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#FiliaraSporca

The report

The orange slaves and exploitation in agriculture in the year of Expo

Rome, November 2015

With the contribution of Open Society Foundations

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Try again, fail again, fail better.

Samuel Beckett

*The “virus of sadness” is a disease
that affects the citrus fruit.*

*A part of the branch becomes too big
and ends up killing the whole tree.*

A Sicilian farmer¹

¹ “Citrus Tristeza” is a virus that affects citrus fruit. In 2013 it affected Sicilian trees. The symptoms are: slow growth, loss of leaves and drying out of branches. The excessive growth of just a part of the tree leads to the death of the tree itself.

Why This Campaign?

The missed challenge of Expo

“Is it possible to ensure that all people at all times have access to sufficient, safe, nutritious and sustainable food?”

This is the question with which Expo, the 2015 Universal Exposition in Milan, opens. An important question that could have provided the chance to reflect on the future of agriculture and food production, of how to be able to feed everyone without depriving the earth of the necessary resources to do so. It is instead proving to be a challenge that is showing all its contradictions, right from the beginning. In words and in deeds.

In words, those of the **Charter of Milan**², that appear to be statements with little substance. Good intentions but few solutions. In deeds, through **sponsorships**, the most significant being those of McDonald’s and Coca Cola, which legitimate a model of production and consumption that is far from solving the questions raised by Expo 2015.

Is this the model of agriculture we are proposing?

When we talk about food we are talking about production models, exploitation of natural resources, sustainability, access to land, supply, supply chain. And labour. Because every single product on a supermarket shelf or in a local market stall is grown, processed, and distributed. Although McDonald’s has made a great effort to get closer to a production model that could support the “*Made in Italy*” brand, this contrasts with the Ministry of Agriculture’s sponsorship of a project that has a great importance in terms of marketing but little in real terms. The Ministry has granted a sponsorship to McDonald’s for the “Fattore Futuro” project, enabling twenty farmers aged under 40 to become their suppliers for three years. A very effective project in terms of communication but which will have little effect on the company’s supply chain, since the young farmers will only be able to satisfy a miniscule part of its needs.

² <http://carta.milano.it/la-carta-di-milano/>

³ Campaign launched by Cooperativa agricola Coraggio, Terra! Onlus and daSud
<https://www.change.org/p/terrepubbliche-ai-giovani-agricoltori-il-comune-di-roma-non-abbandoni-il-patrimonio-agricolo>

⁴ <http://espresso.repubblica.it/attualita/2014/11/10/news/il-ghiotto-affare-della-vendita-delle-terre-pubbliche-1.187394>

With the campaign for #terrepubbliche³ (public land) for young farmers we have always supported the need to promote Italy's agricultural heritage. This is seen as an opportunity for the young and for a healthy and sustainable agriculture, where the short supply chain, the relation between the country and the cities become the main elements of a new model in agriculture. A model through which the state, whether municipal or national administration, promotes public property⁴, supports the young and produces quality food. Instead we are going towards a model in which not only is public property being sold, pretending it is an incentive for young people in agriculture, but the junk food and large-scale distribution model is being promoted, with small farmers disappearing to leave space for monoculture.

The supply chain of exploitation

While Expo is being celebrated as a great opportunity to relaunch the “*Made in Italy*” brand, entire agricultural supply chains survive thanks to labour exploitation. Mediterranean Europe as a whole produces fruit and vegetables, mainly for northern markets, under circumstances of severe labour exploitation. This model is extending even to regions once immune like Piedmont. What has been treated as a humanitarian emergency is in fact the result of a production system which, throughout southern Europe, has the same features and feeds off exploitation.

When the phenomenon is structural it is useless to call it an emergency. It is the product of a “dirty” supply chain that offloads costs and hardships on the weakest subjects, the hired hands, often migrants from Africa or eastern Europe. Yet migrants - as well as Italian workers – who are treated like slaves are the effect of a dirty system. Reconstructing the supply chain shows up the system, revealing its causes and mechanisms.

A different perspective

We have chosen to research the supply chain of oranges because, among the various dirty supply chains, it is an important example that contains many, too many, contradictions. A fragmented supply chain made up of numerous steps, rarely transparent, where the exploited agricultural worker and the multinational, the large-scale distribution and organized crime all

live together. An industry based on road transport and on a production model that is often dependent on chemicals.

