

# Cape Town's underworld

## Mapping a protection racket in the central business district

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### Summary

This paper, the first in a series, presents and discusses the characteristics of the structure, actors involved, types of interactions and institutional effects of a criminal network. This case study is focused on security racketeering in Cape Town, South Africa. The analysis is based on data gathered from various sources, predominately media articles covering the period between 2010 and November 2013, and was developed by applying specific protocols of social network analysis.

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SOCIAL NETWORK ANALYSIS (SNA) is increasingly used as an analytical tool across disciplines to study the interactions of people and/or institutions. It can be used to illustrate how people and/or institutions interact over a period of time and focuses on fluid interactions without becoming stuck in theoretical classifications.

### Methodology

SNA is a more sophisticated method of illustrating and analysing the interactions of actors rather than just linking them or placing them within a hierarchy. It uses a set of mathematical measures that can demonstrate the proximity of varied individuals and illustrate how they are linked using a set of mathematical techniques to create 'neat', observable images.

The actors in the network can be then classified in terms of various roles and one can observe the structure of the network in greater detail. For example, an SNA map can illustrate those who are at or close to the 'hub' of the network, those who constitute the structural bridges (i.e. that link various individuals) and those who are the stabilisers of the network. SNA also allows one to highlight the types of social agents involved in a network, the types of relationships and the intensity of the networking process. On a larger scale it is known to be used by a variety of agencies and companies, such as intelligence agencies attempting to identify terrorism threats. It has also been used on a smaller scale to illustrate the actions of individuals in criminal networks.<sup>1</sup>

Any form of systemic crime in which interactions in the form of confrontation, collaboration, corruption, infiltration or cooptation are established between criminal groups and formal lawful institutions is arranged and can be analysed as a social network: 'Social networks can be defined as "a group of collaborating (and/or competing) entities that are related to each other".'<sup>2</sup> In a

simpler sense, 'a network is defined as a set of nodes connected by ties. Nodes are typically actors, and can be people, teams, organizations or information systems.'<sup>3</sup> Criminal intelligence agencies and investigators have long used types of SNA to study criminal networks, although this was often done using a 'first-generation' link analysis in terms of which criminal relationships are visually mapped on a graph. This analysis can be physically carried out using tools (such as notes and string) or with a computer. However, the growth in data combined with technological progress has resulted in more systematic methods or 'second-generation' network approaches that automatically produce graphics that can then be interpreted. These second-generation techniques use a variety of mathematical techniques and the data can be manipulated to reflect a variety of dimensions of criminal linkages.

Social network analysis is increasingly used as an analytical tool to study the interactions of people and/or institutions

This study uses a second-generation mapping technology developed by Scientific Vortex Incorporated. The software (Vortex Relationship System) creates a database of both nodes (actors) and edges (interactions) that are retrievable online. In this online database information and descriptions added to the system on all the actors involved are accessible, as is information on their interactions. This data is processed and analysed using the following 'grammar structure' of a 'relationship' or 'interaction' between two actors:

[[Name Actor 1[Description Actor 1]][interaction[verb wordV action word]]  
[[Name Actor 2[Description Actor 2]]]

What this grammar structure means is that there is an interaction between two actors. For example, actor 1 pays actor 2, or actor 1 murders actor 2. Each piece of information with this grammar structure is then organised through an SNA tool in order to consolidate a database giving the details of each interaction. The database is then used for generating the graphs and calculating the centrality (or relative importance) indicators.<sup>4</sup>

Therefore, in the present analysis each node represents and is defined as an agent, bearing in mind his/her capacity for determining developments within the network. Even if the role of a corporate actor is considered, it is possible to identify the location of decisional capacity within it. Each line connecting two nodes represents a social interaction. The line indicates the presence of interactions between nodes/agents, and the arrow in the line illustrates the specific direction of that interaction. For instance, if node/agent X interacts with node/agent Z, then there is an arrow from a node representing X to a node representing Z, in which X operates as the active individual – the one who executes the action – and Z operates as the passive individual – the one towards whom the action is directed. This means that the direction of the arrow explains the specific direction of the interaction, illustrating who are the active and passive node/agents.

The arrangement of the nodes and edges<sup>5</sup> may be represented through graphs. A graph is a finite set of connected nodes,<sup>6</sup> which in this context means a finite set of interacting individuals. In criminology, graphs and SNA have been used to identify the structural features of illicit networks.<sup>7</sup>

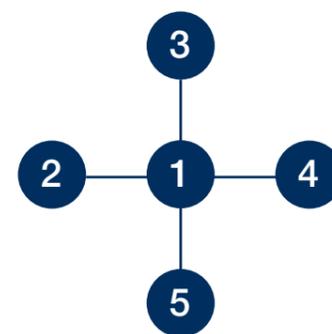


A NETWORK IS DEFINED AS A SET OF NODES CONNECTED BY TIES. NODES ARE TYPICALLY ACTORS, AND CAN BE PEOPLE, TEAMS, ORGANISATIONS OR INFORMATION SYSTEMS

As mentioned above, the procedures applied in this paper enable the identification and analysis of the most relevant or 'central' nodes/agents, which means the most connected nodes/agents or the ones with the highest capacity to intervene in the networks' routes.

The procedures applied in this paper enable the identification and analysis of the most relevant or 'central' nodes

Figure 1: Example of a network<sup>8</sup>



On the one hand, through the direct centrality indicator it is possible to identify the number of direct interactions established by each node/agent in order to identify the most connected node.

In Figure 1 the node/agent represented by the number 1 registers four direct connections or interactions, while nodes 2, 3, 4 and 5 only register one direct interaction (with node 1). This means that, after calculating the number of direct interactions (eight),<sup>9</sup> it can be stated that node/agent 1 establishes four of the eight interactions, which means that this node registers a direct centrality indicator of 50 per cent, while the other nodes/agents register indicators of 12,5 per cent each. In this sense, node/agent 1 is the hub of Figure 1.

The second sense of centrality allows the identification of the node/agent with the highest capacity to arbitrate or intervene in the geodesic<sup>10</sup> routes of the network; this node/agent is defined as a 'structural bridge'. In this case, the number of direct interactions is irrelevant while the total number of routes is relevant.

While in Figure 1 there are four direct interactions, there is a higher number of geodesic routes. For instance, a geodesic route connects nodes 2 and 3 through node 1, another route connects nodes 2 and 4 through node 1, etc. After calculating the total number of geodesic routes connecting the nodes/

agents of the network, it is possible to identify the one that intervenes in the highest number of routes. This calculation is carried out using the 'betweenness' indicator. For example, as can be observed in Figure 1, node 1 intervenes in every route of the network and therefore registers a betweenness indicator of 100 per cent.

