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Also by David Lane

BERLUSCONI’S SHADOW: CRIME, JUSTICE AND THE PURSUIT OF POWER

‘Damning … a withering indictment of crony capitalism, executive thuggery and government incompetence’ Phil Edwards, Independent

‘An outstanding example of political writing on Italy … both engrossing and deeply worrying’ John Dickie, Literary Review

‘The most lucid reading and interpretation of Berlusconi’ La Repubblica

‘His book – sober, precise, meticulously researched – is full of such extraordinary and disquieting facts and events that were it not for Lane’s long knowledge of Italy they would be hard to believe … both impressive and enjoyable to read’ Caroline Moorehead, Spectator
INTO THE HEART OF THE MAFIA
A Journey through the Italian South
DAVID LANE
PROFILE BOOKS
For my wife Franca and in memory of her parents Michele and Angelina
three fine southerners
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INTRODUCTION

Mysteries and Mafiosi

THIS IS A BOOK about Italy’s home-bred Mafias: Sicily’s Cosa Nostra; the Camorra in Naples and Campania, the region around it; Calabria’s ’Ndrangheta; and the Sacra Corona Unita in the Apulian heel. It is a book about crime: murder and mafia wars; extortioners and their victims; the trafficking of arms, drugs and people; and the crooked politicians and businessmen whose complicity helps the Mafia thrive.

The Mafia is the thread, from Gela on Sicily’s southern coast, through Corleone, across the Strait of Messina, where ferries ply between Scylla and Charybdis, northwards past Calabria’s citrus orchards and olive groves and beyond Naples, the city to see and die. But this is also the story of dedicated magistrates and policemen who struggle against the odds to enforce the law and see justice done in parts of Italy where law and justice are often private matters. It is the story of young people who form cooperatives to work land confiscated from the Mafia and ordinary Italians who want the Mafia beaten. It is the story of a journey through the Mezzogiorno, of discovering its contrasts and contradictions, from the ruins of Magna Graecia and Baroque palaces to the relics of doomed industrial ventures and ugly developments along the coast. And it is the story of the good and the evil in the South.

My Italian travels began in the spring of 1972 when I moved to Rome on a six-month assignment at the Cassa per il Mezzogiorno, the development
agency for the South, and stayed for ever. Perhaps there was a reason that a young foreigner, an ingenuous newcomer to the seductive Bel Paese, as Italians often call their country, was allowed to read the files of hundreds of engineering projects that took electricity and water to towns and villages, and joined them with roads and railways. Caught up in discovering the tourist’s Italy and exploring Rome, the Eternal City, I was incurious about the firms involved and the powerful politicians who wrote to the agency supporting projects or soliciting payments to those firms.

When my interests shifted, I would see roads leading from nowhere to nowhere else, a huge viaduct built in fields and half-completed hospitals where construction had halted long ago, and learn that the Mafia had a hand in public works throughout the South. Indeed, for me, my full sighting of the Mafia only came many years later, although I wonder now if I did not brush against it much sooner, and get closer than I did in the Cassa’s drab offices in Rome.

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Few of the tables, set with white linen and tasteful chinaware, were taken at around eight thirty on that morning early in 1978. The restaurant was quiet, an occasional clink of cup on saucer and rustle of newspaper pages being turned. It was not a week when models strutted along Milan’s catwalks, drawing crowds of buyers, journalists, gawkers and other fashion-followers. Unhurried, waiters lavished attention on a smartly-dressed businessman sitting on the other side of the room. A regular guest perhaps, but how the waiters served him said that he was somebody who counted more than most.

Like Rome six years before, Milan was a city to be discovered, its museums and churches to be visited, its hotels to be experienced. Since then I have stayed at around thirty different places in the Lombard capital: luxury hotels and modest ones, five-star and two-star, the smart and the scruffy, some in the financial district, others near the old trade fair and San Siro, and a small hotel, which for some reason Italians describe as meublè, in the fashionable heart of Italy’s fashion capital. Yet after staying occasionally between the beginning of 1978 and summer of the following year, I have never returned to the Hotel Splendido where the enigmatic man also stayed.
At number four Viale Andrea Doria, the Splendido is a hundred yards from Milan’s central station, one of dozens of anonymous hotels that pack whole streets in that dismal district of transients, but one of the smartest, boasting four stars and the Rendez-Vous, a restaurant that the Touring Club Italiano nowadays calls elegant. I was eating breakfast there that morning because of an appointment with a client. The consultancy firm for whom I worked had an assignment with a company whose offices were about ten minutes’ walk from the hotel. The company’s owner used the Splendido, was the person I had to meet and, as I would soon learn, was the man at the table on the far side of the restaurant whom the waiters treated with such respect.