Dozens of inquiries, documentaries, reportages, have told us what happens in the exploitation fields, the tent cities, slave labour. But what happens to the products picked in those fields and what is the responsibility of multinationals, of large-scale distribution, of retailers, producers, transport companies, international agencies for temporary work? It is to answer this question that we launched the #FilieraSporca campaign, with the aim of tracing back the entire supply chain of oranges, from the field to the shelf, to identify the real invisibles of labour exploitation in agriculture, from large-scale distribution to multinationals. The harvesting of the different agricultural products has for years involved tent cities, health kits and containers. Like an earthquake. The use of underpaid foreign labour is a "model" of production, not a humanitarian emergency.

But what produces this ghetto? Why do the same conditions occur in the north and in the south, in rich areas and in depressed areas? The reports on the subject – by both scientists and journalists – have so far failed to understand the real root of the problem. The exploitation conditions are the result of a dirty supply chain where the higher level offloads costs and discomforts on the lower level. On the highest level we have the large-scale distribution and big companies; after them the large and medium-size traders and finally the small and medium producers; and at the bottom the labourers, almost always migrants.

There is little or no information on the supply chain. We do not know where the tomato from Foggia goes or if the orange juice we are drinking has been made with oranges from Rosarno. Nor whether these products have been picked in conditions of severe labour exploitation. The labelling is obscure. The new recently approved rules⁵ do not specify an indication of the factory where the products have been packaged. Consumers have no knowledge of the ethical nature of the products they buy.

In the year of #Expo2015, #FilieraSporca demonstrates that one cannot “feed the world” by exploiting labour and agriculture and wants to urge institutions and companies to work towards this aim.

⁵ <http://eur-lex.europa.eu/legal-content/IT/TXT/?uri=celex:32011R1169>

Different supply chains, same features

What at first glance looks like a humanitarian emergency – the ghetto in Rignano (Foggia), the shanty town - refugee camp in Rosarno (Reggio Calabria), the Saluzzo area (Cuneo), etc. - is actually the result of a production system that has the same features almost everywhere in southern Europe:

1. Intensive use of easily blackmailed migrant labour (because of uncertain legal status and absence of recognized rights).
2. Housing below the minimum standards of human dignity (dilapidated hovels, tent-cities without heating, shanty towns, containers...).
3. Low capital intensive, high labour intensive.
4. "Entrepreneurial culture" based on illegality, with widespread mafia presence.
5. Need for a very flexible labour force, especially for the harvests (tomato, fruit, grape), for short periods of time.
6. Labour force organized in teams and team leaders, with consequent resort to gang-mastering.
7. Extreme workplaces (greenhouses, remote countryside, often in a condition of real segregation).
8. Endemic violence: missed payments and threats; physical assault; violent racism of criminal origin; slavery; even sexual exploitation.
9. Fragmented supply chain, difficult if not impossible to trace back, in which suppliers, costs and methods of production are unknown.

The revolution of the migrants

Often hope has been born in the depths of exploited labour. Where everyone saw "hell", there was a spark of new rights to be gained for all. It was only with the migrants' rebellion that Italians saw how the food that ends up on our tables is produced. And to what extent rights have been eroded.

Between September 2010 and January 2011: first in Castel Volturno, then twice in Rosarno, African immigrants rebelled against the violence of the "camorra" and "ndrangheta" mafias. In Calabria the violent reaction of some of the locals led to the rapid evacuation of all the black workers from that area.

In the summer of 2012, workers from Maghreb and sub-Saharan Africa began a strike in Nardò, in the province of Lecce. That experience led to the approval of the law against the gang-mastering system.

In the following years, the dramatic work conditions and housing situations of agricultural workers in southern Italy rapidly extended to the north. Shanty towns were being created every year in Saluzzo, in the province of

Cuneo, for the fruit harvest and in Canelli for the "Moscato d'Asti" grape harvest. Paradoxically, these are products which are exported worldwide. And involve rich economies.