### Case study selection and data collection

The case study chosen deals with the criminal network that Cyril Beeka (whose brief biography follows below) developed and in particular the network at the centre of protection rackets around the Cape Town central business district (CBD). This network was chosen because of the availability of source material, literature and evidence. It brings into close proximity actors that have established criminal credentials with those from mainstream sectors of governance, and therefore appears to have the potential to affect governance in Cape Town.

It is difficult to determine which part of Beeka's social networks to focus on in the analysis as a person's social network can be extremely large, which makes it impossible to map every interaction he/she may have. Therefore, information that was related to the case was added, in particular what was written about Cyril Beeka, but also any additional information about individuals with a vested interest in protection rackets in the Cape Town CBD and those who had noticeable and/or controversial business interests with Beeka.<sup>11</sup> It should be stressed that not all the links that connect various actors to Beeka indicate criminal relationships: some are not criminal. The data used is limited from 2010 to November 2013. The database should be consulted together with the social network analysis map to show the nature of each relationship. In any case, in the information below, the lawful or unlawful nature of each interaction is pointed out.

Reliable information is difficult to obtain when researching and analysing organised crime and organised crime networks

Reliable information is difficult to obtain when researching and analysing organised crime and organised crime networks. There is often a fair degree of speculation and conjecture in the reporting of organised crime, which is often influenced by what Dwight Smith terms the 'mafia mystique'.<sup>12</sup> In order to mitigate the risk of using unreliable information in an SNA, a variety of data collection methods were used in this study. Data based on prosecuted cases is arguably the most reliable and has been used in a number of case studies in Mexico, Guatemala, Colombia,<sup>13</sup> Peru and Bulgaria,<sup>14</sup> and has been used in two

other case studies in this three-part series. However, court documentation is not always readily available. This was the case with the security racketeering network, where various challenges were encountered:

- A number of crimes were not prosecuted.
- Investigations were incomplete.
- Many of the important cases were still being tried and therefore the researchers could not obtain the court records.
- Court records were no longer available due to age.

This in turn made it impossible to obtain pieces of relevant court documentation for modelling the present case. Using a more experimental approach, a literature survey was conducted using open-source material, primarily from highly respected media outlets such as the Independent Newspaper Group, *The Mail & Guardian* and the Times Media Group. This was supplemented by information obtained through smaller newspapers and other information sources, including *The Daily Maverick* and Wikileaks. The specific sources sustaining each interaction modelled and analysed in the network under study are referenced in the database that resulted from the process of data collection.

Krejcir's importance in underworld structures is highly noticeable and he is centrally located in the map of the network

Cognisance is taken of the potential problems that may be present in the map detail and possible selection bias in deciding what is relevant to the case. The study can also be imprecise. In order to mitigate this risk a significant amount of time was spent double checking links with varied media sources, and the completed map was then sent to various experts and crime journalists for their views.

## The network

### Background

Cyril Beeka was shot dead in Bellville, a northern suburb of Cape Town, in 2011 after a meeting with alleged gang boss Jerome Booysen. In the car with him at the time of his murder was Serbian fugitive Dobrosav Gavric, who was living in South Africa under a false identity and was convicted of a triple murder in Serbia, which included the murder of notorious warlord Arkan in 2002.

Beeka's death set off a chain of events that shed light on his interactions in the criminal underworld in the protection and

security business in the Cape Town CBD, as well as with other figures during his legitimate business dealings in Johannesburg. Following his murder, numerous investigative reports and arrests provided the initial information on his background and the suspects involved in his murder. Key events and subsequent revelations significantly affected our appreciation of the shape and structure of the network of which he was a part, which included the following elements:

- *The implication of Radovan Krejcir in the murder of Cyril Beeka.* Czech fugitive Krejcir became a prime suspect and attracted sustained media attention due to his flamboyant lifestyle, alleged corruption, criminal activities and the dramatic attempts made on his life. Krejcir had come to the attention of authorities following the corruption allegations against and investigation of former police commissioner Jackie Selebi. Krejcir had a powerful position in several criminal networks and Beeka's dealings with him were significant. Krejcir's importance in underworld structures is highly noticeable and he is centrally located in the map of the network (see Figure 11).
- Following Beeka's death *Specialised Protection Services (SPS), an unregistered security company*, was established and sought to amalgamate Beeka's company with former rivals into a larger company with the intention of monopolising the protection industry in the CBD. After a few months in business SPS was accused of extortion and forced to close down. Those involved in the company included Jerome Booysen and controversial businessman Mark Lifman, other businessmen and numerous bouncers in Cape Town. The high-profile nature of the company's owners and employees and the nature of its business attracted media attention that in turn prompted investigations.

### Relevant actors and nodes

#### Cyril Beeka

Cyril Beeka, identified in the network map by the code BUCBD, was a private security expert and alleged to be an organised crime boss. At the time of his death he provided security services to RAM Couriers and his primary residence was in Johannesburg. Despite sustained interest in the protection business in Cape Town, he was seen to be moving away from his more illegitimate enterprises.

The early part of Beeka's career was particularly violent as he carved a niche in the provision of security to Cape Town's nightlife. Starting in the 1990s when the Cape Town CBD was declining, Beeka, a karate expert, began offering bouncing and protection services to venues in the area. As his stature grew, so did his network of allies, including a group that became known as the 'Moroccans'. The Moroccans increased demand

for protection services mainly by creating havoc in clubs and bars that were not contracted to Beeka, who would then offer to protect them at fairly high 'subscription' rates. He therefore operated a successful protection racket. A few skirmishes between rival security outfits took place, with Beeka arguably the eventual winner, and he effectively controlled the CBD for two decades. The rest of the city was carved up into various regions with different groups providing security for the majority of clubs and bars in nightlife hotspots, including those in Bellville and the southern suburbs.

The relationship between Krejcir and Beeka was a significant one because it highlighted Beeka's importance in the criminal underworld

Beeka's other credentials were rooted in the role he played in the run-up to liberation in South Africa, when he was an important intelligence 'asset' of both the apartheid government and the resistance.<sup>15</sup> When the African National Congress (ANC) came to power in 1994 he was allegedly protected by sections of the intelligence services from facing criminal charges, which included his alleged role in the murder of a Chinese sailor.

His political links were confirmed when he was seen at the ANC national conference escorting National Intelligence Agency head Moe Shaik in 2010. Beeka also associated with Yuri 'the Russian' Ulianitski and notorious 'Mafia Banker' Vito Pallazollo, as well as public officials such as Robert McBride, a former metro police head and current nominee for Independent Police Investigative Directorate head. Beeka's reach and network were visible at his funeral, which leaders of many of the largest Cape Town gangs, the Hells Angels motorcycle club, intelligence agents, sports personalities and other celebrities attended.

Beeka's expanded business interests included a number of businesses in Johannesburg. His business associates soon included Radovan Krejcir and strip club owner Lolly Jackson. While his interests in Cape Town remained and he was still a highly respected figure in the Cape underworld, he became less visible in the Cape.