Twenty-five years later I came across the hotel again, towards the end of a book – the story of the work and death of Giorgio Ambrosoli, the Milanese lawyer responsible for liquidating the Banca Privata Italiana, a bank owned by Michele Sindona, a Sicilian financier. Hotel Splendido: the name sprang from the page.

Using a false American passport bearing the name Robert McGovern, William Arico had arrived at Milan’s Malpensa inter-continental airport on the morning of 8 July 1979 and, after renting a car, had driven to his usual hotel. This was his tenth visit to Milan and the Hotel Splendido since September of the previous year and those visits had often coincided with threats against Ambrosoli or other acts of intimidation. And that visit would be Arico’s last. Almost certainly when he stayed there during the second half of June, Arico had used his time to decide where and how he would murder Ambrosoli. He returned in July to do the job. Just before midnight on 11 July Arico, a hit man hired by Sindona, murdered Ambrosoli as he returned home after dinner with friends. On the following day the lawyer had been due to give evidence in the Milan court to American prosecutors who, pursuing their case against Sindona, had also arrived in the city on 8 July.

I am curious about the businessman, an Italian-American, and trawl distant memories to recall the hotel, the man and his firm, with its offices in Milan and a factory south of Rome, where generous government grants enticed firms to invest. Memory says that he was also involved in a business in Sicily.

And I remember later hearing talk that he was linked to the *lista dei 500*, a list of five hundred people for whom Sindona had provided channels
for illegally exporting capital, but there were also facts. A judgement of a court of appeal in a murder case contains an intriguing line, not much but enough to set the imagination running. The court said that the name of the businessman ‘appeared in several companies connected to Sindona’.

In how many companies was he involved? The court named two in which he and Sindona had been partners, but were there others in which, in some way, they were together? Was the company in Milan one of them, or the company in Sicily? How much did the businessman, long since dead, know about Sindona? Did he have doubts about Sindona? Had he been a front for Sindona? And if he had been a front, had he subsequently broken with Sindona? But how is it possible to break off business affairs with a man tied to the Mafia, as Sindona was? The Splendido was convenient for reaching the company’s offices but why did he not stay at the nearby five-star Excelsior Gallia or four-star Anderson, or one of the three five-star hotels in the much nicer Piazza della Repubblica, not far away?

By early 1978 Sindona’s crimes in Italy had been known for more than three years. A ministerial decree in September 1974 had thrown a line to Italians whose deposits had sunk with Sindona’s bank. In the middle of October the court in Milan ordered the bank to be wound up, appointed Ambrosoli as the liquidator and issued a warrant for Sindona’s arrest alleging he had falsified company statements and illegally distributed profits before his bank collapsed. Ten days later magistrates signed a second arrest warrant alleging fraudulent bankruptcy, but Sindona had fled to America.

The Sicilian financier had enjoyed support at the highest level of Italian politics. And few Italian politicians have risen higher than Giulio Andreotti, seven-times prime minister and nominated senator for life in 1991, who in December 1973 at a dinner in New York’s Saint Regis hotel had described Sindona as the saviour of the lira. During the 1970s and through to the spring of 1980, Andreotti enjoyed friendly and direct relations with leading members of Cosa Nostra and had knowingly and deliberately cultivated a stable relationship with mafiosi. Andreotti’s trial for aiding and abetting the Mafia ended in Italy’s supreme court in October 2004 with a judgement that found he had been involved in criminal association until the spring of 1980, but the crime was time-barred. Insufficient proof brought him acquittal for the period after that. Such was Sindona’s protector, a person whom many Italians still call a statesman.
But Sindona, extradited from America, convicted of commissioning Ambrosoli’s murder and himself murdered in March 1986, in Voghera prison by a cup of coffee laced with poison, had other powerful allies. Some were in the Vatican where he had woven a web of financial relationships with the Istituto Opere di Religione (IOR), the Vatican’s bank. Headed by an American prelate, Paul Marcinkus, the IOR would find its reputation blackened further following the collapse of the Banco Ambrosiano in June 1982 and the mysterious murder of its chairman, Roberto Calvi, whose body was found hanging under Blackfriars Bridge in London. Was it a coincidence, I wonder, that the businessman’s offices in Rome, where I called to collect documents, were owned by the Amministrazione del Patrimonio della Sede Apostolica, the body that administers the property of the Holy See?