In Italy alone, according to the first "Agromafie e caporalato" ("Agromafias and Gangmastering") report, "official data record some 314,000 foreign workers employed in the different Italian regions."⁶

Besides the FLAI/CGIL agricultural trade union, for at least ten years these conditions have been officially reported by Médecins Sans Frontières, Amnesty International and other humanitarian organizations, not to mention countless Italian and foreign news reports. Despite projects and attempts at institutional and non-institutional intervention, the problem crops up again unchanged every year. And there is still no solution to be seen. This is why this research was necessary, to offer this information and raise awareness.

⁶ "Agromafie e caporalato" Flai/Cgil report

Tiny Plots or Large Estates

Small tenant farmers or big landowners. The former do not have bargaining power and can only sell their fruit at the fixed price. The latter trade directly and are the real leaders of the supply chain.

The first step in the supply chain that we have reconstructed is the sale of the fruit on the tree by small farmers. "The sale takes place on the tree," says Alfio Mannino, secretary of the Catania FLAI CGIL. "Purchase contracts are signed two months before. An estimate is made according to weight or by body, i.e. by number of trees. The supply chain is very long but the people who really make money are the traders. They determine the price, if you do not go to them you do not sell the goods efficiently. Usually the farmer and the trader know each other, they know the quality of the product, how old the tree is. The older ones have a lower quality, which improves if there is frequent cleaning and proper pruning. A new tree increases the value. The second step is to sell the fruit on the markets. Approximately 70% of the production goes to the Italian market, 30% is exported, while 90% is fresh fruit (unprocessed fruit)"⁷.

Analysing the first phase, the most frequent dynamics is polarization. On one side small, disorganized producers, the victims of big traders, on the other the big traders who acquire land. A sort of southern land grabbing where the big players buy land from the small.

We have visited the immense orange groves that go from Mount Etna to the province of Siracusa, the plain between Gioia Tauro and Rosarno and the land around Sibari. Vast areas where the great majority of Italian oranges are produced. The result is that small producers tend to disappear when they come up against the power of the other players in the supply chain. But, with some exceptions, they have also neglected to modernize by organizing themselves and uniting.

During our research in Catania the most significant encounter was with one of the many growers who sell oranges in the street. A beaten-up car, a chair and four crates. Excellent citrus fruit sold on the pavement in front of the station. We ask the grower some questions

⁷

INTERV1

but he doesn't trust us. He won't give his name, the size of the area he cultivates, or even the price of his oranges. Nothing. This stubborn silence, this mistrust announces an agriculture without a future. Not to mention the lack of a generational turnover.

At this stage of the supply chain appear the organizations of producers (O.P.), created to strengthen the role of small growers and to increase their bargaining power. Unhappily they have often become instruments for frauds or are actually controlled by the big traders.

"The citrus fruit supply chain is facing a long-standing problem, stemming from the inability to develop a system of cooperatives that are not set up just to defraud Europe," says Professor Tommaso La Mantia, University of Palermo. "A general deterioration in the overall economic conditions of the supply chain, probably not influenced by the cost of labour but caused by a chronic lack of aggregate production planning, with the consequent competitiveness issues" is the opinion of Coop.

O.P.s have played an important role in the most infamous citrus frauds, known as "paper oranges". In 2007, many producers gave product quotas but declared much more. It is estimated that 75 million euro were fraudulently obtained in Calabria during that year. While money also flooded into Rosarno, the African labourers received the usual wages and lived in nightmare conditions in *la Cartiera*, an abandoned paper mill with a collapsed roof. In 2009, the separation of direct agricultural funding from production kicked off the crisis in the Sibari Plain. The European contribution mechanism awarded extents of hectares and not the production. So the big frauds were downsized.

Obviously the O.P. does not stand for cheating. The majority of these companies are sound and constitute a real answer to the issues we're highlighting. But there is still the sensation of a general failure or at least a weakening of a tool created for other purposes. In such a polarized supply chain, where small growers have no bargaining power, emblematic cases occur such as that of Paternò, Province of Catania⁸. In 2011, traders initially bought "fruit off the tree" from small farmers, only to cancel the purchase, losing the deposit, to buy Egyptian fruit because it was cheaper. These kind of practices are to found throughout the south, from small to intensive monocultures over large areas of land. The southern countryside has become like that of South America, with a few operators increasingly becoming big

⁸ INTERV6

landowners, traders and political actors. Often an important entrepreneur is also the local agricultural councillor. Traders and big producers are obtaining increasing influence in political decisions.