#### Radovan Krejcir

Occupying a prominent position as the hub and structural bridge in the network is Czech fugitive Radovan Krejcir, identified with the code CRRK (see Figure 11). Having fled his home country, the Czech first settled in the Seychelles before moving to South Africa and setting himself up in Johannesburg, where he operated a number of businesses. He used a forged passport to enter the country and has been trying to obtain refugee status.

Within a few months of entering the country he built up a reputation and network in South Africa and maintained close links with some of the most connected members of South Africa's underworld. One of his important connections was with Cyril Beeka, to whom he was introduced by George Louca within his first few weeks of being in the country. Louca met Krejcir in prison while the latter was being detained for his illegal entry into South Africa, and Louca would later flee the country after allegations that he murdered Lolly Jackson. The relationship between Krejcir and Beeka was an important one because it highlighted Beeka's importance in the criminal underworld as Krejcir set out to develop a network. It also shed light on the number of business interactions and scams Beeka, Krejcir and Jackson, among others, were involved in, including money laundering and gold smuggling.



KREJCIR FIRST SETTLED IN THE SEYCHELLES BEFORE MOVING TO SOUTH AFRICA AND SETTING HIMSELF UP IN JOHANNESBURG, WHERE HE OPERATED A NUMBER OF BUSINESSES

Before Beeka's death there was a fallout between him and Krejcir, which made Krejcir a prime suspect in his murder. After Beeka's death Krejcir aggressively pursued litigation for the recovery of four million rand from Beeka's estate over some incomplete business deals and loans.

Before Beeka's death there was a fallout between him and Krejcir, which made Krejcir a prime suspect in his murder

Krejcir is currently awaiting trial in the Gauteng Province after being arrested for the kidnapping and torture of the brother of an alleged accomplice (who was a customs official at OR Tambo Airport). Krejcir and another accomplice were allegedly torturing the victim to get to his brother as a result of a soured drug-trafficking transaction. Two police officers were also arrested with Krejcir at the time for their alleged complicity in the crimes.

*Specialised Protection Services*

Shortly after Beeka's death companies and networks were amalgamated that had previously been rivals and had been operating in various forms for decades. Former Beeka allies such as Jacques Cronje, some former 'Moroccans',<sup>16</sup> including Housain Ait Taleb, and former rivals such as Andre Naude headed the security company. The company SPS (represented with the code PRBUSPS), was supposedly under the leadership of businessman Mark Lifman (code BUML), an infamous property developer, and was allegedly supported by the Booyesen brothers, who were allegedly the leaders of a Cape Flats street gang known as the 'Sexy Boys'. The development of this company was accompanied by serious threats and extortion as it muscled its way into the city's security system.

The company was shut down a few months after its establishment because it did not register correctly with the Private Security Industry Regulatory Authority, and Lifman and Naude faced 300 charges related to its illegal operation. However, payments (i.e. extortion) still continued, according to fieldwork interviews. The growth of SPS and its impact in the city centre led to large number of reports primarily published by Independent Newspapers that investigated the links among the various groups and the historical links with Beeka.

Two of the most notorious nodes associated with SPS were Mark Lifman and Jerome Booyesen, the alleged backers of the company. It is believed that Lifman sought to take over Beeka's operation in the Cape Town CBD after the latter's death. Having already invested heavily in both property and entertainment

venues in the CBD, it is thought that Lifman saw himself as the new 'controller' of the CBD, and the security racket that Beeka ran was extremely lucrative.

Lifman occupies a peculiar role as he is not part of any traditional criminal 'gang' and is instead a highly networked actor with links to high-ranking individuals who operate in both the criminal and legitimate business and entertainment sectors. Lifman has a vast business portfolio and owns a number of properties in the city and CBD, as well as a number of clubs and bars. His business interests also include several fashion labels, and he was recently reported to be interested in investing in the manufacturing of 'cheap white' cigarettes. He had also been involved in the horse-racing industry, before being banned by the Jockey Club after intimidating and assaulting a jockey with Yuri Ulianitski.

Lifman has a mutually beneficial relationship with Jerome Booyesen and his brother Colin. Up to 2006 Jerome had been a city employee for 20 years and made a significant fortune with Lifman in property development, particularly in the suburb of Belhar, where the Sexy Boys operate. His previous position in the city administration was in the housing department, and although this was seen as a legitimate job, his family maintained violent and ruthless control of Belhar and he was accused of murder three times. His brother Michael, who as of January 2014 was serving a life sentence for murder, was seen as the previous leader of the gang and was suspected of being involved in over 50 murders during a bloody gang war when the brothers wanted to leave CORE, which was an agreement among various gang leaders drawn up in 1998.<sup>17</sup> Jerome had previously held the position of CORE vice president, suggesting he was highly placed in the criminal hierarchy while in his position in the city housing department.

Booyesen is widely regarded as the head of a violent gang and his support of Lifman allegedly enabled Lifman to try to fill the power vacuum created by Beeka's death without using much violence. Jerome Booyesen has recently come under further suspicion of organised crime because properties in his name have been used as drug laboratories. In the community of Belhar he is both notorious and feared. He is the head of the Belhar Rugby Club and has played a prominent role in the community.

What is noticeable about this particular group is that it is heavily invested in an array of businesses that provide for those involved, quite apart from being potential cover for laundering the proceeds of crime. While Booyesen's gang has also arguably taken on a 'criminal governance' role in the Belhar region, its potential to commit acts of violence has had an impact outside the geographic region where it is most involved.

When the speculation around SPS took place, Lifman and Booyesen were also able to arrange a meeting with a former executive mayor of Cape Town and the current MEC responsible for community safety, Dan Plato. It is also known that Plato has on numerous occasions met with Booyesen in Belhar, given Booyesen's influence in the area. This does not suggest a corrupt relationship, but rather illustrates the potential reach of Booyesen's social network into the political realm, and the social and economic influence actors like him wield.

**Analysis of nodes/agents**

A total of 112 network nodes/agents were analysed during this research, distributed as shown in Table 1.

