

Business Owners and Consumers Against the Mafia

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Summary

The Mafia in Italy represents an extreme case where the crime syndicate's influence on the local business community is extensive. By drawing upon knowledge of how organized crime operates in an extreme context where the Mafia's influence has traditionally existed and is widespread, one can gain an understanding of how criminal actors approach businesses and how this influence can be countered through initiatives at the local level in Sweden. The report is based on a research project that was conducted between 2010 and 2015 in collaboration with Francesca Forno from the *Università di Bergamo*. The empirical material consists of a questionnaire survey coupled with interviews and conversations with business owners and activists from parts of the anti-mafia movement in Palermo.

The report focuses on the local grassroots movement *Addiopizzo*, which—for the first time in Palermo's history—mobilized business owners and consumers against the Mafia's collection of *pizzo*, i.e. protection money. The movement was founded in 2004 on the initiative of a group of friends and made its first public appearance a year later. Today, Addiopizzo is a widely known and established player in Palermo. Over 1,000 business owners and 13,500 consumers have joined Addiopizzo's campaign “Against protection money—change shopping habits.” A central aspect of Addiopizzo's operations is providing support to business owners who refuse to pay protection money to the Mafia and mobilizing consumers in support of these businesses. The initiative demonstrates how action can be taken at the local level to strengthen consumer and business resistance to criminal actors. The report sheds light on three main questions: What strategies have

Addiopizzo used to mobilize business owners and consumers against the Mafia in Palermo? What are the limitations on further mobilization? What lessons can be learned from Addiopizzo's mobilization in Palermo?

Protection money is one of the methods used by Italian Mafia groups to take control of economic activity in a given territory. Protection money is the amount of money that companies pay to organized crime actors for protection in order to spare their businesses being targeted for robbery, vandalism, and other forms of harassment. The demand for protection money is a criminal actor's first step in its contact with a business owner, which then leads to further pressure and demands being placed on the business. Other methods used by the Mafia to gain influence over businesses include hirings, subcontracting, loans, or supplying of goods and services.

The report shows that Addiopizzo has adopted several different strategies in its campaign to mobilize business owners and consumers. The mobilization of business owners was initially carried out within personal networks, where private contacts were used to approach individuals already known to be critical of the Mafia. In order not to expose the business owners to any risks, the mobilization was at first carried out in secret. Only once they had reached a critical mass of 100 business owners, did they publish a joint manifesto and organize a first meeting that was open to the public. Cooperation with the police and judiciary has been key to ensuring that the companies on Addiopizzo's list do not figure in any police investigations or are suspected of having links to organized crime. The organization has also carried out campaigns in areas where police raids have taken place and provided advice and support to business owners who file police reports and participate in court proceedings.

To help consumers find “pizzo-free” businesses, Addiopizzo has provided printed and online guides to these businesses, a sticker with the Addiopizzo logo that businesses can display prominently on their premises, opened a shop selling “pizzo-free” goods, and organized various events, such as markets with “pizzo-free” goods.

Despite the successful mobilization of consumers and businesses, there are limitations in the reach of the initiative. The campaign has been more successful in the socio-economically stronger areas of central Palermo than in the peripheral areas. The interaction and internal

cohesion among business owners who have joined Addiopizzo are also limited. Many business owners describe the situation as insecure due to the economic crisis, the continued influence of the Mafia, increased petty theft, and the absence and corruption of the state. Many business owners describe a social environment with low trust and a very limited willingness to discuss protection money. Despite a high level of trust in the police and judiciary, many business owners had low confidence in the ability of the police to guarantee their personal safety. The risk of infiltration of Addiopizzo's list has been brought up in several interviews. Accessibility to shops, range of goods, and prices are factors that have made it difficult for consumers to support businesses on Addiopizzo's list.

The bigger picture

Developments in southern Italy show that it is very difficult to fight organized crime once it has become embedded in the structures of society. The research indicates that the presence of organized crime has a very negative effect on individual businesses, the business community, and the wider economy. In addition to the costs borne by individual companies, the Mafia inhibits both business freedom and competition, which in turn undermines the possibility of maintaining a functioning state through tax revenues over the longer term.

The research on iron triangles and shadow alliances describes situations where politicians are involved in transactions with both business and Mafia groups. This type of infiltration is one of the factors behind the Mafia's success in Italy, combined with strong territorial roots and the ability to adapt to societal change.

Experience from Palermo demonstrates that it is possible to change a negative social spiral in social contexts where the Mafia is strong. Addiopizzo's initiative is an example of how civil society can act to mobilize business owners in a difficult context where cooperation is lacking, social trust is low, and the presence of organized crime is strong. The initiative was the first of its kind in Palermo, where protection money has long been considered a normal expense for local businesses. Addiopizzo's mobilization effort was difficult in the beginning and involved risks for business owners. For many business owners, the support of Addiopizzo has been crucial to their willingness to file police reports and participate in court cases.

Lessons from Italy

There are substantial differences between Sweden and Italy in terms of political traditions, the functioning and structure of institutions, how deeply rooted and influential organized crime is in the local society, and the degree of infiltration among political parties and the influence they exert. Despite these differences, there are lessons to be learned from Italy, which has extensive experience in crime control and prevention. It has long been emphasized in the Italian discourse that the successful countering of the Mafia requires three pillars: political will, laws that are up to the task, and the engagement of civil society. Addiopizzo has enlisted additional actors in the fight against the Mafia: business and consumers.