How many hands had Sindona shaken to seal his deals? And how many businessmen, like the one at whose company I worked, would never be indicted or found guilty of wrongdoing, and would perhaps later regret their connections with Sindona? But which businessmen and politicians had eagerly clasped Sindona’s hand while knowing about his shady affairs? Giovanna Terranova, the widow of a magistrate murdered by the Mafia in Palermo in 1979, remembered her disgust at shaking ‘hands that weren’t clean’ when people at her husband’s funeral offered their meaningless muttered words of sympathy. ‘Condoglianze, Signora, a fine person, how terrible,’ such men, members of Palermo society, would have murmured, secretly pleased that the magistrate was dead.

Tramping through Sicily’s Greek ruins or Roman Pompeii, or sweltering on the beach in Taormina or on the Amalfi coast, tourists do not ask about the Mafia or imagine how close it might be. They do not wonder which young men are the Mafia’s emissaries extorting protection money, or who the victims are, or if the middle-aged man given everyone’s respect is a mafia boss. ‘Here you can feel the ’Ndrangheta’s presence, touch it with your hands,’ Emilio Sirianni, a prosecutor in Calabria told me as we talked in the late afternoon on the terrace of his holiday home near Brancaleone, on the region’s southern coast. Constant, oppressive, menacing, palpable – a mafia presence that Sirianni, himself a Calabrese, can feel; but outsiders cannot feel what locals do.

My questions began long after I arrived in Rome. I had followed with
horror the bloody trail of death that mafia wars left throughout the South, with fascination the maxi-trial of hundreds of mafiosi in Palermo’s bunker court that began early in 1986 and ended just before Christmas of the following year, and been shocked by the murders of the anti-Mafia magistrates Giovanni Falcone and Paolo Borsellino and their escorts in Palermo in 1992. I had written about Calvi and his bank ten years before. Yet six years passed after those terrible months in the summer of 1992 before I would write about the Mafia. In the Financial Times of 16 December 1998, almost twenty-seven years after I stepped off the aircraft that had taken me to Rome, were my first words on the Mafia – Organised Crime: in fear of mob rule – now a fading pink cutting on my desk.

It was then that I met Gian Carlo Caselli, a white-haired magistrate from Turin who had asked, after the murders of Falcone and Borsellino, to be transferred to Palermo to head the prosecution service in the Sicilian capital. Interviewing Caselli involved running a gauntlet of checks, even within the high security of Palermo’s court building, passing a platoon of armed policemen in civilian clothes on guard outside his office before being ushered by one of them through an armour-plated door. That is what fighting the Mafia means for those who lead the fight.

Caselli had brought the prosecution against Andreotti that proved the elderly politician had been friendly with Cosa Nostra, and the magistrate would later feel the vengeance and spite of Italy’s rightwing politicians. And Caselli’s signature was on a request for indictment in October 1996 that led to the trial of Marcello Dell’Utri, a close friend and associate of Silvio Berlusconi, the media magnate who set up his own populist political party and won power in 1994, in 2001 and again in 2008. Dell’Utri was found guilty of complicity with the Mafia in December 2004 and sentenced to nine years in prison (against which he would appeal), giving Italy’s rightwing politicians more cause to want revenge.

Italy needs a radical change in culture, an enormous moral and political commitment, and the job will be long. ‘We must start with schoolchildren, showing them that there is no honour in the Onorata Società,’ Caselli told me. While he was in Palermo, Caselli put the idea into practice by visiting schools, although Italians knew of him mostly through Andreotti’s trial and his efforts against the Mafia.