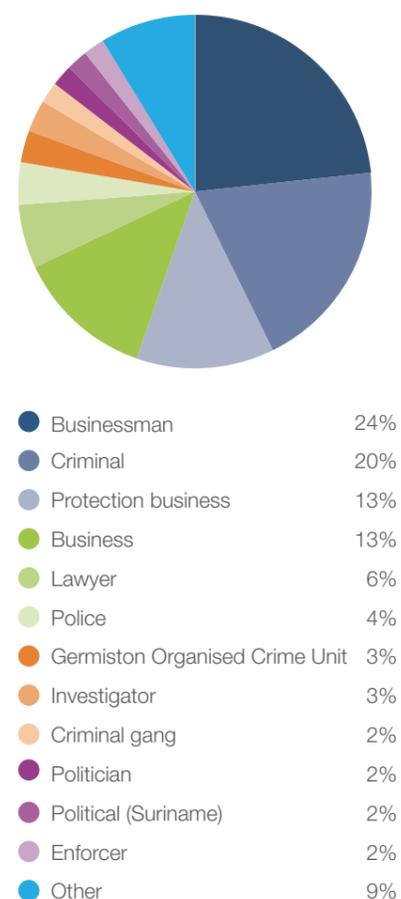
**Table 1: Number in each category of nodes/agents**

Type of actor	Number
Businessman	27
Criminal	22
Protection business	14
Business	14
Lawyer	7
Police	4
Police – Germiston Organised Crime Unit	3
Investigator	3
Criminal gang	2
Politician	2
Political (Suriname <sup>18</sup> )	2
Enforcer	2
Political party	1
Law firm	1
Civilian	1
Former commissioner of South African Police Service	1
Police crime intelligence	1
South African secret service	1
Employee	1
Criminal (Suriname)	1
Law enforcement	1
Criminal group	1

It is important to note that throughout the following discussion the interactions and nodes referred to are those that were mentioned in the newspapers surveyed. In other words, these interactions are not all the possible agents or interactions in the network, just those mentioned in media reporting. Similarly, when discussing interactions, it is only those interactions that were mentioned specifically in media reports that are added to the network.

It can be observed that the most important types of nodes/agents participating in the criminal network are:

**Figure 2: Concentrations of nodes/agents**



(1) 'businessman' (27 of 112), (2) 'criminal' (16 of 112) and (3) 'protection business' (14 of 112). As will be explained in detail, this reveals a highly interesting series of linkages and interactions among private actors who could be defined as 'grey' nodes/agents, since they sometimes operate in lawful social structures and sometimes as dark agents operating in unlawful structures.

The term 'businessman' is used very loosely as a category that groups a large number of actors involved in the network who fall between legitimate business and crime, who are categorised as grey agents.<sup>19</sup> These agents may have a lawful organisational role and operate in lawful institutions, but may also have an unlawful institutional role and promote criminal interests. However, a number of 'businessmen' have no criminal interests and are therefore 'bright' agents.

The term 'businessman' was therefore applied when the reference document did not reference crimes in particular or when the role was primarily business related. For example, Beeka, despite being arrested twice, was never convicted of a crime, had substantial business interests and was therefore regarded as a businessman. Similarly, an actor such as Vito Pallazollo, despite having a criminal conviction and being a

**Table 2: Nodes/agents categorised as 'businessmen'**

ID in database	Code
4119	BUAP
3806	BUAI
3847	BUAZ
4075	BUAF
3934	BUAN
4026	BUBW
3754	BUCBD
3788	BUDL
4049	BUDM1
3755	BUDG
3907	BUDM
4067	BUDDF
4014	BUEB
3802	BUHM
3890	BUIS
3758	BUJDB
3883	BUJS
3830	BUJM
3905	BUKK
3858	BULJ
3857	BUMAD
3768	BUML
3895	BUMA
3836	BUSP
20175	BUJB
3882	BUJGD
3966	BUVP

**Table 3: Nodes/agents categorised as 'criminal'**

ID in database	Code
20192	CRBH
3821	CRCKD
3951	CRCB
20179	CRDL
3860	CRGS
3852	CRGA
3938	CRIR
20202	CRJJCD
3995	CRKMB
3888	CRKAM
17458	CRLDD
3850	CRNY
3763	CRRK
20204	CRRBD
3928	CRSVS
17455	CRSID
3998	CRSS
3886	CRTM
20197	CRT
20208	CRVLD
17451	CRWD1
3766	CRYTRUD

fugitive, had no active criminal role in the network. The nodes/agents listed in Table 2 were categorised as 'businessmen'.

A node/agent categorised as 'criminal' is one who has been convicted of a crime or is implicated in criminal actions. They are 'full-time' criminals or dark agents. The nodes/agents listed in Table 3 were categorised as 'criminal'.

The category 'protection business' refers to security companies or those whose main business interests were in providing security or protection. This includes both legitimate companies and companies or individuals accused of extortion. The nodes/agents consisting of firms and companies listed in Table 4 were categorised as 'protection businesses'.

**Analysis of interactions**

There were 224 interactions in the network, distributed as shown in Figure 3. Again, it is important to note that these interactions are not exhaustive, but rather relate to those referred to in media reports.

Since the most important type of nodes/agents in the network were categorised as 'businessmen', economic interactions are the largest category. It should, however, be noted that despite being named as business interactions, a number of questionable activities were often undertaken. For example, a large subnetwork surrounds Juan Meyer (code BUJM), who was attempting to run a gold refinery business that appeared to be a money-laundering

**Table 4: Nodes/agents categorised as 'protection businesses'**

ID in database	Code
4033	PRBUAS
4024	PRBUCDS
3961	PRBUC
4064	PRBUCS
4079	PRBUE
3947	PRBUJC
3963	PRBUM
3959	PRBUN
3915	PRBUPSC
3984	PRBURS
3944	PRBURVZ
3917	PRBUSPS
4069	PRBUTT
4020	PRBUZSS

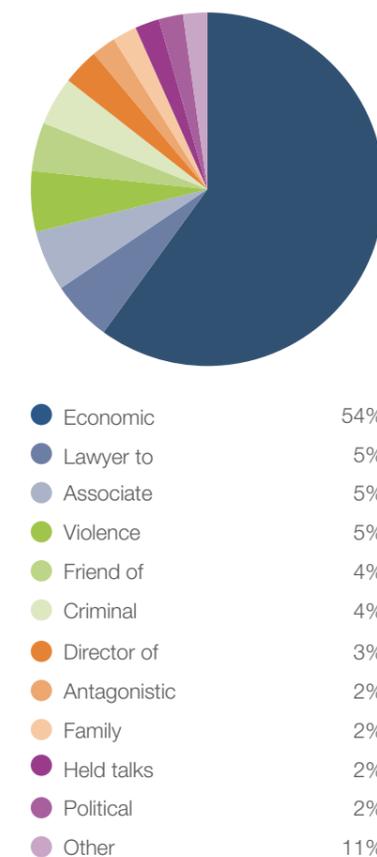
operation. Therefore, the most relevant type of interaction in the network has an economic dimension, which combines both lawful and unlawful interactions, with a total of 122 interactions that include both lawful and unlawful interactions.

The most important interactions are lawful, with 113 cases distributed as shown in Figure 5. Additionally, 13 cases of interactions were categorised as unlawful; see Figure 6.

