

A local mafia targeting property developments

What it is and where it comes from

The phrase “construction mafia” has recently cropped up. Although nothing new, there are a constant reporting of instances where housing projects, including private sector projects, have become vulnerable to destructive actions of certain groups.

There are many examples: A R2.4-billion German oil storage investment, being built by WBHO in Saldanha Bay on the West Coast, was recently halted after “armed gangs” demanded a stake. In fact, research shows that during 2019, about 183 infrastructure and construction projects nationwide, valued at more than R63-billion, have been hindered - often by violent disruptions led by entities claiming to be local community or business forums. They demand work or a stake (usually 30%) in the project.

The phenomenon emerged in the Durban area of KwaZulu-Natal and began hitting the headlines in 2016. It spread across the country at a time when the construction sector was and is in difficult times. State infrastructure projects was the worst hit, according to news reports, with the likes of the South African National Roads Agency (Sanral) seeing more than 60 projects affected to a varying extent.

Government response and private sector research

These movements and activities are nothing other than systemic extortion. Unfortunately, because government’s response is weak, these invasions have continued at construction sites across South Africa.

A valuable report was compiled in this regard, titled: **Extortion or Transformation: The construction mafia in South Africa**. It provides government, businesses, and communities with recommendations on building a comprehensive strategy for dealing with systemic extortion and strengthening partnerships between private sector organizations, local communities, civil society organizations, local government, and state actors. You can access it here - <https://globalinitiative.net/wp-content/uploads/2022/06/GITOC-Extortion-or-Transformation-The-construction-mafia-in-South-Africa.pdf>

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