For Caselli, the transfer from Turin meant sacrificing personal freedom, a
life always shadowed by bodyguards, travelling in armour-plated cars whenever on the move and a spartan barracks as home. Once a mafia target, forever a mafia target. Caselli had bodyguards at a book fair in Turin, his home city, in May 2005 and later that year when we walked together in the centre of Bari, a city in the heel of the Italian boot far from Palermo. And those bodyguards would be on watch for years ahead, even in towns like Carpi, an apparently safe, quiet backwater of Emilia in northern Italy. They are with him everywhere at every moment. As much as some rightwing politicians might wish Caselli dead, with the blood of magistrates and other public servants on its hands Rome cannot allow Caselli to be murdered too.

During the seven years that Caselli worked in the Sicilian capital, from the beginning of 1993 to the end of 1999, his team would investigate nine thousand people suspected of being in or connected with the Mafia and win indictments against more than three thousand. Even so, that would leave the war far from won. ‘Cosa Nostra has been hit but it is still effective, dangerous and well organised,’ Caselli told me in 1998. The years that followed confirmed the prosecutor’s grim assessment.

‘For decades, businessmen denied the Mafia’s existence. But firms had agreements with the Mafia and with politicians. Those that did not collude were badly handicapped,’ Fabio Cascio, the bright young chairman of the small-companies association in Palermo told me when I was preparing the article for the Financial Times.

Cascio showed me a community project on the eastern edge of Palermo that employed forty young people considered at risk to delinquency. It was in the heart of Brancaccio, a desolate district of densely packed high-rise apartment blocks, shabby workshops and commercial storage buildings, a district notorious for being under Cosa Nostra’s firm control. The four-star San Paolo Palace hotel across the road from the project was empty at the time, confiscated by the court in Palermo because its owner was a front for the Graviano brothers, Brancaccio’s bosses. One of the first Sicilian associations of Forza Italia, Berlusconi’s political party whose creation had been Dell’Utri’s work, was inaugurated there.

Before visiting Brancaccio I had called on Cascio in his offices at Centralgas in Carini, on the other side of Palermo, a few miles from where Falcone met his death, his car blown up by explosives placed in a drainage channel under the autostrada to Punta Raisi airport. An up-and-coming
figure in Sicilian business circles, Cascio would be elected chairman of the industrialists’ association in the province of Palermo in June 2005. Outlining his programme, he said that the industrialists wanted security and legality. Cascio’s predecessor spoke about the importance to the association of having a young and dynamic leadership, ‘the perfect expression of the needs of Palermo’s business community’.

Six months later Cascio would be in the news again, his companies seized by Palermo’s court in a measure that also suspended him from company duties. He was under investigation for fraud and money laundering. Sitting on the boards of Cascio’s companies was Francesco Paolo Bontate, son of Stefano Bontate, the bloody boss of the Santa Maria di Gesù family who was gunned down in 1981, one of hundreds of dead in a mafia war. Bontate had been arrested in October 2003 and was convicted of drugs trafficking at the beginning of June 2005.

And Bontate’s two cousins, both called Giovanni Teresi and both from families with mafia ties, were also directors of Cascio’s companies. Cascio spoke tough words against Cosa Nostra but sat in boardrooms with men whose families had connections with it that were indisputable and known to all. ‘A disquieting case,’ said Elio Collova, the judicial administrator of Centralgas to whom the court decree had entrusted Cascio’s business. In October 2008, however, prosecutors would not seek Cascio’s indictment but would ask the judge at a preliminary hearing to close the investigations. Even so, Cascio remained suspended from company duties and his companies continued to be confiscated, though he was appealing against this ruling.

Who and what should be believed in the Italian South where so much is hidden or disguised and gestures often take the place of words? Uncertainties and suspicions colour my experiences there. Have I shaken the hands of people with ties to the Mafia? Yes. Have I had suspicions? Often. The certainties are misgivings and doubts. What special power did a businessman have that he, with me by his side, would be taken through a side entrance of the airport in Catania, dodging check-in queues and security controls, and board a flight for Rome untroubled by the usual routines of air
travel and other travellers? Why did a businessman in Calabria turn icy and threatening when I asked about the ‘Ndrangheta? And why did a teacher in the south of Sicily tell me that the winemaker whose cellars we had just visited was once an arms dealer, had been remanded in custody for more than a year on suspicion of involvement with the Mafia and continued to be harried by the police?