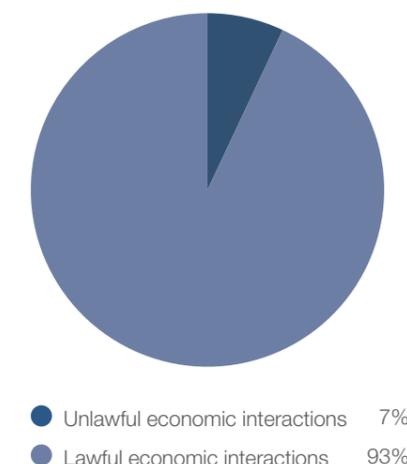
As can be observed, violence is not highly relevant for the operation of the network. This reveals an interesting level of 'sophistication' in which criminal purposes are mainly achieved through lawful interactions of an economic and financial nature. However, as expected, violence is not completely absent; therefore, when applied, it is evident that violent interactions mainly consist of murder or attempted murder. Moreover, interviewees stated that much of the violence in the CBD occurred during Beeka's time and the status quo was maintained after his death, limiting the extent of the violence. Furthermore, the threat of violence from actors such as the Sexy Boys generally removes the need for actual violence. There were, however, seven specific mentions of murder, including Beeka's murder, among others. Other noticeable murders in the broader network included the murder of strip club boss Lolly Jackson,<sup>20</sup> that of car tuner Uwe Gemballa<sup>21</sup> and the high-profile murder of Sam Issa.<sup>22</sup>

Various interactions were specifically categorised as 'criminal', consisting of criminal actions related to drug trafficking, gang membership and network members being arrested together. On closer inspection a number of international links are related to these crimes, most noticeably with international drug-trafficking networks, where there were links to notorious drug trafficker Shaheed 'Roger' Khan, President Désiré Bouterse

**Figure 3: Network interactions**



**Figure 4: Lawful and unlawful economic interactions**



of Suriname, and Nelson Yester-Garrido, a Cuban national wanted in the United States and linked to high-profile drug busts in South Africa. Yester-Garrido was also reportedly associated with South African drug dealer Glenn Agliotti and former police commissioner Jackie Selebi.

### Direct interactions

The node/agent with the highest number of direct interactions is Radovan Krejcir, identified in the network with the code CRRK and located in the nucleus of Figure 11, and registering a direct centrality indicator of 9,1 per cent. This node/agent was categorised as a 'criminal' and actively participated in 26 interactions, illustrating a considerable capacity to establish lawful and unlawful interactions, especially economic interactions, by making investments, employing people and paying bribes; however, Krejcir's influence also affects the political sphere.

The second node/agent with the highest number of direct interactions is Cyril Beeka (deceased), identified in the network with the code BUCBD and registering a direct centrality indicator of 8,0 per cent. This node/agent, categorised as a 'businessman', participated in 25 interactions that also mainly consisted of economic interactions, mainly of a lawful nature through the establishment of businesses and investments.

The third node/agent with the highest number of direct interactions is Mark Lifman, identified in the network with the code BUML and registering a direct centrality indicator of 3,2 per cent. This node/agent was categorised as a 'businessman' and participated in five interactions of a lawful economic nature.

The fourth and fifth node/agents register the same direct centrality indicator: 3 per cent. One of those nodes/agents is Specialised Protection Services, identified in the network with the code PRBUSPS and categorised as a 'protection business'. The other node/agent is Dobrosav Gavric, identified in the network with the code BUDG and registering a direct centrality indicator of 3 per cent.

The most relevant interactions established by the nodes/agents registering the highest indicators of direct centrality are of an economic and lawful nature. In the model, the five nodes/agents described above concentrate 26 per cent of the network's direct interactions. This means that the activities of this group of nodes are highly relevant for the operation of the entire network. In particular, the activities of the first two nodes/agents with the highest direct centrality indicators, who carry out 17 per cent of the interactions, sustain most of the structure of the network. Also, since one of these nodes/agents is already deceased, an even higher level of concentration of direct interactions could be expected of Radovan Krejcir.

### The structural bridge and the capacity to intervene in geodesic routes

The first two nodes/agents that registered the highest indicator of direct centrality have the highest capacity to arbitrate and intervene in the network's geodesic routes. This means that Radovan Krejcir (CRRK) and Cyril Beeka (BUCBD) register the highest indicator of betweenness, with figures of 25 per cent and 19,5 per cent, respectively. Krejcir and Beeka therefore together intervened in 44,5 per cent of the network's geodesic routes. Both nodes/agents are located near the nucleus in Figure 12. Radovan Krejcir participated in 42 interactions – 26 as an active node/agent and 16 as a passive node/agent.<sup>23</sup> As pointed out above, Krejcir participated actively in interactions of an economic nature, i.e. employing people, establishing businesses, paying bribes and investing. On the other hand, this node/agents participated passively in 16 interactions, especially economic interactions, as seen in Figure 13.

Cyril Beeka intervened in 38 interactions – 25 in an active role and 13 passively. As pointed out above, Beeka actively participated in mainly business interactions.

A similar level of participation can be observed in his passive role in terms of economic interactions specifically consisting of business deals; see Figure 14.

The high capacity to intervene in the network's geodesic routes concentrated in Radovan Krejcir and Cyril Beeka can also be observed in the fact that the node/agent with the third-highest highest indicator of betweenness registers one of 5,5 per cent, which means that there is a 14 percentage point difference between the second- and third-ranked node/agent with the capacity to intervene in the network's geodesic routes. This is the greatest difference registered in the distribution of the betweenness indicator in the network. This third-ranked node/agent is Mark Lifman (BUML), who participated actively in five interactions of an economic nature while participating passively in eight interactions.

The fourth-ranked node/agent betweenness indicator is that of SPS (PRBUSPS), categorised as a 'protection business', which registers an indicator of 4,8 per cent. The fifth-ranked node/agent betweenness indicator is that of Leon 'Lyons' Davids (deceased),<sup>24</sup> identified with the code CRLDD and categorised as a 'criminal', with an indicator of 4,5. This node/agent, a member of Sexy Boys gang, was a passive node/agent in one economic interaction, where he was employed by Radovan Krejcir. At the same time he participated actively in various interactions: (1) as an informant for the South African police, (2) as a member of the Sexy Boys gang, (3) providing information about Yuri 'the Russian' Ulianitski (deceased)<sup>25</sup> and (4) apparently being linked to Cyril Beeka's murder.