This report highlights some policy areas that would need to be discussed in more of a Swedish context.

Crime prevention through bolstering of fundamental values

Mobilizing around issues of fundamental values is one possible way forward to reduce the influence of criminal structures in local communities. Increased knowledge of how organized crime operates can raise awareness of the fundamental values that criminality undermines.

Drawing inspiration from Italy, this work could be directed at broad swathes of the general public and focus on strengthening democratic principles and norms as well as raising the level of understanding of how organized crime impacts society, the economy, and the individual. This work should also include initiatives that help people use their power as consumers to support healthy businesses.

Working with norms can have a bearing on crime prevention work against gang criminality in Sweden, as it involves strengthening forces that support legal and democratic structures. This is done by isolating criminal actors and questioning the norms and values that they spread in a local context. This is a long-term effort aimed at raising public awareness of how crime affects individuals and society. The work can be designed on the basis of the local context and be conducted in several different areas of activity by a variety of actors, such as preschools, schools, police, churches, the business community, and civil society.

Mobilizing consumers

Addiopizzo's campaign has shown how consumers can be mobilized against the Mafia by harnessing their consumer power. This method has several advantages. It helps in preventing and combatting crime, and can be brought to bear through a concrete, simple action at (almost) no cost. Consumer power also has the advantage that it can be exercised anonymously by individuals without risking open confrontation with the Mafia.

Recommendation:

- › Develop public information or education campaigns on how people can use their own power as consumers to support a legal economy.

Support for business owners

The ability of individual business owners to resist the Mafia on their own is limited by several factors, such as fear, time, lack of success against the Mafia, or the attitudes of the business owners themselves. Interviews with business owners in Palermo indicate that security is key to encouraging them to report crimes and testify in court. Businesses should receive support from authorities and professional organizations in order to avoid ending up in various extortion situations.

Recommendations to business owners include:

- › Never start interacting or cooperating with criminal actors. This applies to the supply of goods and services as well as the employment of "staff."
- › Carry out basic due diligence by checking up on other companies using, for example, the registers of the Swedish Companies Registration Office to verify ownership and board members.
- › Do not borrow money from actors with links to organized crime.
- › Do not act on your own. Contact your trade association or other actors who can provide support. Demand that your trade association have a contact person. Ask for practical and legal support when filing a police report.

Support from business organizations

Business organizations play a key role in designing general and sector-specific support. Some of the actions that can be taken include legal support for those filing police reports or involved in court proceedings, and the establishment of a clear point of contact for each sector. It is also important to develop information material for business owners and to provide training on how business owners should act if they are threatened or pressured by criminal actors.

Recommended measures include

- › offering legal support for those filing police reports or involved in court proceedings
- › establish a clear point of contact for each sector
- › preparing information material (in several languages) for business owners
- › providing instruction on how to respond to pressure
- › developing a guide for businesses to check that the companies they hire are not engaged in any deceitful or fraudulent behavior.

Political will and a long-term approach

We know from Italy that countering organized crime will require sustained political will over the long term. Moreover, as we know from the Italian development, the Mafia is very adept at changing its activities and infiltrating the political establishment. Short-term measures, such as police support in areas where local businesses are affected by criminal actors, are central to the security of businesses and their ability to operate. These measures should be combined with other crime prevention methods aimed at undermining the influence of criminal actors over the longer term.

Recommended measures include

- › enabling and supporting norm changing work through schools, civil society, and other relevant social actors
- › exploring the possibility of providing financial compensation to business owners who suffer damage as a result of their decision not to pay protection money
- › preventing politicians and political parties from being influenced or infiltrated by actors with links to organized crime.

Local media has a very important role to play in monitoring local councils, politicians, and political parties.

Crime prevention in municipalities

Since 2023, Swedish law requires municipalities to conduct crime prevention work. The Swedish National Council for Crime Prevention (Brå) and the Safer Sweden Foundation (Stiftelsen Tryggare Sverige) have highlighted that only a third of the country's municipalities have so far included the business community in their crime prevention work. More municipalities have to start engaging the business community in their work. Local media also has an important role to play in monitoring municipal councils, politicians, political parties, and the municipal activities.

Recommendations to municipalities include

- › engaging the legal business community and consumers in crime prevention work
- › using consumer guidance to support consumers in choosing businesses that follow the law
- › directing young people toward internships in companies that comply with laws and regulations, thus contributing to practical knowledge and experience of how a legal business community works
- › strengthening checks on public procurement of goods and services and on the sale of properties
- › strengthening the monitoring of companies operating in the private sector with public funding.

Researchers

Organizations such as the Confederation of Swedish Enterprise, the Stockholm Chamber of Commerce and the Safer Sweden Foundation produce studies that raise questions about how business owners and the business community in Sweden are affected by organized crime. The reports show that criminal actors influence the business community through a variety of schemes and methods. These activities span a wide range of areas and vary in scope depending on the sector and geographical area. In addition to theft, threats, and violence against

actors within the business community, reports indicate that there is a problem with the payment of protection money, business infiltration, labor crime, welfare fraud, corporate acquisitions, and the use of companies as tools in the committing of crimes. However, the extent of corporate protection payments is not known.

Recommendations for what is needed include

- › more research on the payment of protection money by companies
- › continued and increased research on how organized crime affects and infiltrates different industries in different geographical areas
- › the combined application of qualitative and quantitative research methodology to investigate how businesses and markets are affected
- › research into the links between organized crime and the political establishment.

About the Author

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