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CONSTRUCTION

How construction mafias threaten economy, democracy

THE phenomenon of organised crime syndicates, notably the Mafia, has deep historical roots and was mainly influenced by socio-economic conditions in Sicily. Initially, landowners, unable to depend on state authorities for protection against banditry, resorted to hiring private militias known as "mafie".

Over time, these groups evolved from merely providing security for property to becoming quasi-governing bodies that exerted significant influence over local power dynamics.

As this evolution progressed, the Mafia expanded its operations beyond essential protection services, engaging in protection racketeering, conflict mediation, and enforcing clandestine agreements and transactions.

Consequently, the Mafia not only supplied security but also effectively monopolised various illicit operations, creating a cycle of exploitation and control that affected both their original patrons and the broader community.

In South Africa, the rise of "construction mafias," also called "business forums," can be traced back to around 2015, originating in KwaZulu-Natal. These groups began by invading construction sites and demanding a share of projects or employment. These groups initially targeted smaller projects but later expanded their reach to include significant infrastructure developments. They often claim to represent local communities, seeking economic benefits from construction projects.

Their methods involve demanding a share in contracts, employment for their members, or "protection fees," often resorting to violence and intimidation if their demands are ignored.

Prominent among these groups are those linked to Delangokubona and the Federation for Radical Economic Transformation (FRETT). Delangokubona



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is known for invading construction sites in KwaZulu-Natal. At the same time, the FFRET was formed by leaders from local business forums, with Malusi Zondi as president and Nathi Mnyandu as vice president. Reports suggest these construction mafias may have ties to unethical ward councillors, members of mayoral committees, and even executive mayors, indicating the use of political influence for personal enrichment.

The actions of these groups have significantly disrupted construction projects, leading to delays, increased costs, and a pervasive climate of fear and intimidation. While they are commonly referred to as "construction mafias," their activities have not been limited to the construction sector, with indications of involvement in other areas.

The construction mafia has progressively established political connections, aligning with specific factions within the governing party. This association provides protection and



KZN Public Works and Infrastructure MEC Martin Meyer (second right) with ward 27 Daniel Kemp (far right) faced the disruptive business forum in Pietermaritzburg. | Supplied

facilitates access to state procurement opportunities. The external interference has led to increased uncertainty in fulfilling contract obligations. Contractors must now navigate legal and contractual requirements and an environment fraught with demands and threats imposed by criminal elements.

This interference has created a challenging environment for contractors, impacting their ability to meet project milestones and completion deadlines.

Moreover, the interest in heading off the activity of such mafias has seen the selection of subcontractors and suppliers becoming precarious, resulting in compromised quality and delayed project timelines. Contractors are caught between honouring legitimate contractual commitments and addressing illicit pressures from the construction mafia.

Official reports indicate that the

financial gain. This troubling trend has permeated the nation, leading to significant economic repercussions that demand our attention. Organised crime has emerged as a formidable threat to the very foundations of South Africa's democracy, as underscored by a comprehensive report from the Global Initiative Against Transnational Organised Crime.

Released in September 2022, this report paints a stark picture of a nation grappling with the weight of illicit activities that undermine law and order, economic stability, and public safety. It calls for an urgent and strategic response to this escalating crisis, emphasising that the future stability of South Africa hinges on effectively confronting organised crime.

The consequences of allowing these illegal markets to thrive are dire. They breed heightened violence and insecurity and erode public trust in state institutions, further intensifying social inequalities and stifling economic progress. The report powerfully asserts that without a robust intervention, organised crime will continue to inflict deep and lasting harm on South African society, perpetuating a relentless cycle of fear and instability.

Furthermore, the government's initiatives to reform the South African Police Service appear stagnant, with critical measures remaining unimplemented.

The real challenge lies in the government's inability to take decisive and effective action to dismantle the entrenched systems of crime that have infiltrated various sectors of society. Until there is a commitment to placing meaningful reforms at the forefront of public policy, the cycle of crime will remain a persistent and corrosive force gripping the nation.