Figure 5: Lawful economic interactions

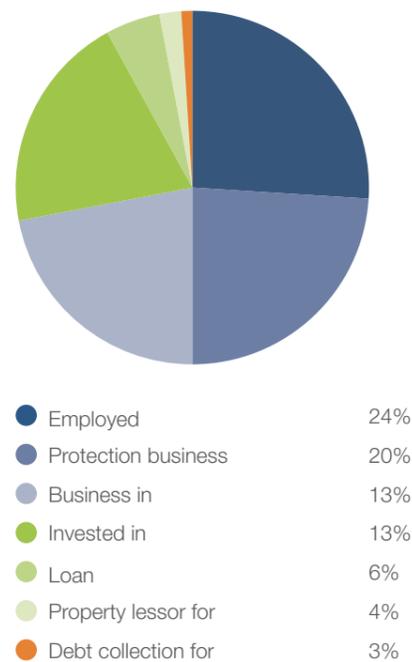


Figure 6: Unlawful economic interactions

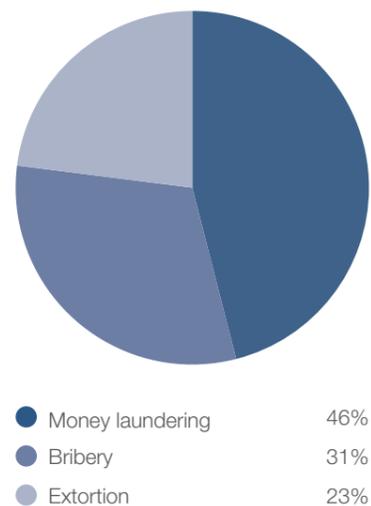


Figure 7: Violence in the network

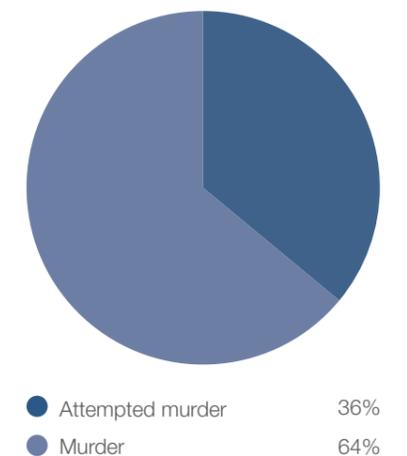
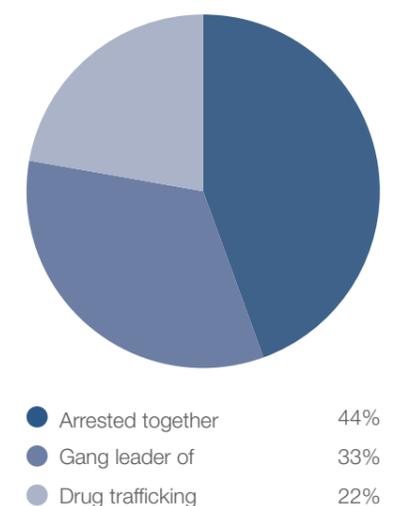
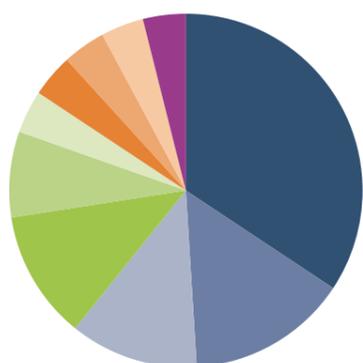


Figure 8: Criminal interactions



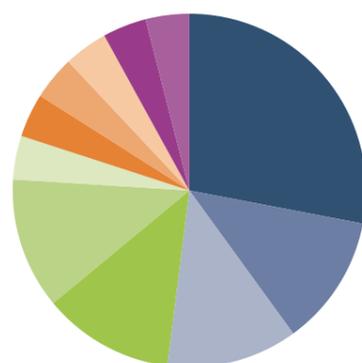


**Figure 9: Interactions in which Radovan Krejcir acted as an active node/agent**



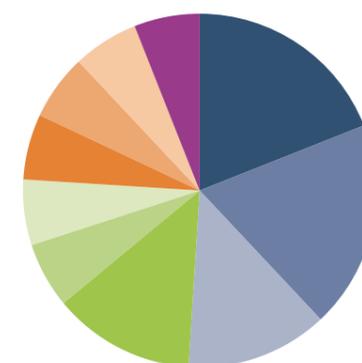
● Economic—employed	35%
● Economic—business	15%
● Economic—bribed	12%
● Economic—invested	12%
● Held talks	8%
● Claims against	4%
● Crime—arrested together	4%
● Political—influence	4%
● Wants payment from	4%
● Antagonistic	4%

**Figure 10: Interactions in which Cyril Beeka acted as an active node/agent**



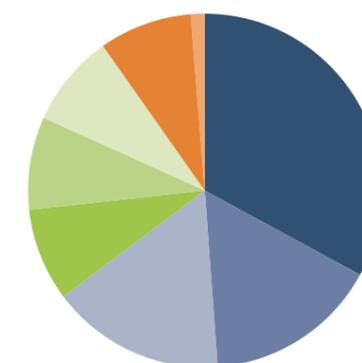
● Economic—business	28%
● Economic—invested in	12%
● Economic—protection business	12%
● Friend of	12%
● Associate	12%
● Economic—employed	4%
● Gave evidence against	4%
● Informer to	4%
● Mentor to	4%
● Owner of	4%
● Political—influence	4%

**Figure 13: Interactions in which Radovan Krejcir acted as a passive node/agent**



● Economic—business	19%
● Economic—money laundering	19%
● Economic—loan	13%
● Violence—attempted murder	13%
● Associate	6%
● Criminal—arrested together	6%
● Economic—employed by	6%
● Family—married to	6%
● Lawyer to	6%
● Political—police	6%

**Figure 14: Interactions in which Cyril Beeka acted as an active node/agent**



● Economic—business	31%
● Economic—protection business	15%
● Friend of	15%
● Associate	8%
● Economic—employed	8%
● Family—brother of	8%
● Lawyer to	8%
● Violence—murdered	8%

In general, the betweenness indicator is more concentrated than the indicator of direct centrality. In fact, only 20 nodes/agents register an indicator higher than 1 per cent in terms of their practical interventions in the network's geodesic routes. Additionally, 17 nodes/agents register a betweenness indicator of zero, which means that they only receive or emit information and therefore have no capacity to intervene in geodesic routes or connecting subnetworks.

### Conclusion

It is important to note the high concentration of direct interactions (measured by the direct centrality indicator) and the capacity for intervening in the network (measured by the betweenness indicator). The two nodes/agents with the highest indicators of centrality and betweenness concentrate both capacities, which means that the network is highly centralised and therefore not as resilient as other networks in which several nodes/agents intervene in the various geodesic routes. In fact, ever since Cyril Beeka was murdered in 2011 it can be expected that Radovan Krejcir currently concentrates even more interactive power in the network. In this case, its

level of resilience would decrease since it would be sufficient to neutralise or remove a single node/agent in order to negatively affect the network's structure.

However, this case illustrates how a criminal network functions not only through criminals operating in criminal groups (dark nodes/agents) and not only through criminal interactions, but also through individuals and firms operating in lawful sectors of society. In fact, 54 per cent of the interactions identified, modelled and analysed in this case are economic in nature, especially lawful interactions consisting of employment relationships, the operation of businesses, making investments and providing loans. This case, therefore, represents a highly sophisticated criminal network in which *the lawful procedures of economic institutions were coopted to achieve criminal purposes*. As a result of this level of sophistication, breaking up the network poses serious obstacles for the authorities and law enforcement agencies responsible for this task.