However, these were matters for the future when I met Caselli and Cascio at the end of 1998. Thanks to Silvio Berlusconi, I started to understand more about the Mafia just over two years later. The foundations of my journey through the South began to be laid in February 2001 when The Economist called to involve me in a special report on Berlusconi’s business empire. The report’s publication would be pegged to parliamentary elections in which Berlusconi, heading a rightwing coalition that included a post-fascist party, was trying to return to office after six years away from the levers of power. Research soon moved the report in a new direction, from a straightforward business story to something very different. From Milan, where Berlusconi’s businesses are based, the trail led south to Sicily where Dell’Utri was on trial and where Dell’Utri and Berlusconi were under investigation in connection with the murders of Falcone and Borsellino. In May 2002 Giovanbattista Tona, a judge in Caltanissetta, ruled that these investigation should be closed and that the two founders of Forza Italia were not accomplices in those terrible murders ten years before. People connected with the Mafia had been in contact with companies in the Fininvest group (the holding company for Berlusconi’s business empire) and these proven relations, said Tona, ‘lent plausibility to depositions, made by various mafia witnesses who were cooperating with the authorities, that Berlusconi and Dell’Utri were considered easily contactable by the criminal organisation’. But Berlusconi and Dell’Utri were not involved in the murders of Falcone and Borsellino.

Before I left Rome for Palermo on one of my trips, my wife, concerned about the project, warned: ‘fascisti e mafiosi’. At a meeting in London, the editor asked about risks. Legal risk? Definitely, and a writ arrived after the report appeared, Berlusconi’s face on the magazine’s cover, the words Why Silvio Berlusconi is unfit to lead Italy splashed above. Physical risk? It is hard to imagine an uglier combination than fascism and the Mafia, but physical danger never materialised and the risk probably never existed. A different
Italy unfolded when I began writing about Berlusconi. Apart from interviewing Caselli I had met nobody in the magistracy, never been in a court and knew nothing about crime, but writing about Berlusconi would change that.

During one visit to Palermo I bought a book to read on an evening flight to Milan: L’Eredità Scomoda (The Uncomfortable Inheritance) by Caselli and Antonio Ingroia, an assistant prosecutor in the Dell’Uttri case, whom I would get to know. Ingroia’s first job in the magistracy, in 1989, was as Borsellino’s assistant in Marsala, and he would transfer to Palermo in April 1992, shortly before Falcone’s murder, to work again with Borsellino on anti-Mafia investigations. The book describes the drama of being a prosecutor in Palermo following the two magistrates’ murders.

The book that Caselli and Ingroia had written was a gripping and moving read on that late-evening flight. The inheritance about which the two magistrates wrote and about which they would tell me more was one of tragedy but also of hope, that those awful murders in 1992 would put political backbone into the war against the Mafia. Alas, those hopes would soon be bitterly dashed. ‘I tell myself that Falcone and Borsellino were right to say that the Mafia could be beaten … if only that were truly wanted,’ said Caselli.

Italy was at a moral crossroads in 1992. Falcone and Borsellino were murdered soon after magistrates in Milan began blowing the flimsy covering off the widespread and deep-rooted corruption that polluted the city’s political and business life. Milan was called tangentopoli (bribesville), but corruption was everywhere. Mafia and corruption, a pairing as nasty as fascisti and mafiosi and another that shows the Bel Paese’s ugly side. But Italians stopped at those crossroads, forgot the killings in Palermo and the greed and dirt of tangentopoli, turned their backs on moral renewal and put Berlusconi into power.

Even before reporting on Berlusconi for The Economist I had begun to visit Sicily regularly, though not to write about the Mafia. That changed in 2001 and when I travelled there in the spring of 2002 I was to write about progress in dealing with the Mafia during the ten years that had passed since the two magistrates were killed. And I would write a book on corruption, Cosa Nostra and Berlusconi.

Yet there is more Mafia in the South than Sicily’s Cosa Nostra, more