

## TANSTAAFL

A mnemonic for **"there ain't no such thing as a free lunch."** Popularised by Nobel prize-winning economist Milton Friedman and the title of one of many books authored by him. Although many attribute the quotation to him it actually has its origins in the USA and to a lesser extent in Britain from the mid-19<sup>th</sup> century onwards by saloon owners through the concept of offering a no cost lunch to customers who purchased a drink. The expectation was that most patrons would buy more than one drink and that they would become loyal customers. The cost of the free lunch was hidden.

This concept accords with the economic principle described as **"opportunity cost"** which in simple terms means nothing in life is truly **"free"**. There is always some sort of cost involved. If one individual or group gets something at no cost, somebody else ends up paying for it. For example in our country a Municipality with great fervour for political ends introduced the provision of 150KL free water for every resident. This was done by raising the cost of the supply to all users. So in effect the users of more than 150KL water carry the cost of the **"free"** water.

The announcement this week by the Jamiatul Ulama of KwaZulu Natal (JUKZN) of the demise of its Halaal Department and the abrupt termination of all certification is an apt demonstration of this principle in action. The spin about the **"lack of professional manpower"** lacks credibility considering that they had been in operation for 5 years and in fact were the pioneers of Halaal certification as far back as the 1970's. It was down to the finance and lack of management thereof that has led them into this pitiful state. The resultant implosion affected about three dozen companies certified by them, not to mention the confusion caused by the sudden announcement without timeous withdrawal

advertising material on the premises and media.

The JUKZN Halaal Desk, set up some five years ago, announced with great temerity a free Halaal certification service in the deluded belief that this unique selling proposition would have industry beating a path to their door. They also believed that the costs of operations would be sustained by donations from certified plants and the Muslim community to their coffers. Neither industry nor the community are so naïve. Business success is dependent on them tapping into customer demands and providing quality products and services at competitive prices. The community too disapproves of being **"taxed"** additionally for their Halaal needs by industry which enjoys their custom and earns a profit from them.

To render a professional Halaal regulatory service SANHA maintains offices in the major cities with a dedicated professional management team of trained inspectors, administrators and supervisors based at many of the certified plants as well. Our inspectors travel hundreds of thousands of kilometres annually ensuring that the Halaal standards are maintained. Advisory service via our dedicated national Helpline and our consumer desk is constantly sustained. The current SANHA staff complement today stands at 145. This is funded by the professional service charges and levying of licensing fees to the plants certified. The fees are declared in the annual audited financial statements presented at public meetings and posted on our website.

So when next you are offered a free Halaal certification service that seems to be too good to be true, be extremely cautious for

**"there ain't no such thing as a free lunch."**