The level of sophistication of the network, reflected in the fact that lawful economic interactions were the most relevant form of interaction, illustrates vulnerabilities in legislation that governs economic institutions and poses serious challenges

for the authorities responsible for prosecuting domestic and transnational criminal networks. Strengthening regular police activity and prosecuting dark nodes/agents are not sufficient to deal with this network. On the one hand, interactions categorised as 'violence' and 'crime' are low in number compared to those categorised as 'lawful economic interactions'. Therefore, the authorities and security agencies cannot focus only on the *dark* areas of the criminal network in which criminals operate in criminal groups and organisations and through illicit activities.

It is equally critical to identify, understand, and investigate those financial and economic procedures that are usually interpreted as lawful activities. Regular law enforcement officials usually lack the technical capacity to do this, which underscores the importance of financial intelligence units in supporting the investigation and prosecution of criminal networks such as the one analysed here.

Similarly, focusing enforcement efforts on the network's dark nodes/agents is not sufficient, because a significant number of nodes/agents in the network participate in the lawful sectors of society. The fact that economic interactions were

so relevant does not mean that these were the only economic form of interaction in the network. In fact, consistent with its criminal nature, the network also accounts for violent interactions (5 per cent of the total) and other criminal interactions such as participating in criminal gangs and drug trafficking (4 per cent of the total). These forms of criminal interactions and lawful economic interactions are carried out by the nodes/agents with the highest betweenness indicators, i.e. those with the highest capacity to intervene in the network's geodesic routes, i.e. Radovan Krejcir (CRRK) and Cyril Beeka (BUCBD), with indicators of 25 per cent and 19,5 per cent, respectively. Before Beeka's death, these two nodes/agents intervened in 44,5 per cent of the network's geodesic routes, linking illicit sectors with lawful sectors of society. For as long as these grey nodes/agents operating on the boundaries between lawful and unlawful activities are not understood, investigated and prosecuted, networks such as the one under consideration will continue to obtain economic, social and political capital from society.

### Annex 1: Direct centrality and betweenness indicators

Code	Direct centrality (%)	Distance (%)	Code	Betweenness (%)	Distance (%)
CRRK	9.091		CRRK	25.016	
BUCBD	7.955	1.136	BUCBD	19.511	5.505
BUML	3.182	4.773	BUML	5.517	13.994
PRBUSPS	2.955	0.227	PRBUSPS	4.835	0.682
BUDG	2.955	0	CRLLDD	4.586	0.249
BUJDB	2.5	0.455	PRBUJC	4.135	0.451000000000001
CRYTRUD	2.045	0.455	BUJDB	3.985	0.15
BUAN	1.818	0.227	BUDG	3.69	0.295
BUMA	1.591	0.227	BUUGD	2.647	1.043
BUM	1.591	0	CRGA	2.556	0.0909999999999997
LAFIBA	1.364	0.227	BUMA	2.23	0.326
ENHAT	1.364	0	PO-GEORCRUNCFS	1.984	0.246
CRGS	1.364	0	CRYTRUD	1.785	0.199
BUOSB	1.364	0	INPOS	1.622	0.163
BUGTB	1.364	0	BULJ	1.317	0.305
PRBURS	1.136	0.228	CRNY	1.297	0.02
PRBUM	1.136	0	CRGS	1.209	0.0879999999999999
PRBUCDS	1.136	0	BUIS	1.202	0.00700000000000012
PO-GEORCRUNWOSMM	1.136	0	BUGTB	1.194	0.00800000000000001
PO-GEORCRUNCFS	1.136	0	CRIR	1.16	0.034
CRLLDD	1.136	0	BUAN	0.678	0.482
CRIR	1.136	0	PRBURVZ	0.678	0
CRGA	1.136	0	BUM	0.673	0.005
BUUGD	1.136	0	ENHAT	0.669	0.004
BUIS	1.136	0	BUKK	0.668	0.001
PRBUJC	0.909	0.227	INFG	0.659	0.00900000000000001
POCRINJM	0.909	0	CRBH	0.641	0.018
INPOS	0.909	0	BUDL	0.6	0.041
FOCOOFAJS	0.909	0	BUVP	0.6	0
EMSA	0.909	0	FOCOOFAJS	0.595	0.005
CRGASB	0.909	0	POBC	0.57	0.025
CRCB	0.909	0	BUCIS	0.301	0.269
BULJ	0.909	0	BUJM	0.298	0.003
BUKK	0.909	0	BUEB	0.274	0.024
BUJM	0.909	0	PRBUTT	0.186	0.088
BUEB	0.909	0	PRBUPSC	0.121	0.065
BUCIS	0.909	0	BUBW	0.078	0.043
PRBUZSS	0.682	0.227	CRGASB	0.058	0.02
PRBURVZ	0.682	0	PO-GEORCRUNWOSMM	0.049	0.009
PRBUPSC	0.682	0	PRBURS	0.038	0.011
POBC	0.682	0	EMSA	0.028	0.01
LAPM	0.682	0	PRBUAS	0.02	0.008
LAJD	0.682	0	PRBUCS	0.02	0
LABP	0.682	0	CRT	0.01	0.01
ENHZ	0.682	0	PRBUZSS	0.01	0
CRSID	0.682	0	BUAF	0	0.01
CRRBD	0.682	0	BUAI	0	0
CRNY	0.682	0	BUAP	0	0
CRJJCD	0.682	0	BUAZ	0	0
CRDL	0.682	0	BUDDF	0	0
CRBH	0.682	0	BUDM	0	0
BUVP	0.682	0	BUDM1	0	0
BUUB	0.682	0	BUHM	0	0
BUSP	0.682	0	BUJE	0	0
BUSMGH	0.682	0	BUJS	0	0
BUPAR	0.682	0	BUMAD	0	0
BUMAD	0.682	0	BUOSB	0	0

