness should lead to a return to good morals – not my opinion but that of the esteemed authors – and it is overdue.

I want to close with the investment advice from the same authors in their book “Blood in the Streets”. They have managed to predict the 1987 Equities Crash, the fall of the Berlin Wall, the implosion of the Russian Empire and many other events with chilling accuracy – based on the underlying economic data. This is how the world works. Sentiment does not cut it.

When do you find value when making an investment decision? When everybody else is selling. Also, where do you find value? Where everybody with significant wealth is moving to – and ahead of time.

Don’t be a trend spotter. Be a trend setter.

And be it morally so. Like a snake-dove.