BUJS	0.682	0	BUPAM	0	0
BUJE	0.682	0	BUPAR	0	0
BUHM	0.682	0	BURB	0	0
BUDL	0.682	0	BURC	0	0
BUBW	0.682	0	BUSIAE	0	0
BUAI	0.682	0	BUSMGH	0	0
BUAF	0.682	0	BUSP	0	0
PRBUTT	0.455	0.227	BUTCI	0	0
PRBUCS	0.455	0	BUTIAE	0	0
PRBUC	0.455	0	BUUB	0	0
PRBUAS	0.455	0	BUVMD	0	0
POPAA	0.455	0	CIGW	0	0
PON	0.455	0	CRCB	0	0
POGOCU	0.455	0	CRCKD	0	0
PODP	0.455	0	CRDL	0	0
PO-GEORCRUNWOMGJN	0.455	0	CRGAA	0	0
LAGM	0.455	0	CRGRXIM	0	0
LACP	0.455	0	CRJJCD	0	0
INKTD	0.455	0	CRKAM	0	0
INFG	0.455	0	CRKMB	0	0
CRT	0.455	0	CRRBD	0	0
CRSVS	0.455	0	CRSID	0	0
CRSS	0.455	0	CRSS	0	0
CRKMB	0.455	0	CRSUSRK	0	0
CRCKD	0.455	0	CRSVS	0	0
BUTCI	0.455	0	CRTM	0	0
BURC	0.455	0	CRVLD	0	0
BURB	0.455	0	CRWD1	0	0
BUPAM	0.455	0	ENHZ	0	0
BUDM1	0.455	0	INKTD	0	0
BUDM	0.455	0	LABP	0	0
BUDDF	0.455	0	LACP	0	0
BUAP	0.455	0	LAENSAP	0	0
SOAFSESEMS	0.227	0.228	LAFIBA	0	0
PRBUN	0.227	0	LAGM	0	0
PRBUE	0.227	0	LAJD	0	0
POSUPDSB	0.227	0	LAPC	0	0
POSUBD	0.227	0	LAPM	0	0
PORM1	0.227	0	LAWB	0	0
PORM	0.227	0	NAANHMEMAN	0	0
LAWB	0.227	0	NADMADD	0	0
LAPC	0.227	0	NAHGMBARO	0	0
LAENSAP	0.227	0	PO-GEORCRUNWOMGJN	0	0
CRWD1	0.227	0	POCRINJM	0	0
CRVLD	0.227	0	PODP	0	0
CRTM	0.227	0	POGOCU	0	0
CRSUSRK	0.227	0	PON	0	0
CRKAM	0.227	0	POPAA	0	0
CRGRXIM	0.227	0	PORM	0	0
CRGAA	0.227	0	PORM1	0	0
CIGW	0.227	0	POSUBD	0	0
BUVMD	0.227	0	POSUPDSB	0	0
BUTIAE	0.227	0	PRBUC	0	0
BUSIAE	0.227	0	PRBUCDS	0	0
BUAZ	0.227	0	PRBUE	0	0
NAHGMBARO	0	0.227	PRBUM	0	0
NADMADD	0	0	PRBUN	0	0
NAANHMEMAN	0	0	SOAFSESEMS	0	0

## Notes

- 1 C Morselli, *Inside criminal networks*, Montreal: Springer, 2008.
- 2 PV den Bossche and M Segers, Transfer of training: adding insight through social network analysis, *Educational Research Review* 8 (2013), 39.
- 3 J Worrell, M Wasko and A Johnston, Social network analysis in accounting information systems research, *International Journal of Accounting Information Systems* 14 (2013), 128.
- 4 More detail on the centrality indicators used in the current paper is given below.
- 5 An 'edge' is the point of interaction.
- 6 A Degenne and M Forsé, *Introducing social networks*, London: SAGE, 1999, 63.
- 7 Morselli, *Inside criminal networks*; JA Johnson et al, *FBI Law Enforcement Bulletin*, March 2013, <http://www.fbi.gov/stats-services/publications/law-enforcement-bulletin/2013/March/social-network-analysis>; SM Radil, C Flint and GE Tita, Spatializing social networks: using social network analysis to investigate geographies of gang rivalry, territoriality, and violence in Los Angeles, *Annals of the Association of American Geographers* 100(2) (2010), 307–326.
- 8 All the figures in this document were drawn by Eduardo Salcedo Albaran.
- 9 Since the direction of the interaction is relevant for understanding the structure of the model, the interaction going from node/agent 1 to node/agent 2 is counted as one direct interaction and is different from the interaction going from node/agent 2 to node/agent 1. This is why eight direct interactions are registered in Figure 1.
- 10 Geodesic: the shortest line between two points on a curved surface.
- 11 See the section on 'Background' for greater detail on the events that shaped the media focus and therefore the resultant map.
- 12 D Smith, *The mafia mystique*, Lanham: University Press of America, 1990.
- 13 LJ Garay Salamanca and E Salcedo-Albaran, Institutional impact of criminal networks in Colombia and Mexico, *Crime, Law and Social Change* 57(2) (2012), 177–194; LJ Garay Salamanca and E Salcedo-Albaran, *Narcotráfico, corrupción y estado: cómo las redes ilícitas han reconfigurado las instituciones de Colombia, Guatemala y México*, Mexico: Random House Mondadori, 2012.
- 14 G Petrunov, *Analysis of social network models of transnational criminal networks operating in the southeastern border of the European Union*, Bogotá and Sofia: Vortex Foundation, 2012.
- 15 He was also rumoured to be an Umkhonto weSizwe veteran and was buried in a similar way to official ANC funerals, although many in the ANC were unhappy about this. He was allegedly a 'double agent' working for the resistance, but also worked as an intelligence operative and courier.
- 16 The term 'Moroccans' was used to describe a number of individuals, some of who were of Moroccan nationality who used to run a protection and security racket in the Cape Town CBD with other actors. Not all of those involved in this group were Moroccan, however.
- 17 The Community Outreach Forum, or CORE, was a notorious programme developed in Cape Town during the time of vigilante group People Against Gangsterism and Drugs (PAGAD). CORE was developed in response to PAGAD and served as a legitimate front and network for the activities of the major gangs in the city.
- 18 There are links to President Désiré Bouterse of Suriname, who is accused of being heavily involved in drug trafficking.
- 19 LJ Garay Salamanca, E Salcedo-Albaran and I de Leon-Beltran, *Illicit networks reconfiguring states: social network analysis of Colombian and Mexican Cases*, Bogota: Metodo, 2010.
- 20 Jackson was the founder and owner of the Teazers strip club franchise.
- 21 The German Gemballa's murder in South Africa was a high-profile case and he was implicated in a failed money-laundering or investment deal in the country. The exact reasons for his murder remain unknown.
- 22 Sam Issa or Cripple Sam was a businessman operating from Johannesburg. He was shot down by a hail of bullets in the high-income area of Bedfordview. Because of the way in which he was killed, a degree of professionalism was evident in the killing.
- 23 It is important to bear in mind that the number of interactions in which the node/agent participates does not determine the betweenness indicator. In this case, interventions in the various geodesic routes determine the indicator. However, it is important to understand the main types of interactions in which the node/agent participates to understand his/her role as an active and passive actor.
- 24 There are suggestions that Davids was a trained killer for the Sexy Boys and had turned state witness.
- 25 Yuri 'the Russian' was also a notorious protection racketeer and martial arts exponent. He was murdered in 2007.

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Eduardo Salcedo-Albaran holds a master's degree in political science. As director of Scientific Vortex Inc., he collaborates with institutes and universities worldwide researching the structure of transnational criminal networks that participate in corruption, drug trafficking and state capture. He is also part of the EDGE Foundation, which gathers together thinkers 'who are at the center of today's intellectual, technological, and scientific landscape'.

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## About the ISS

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