Traders. The Heart of the Problem

They are a maximum of three in each area. They buy the product and sell it to supermarkets and multinationals. These are often family-run companies, but they can also export worldwide. They have a major political and economic role. Sometimes they are involved in the harvest, the crucial step of exploitation.

In Rosarno the market is dominated by just a few players who sell to multinationals and supermarkets. In Sicily, wherever we go they talk about "the brothers". The big landowners in the area are always "the something brothers ", indicating an old family-run company that has gone global while maintaining ancient roots. The small companies are disappearing. The medium ones are long gone. There are fences around fields as far as the eye can see. All around one listens to stories of slavery and abuse that belong to another era.

In our journey along the supply chain the first data that emerged was the ability of traders to be the core around which this chain turns. For traders we mean those who purchase the fruit from the producers; they often possess their own land, deal with transport companies and sell on to major distributors. The true "invisibles" of the supply chain are hidden in these steps. The traders' role is crucial. Not only for prices (they determine how much is paid to small producers) but also for the harvests. The harvest is often organized by traders, or at least the large scale ones. It is no coincidence that, in the Lecce trial following the strike in Nardò, one of the main defendants was the Latino family, owner of Fiordifrutta, "a company which alone accounts for about 70 percent of the high-quality watermelon production in Salento, which goes from Nardò to markets in northern Italy and from there also to England and Germany"⁹. The trial is still in progress and there are no definite convictions, but the judges believe the Latinos used gang-masters during the harvest.

A similar accusation arrived in May 2009, ahead of the uprising, for some major Rosarno traders¹⁰:

⁹ <http://www.corriere.it/inchieste/reportime/societa/pomodori-angurie-le-accuse-schiavitu-processo-imprenditori/bde8d57a-5910-11e4-aac9-759f094570d5.shtml>

¹⁰ <http://www.stopndrangheta.it/stopndr/art.aspx?id=752,Immigrati+ridotti+in+schiavit%C3%B9%2C+tre+in+manette>

"They used the possibility of managing the labour supply for a great number of estates and companies to exploit the underpaid labour of foreign citizens without a residence permit or anyway in such conditions of poverty that their freedom of self-determination was impaired"¹¹.

These are some of the major operators in the area, among the very few to package IGP clementines in Rosarno¹². In the absence of a final judgment the defendants must be considered innocent. However this inquiry provides an interesting cross-section of harvest organization practices.

Another significant case is that of Gaetano Rao, a major entrepreneur in the area. In 2013 the "Agrumi GR" company received an "Anti-mafia" interdict because of the danger of criminal infiltration in the firm¹³. Rao was simultaneously provincial councillor for agriculture but this event did not affect his position. Naturally this interdict does not mean he is guilty. We have requested information from the company on the outcome of the Rao's appeal against this decision but to date have received no answer.¹⁴

We now move to the area around Catania. The situation seems completely different from that in Calabria. But there are many aspects in common. The case of the Pannitteri brothers is the most significant. The company was founded in 1980 and currently owns 170 hectares, located mostly in the countryside between Belpasso and Paternò. The land provides 50% of their requirements, the rest is purchased from small producers in the area¹⁵. In 2008 the company promoted the "Rosaria" brand, an O.P.¹⁶ of 20 producers covering 500 hectares¹⁷. It also owns the IGP brand. In 2013/2014 it produced 23 thousand tons of citrus fruit. The target market is the Italian one, in particular major distribution, and the Pannitteri sell to Coop supermarkets. The package claims that the products are "produced without labour

¹¹ Request to the judge for a personal precautionary measure, Reggio Calabria, May 2009.

¹² http://www.igpclementinedicalabria.it/?page_id=492

¹³ <http://www.ilquotidianoweb.it/news/cronache/711955/Interdetta-per-mafia-la-ditta-dell.html>

¹⁴ Agrumi GR was contacted by certified email on 11th June 2015. A phone call also went unanswered.

¹⁵ Fruitbook 2015 – The buyer's guide to Italian top fresh fruit suppliers, fruit-book.com

¹⁶ See Chapter 5.

¹⁷ "L'eccellenza di Sicilia conquista i mercati esteri", Sole 24 Ore, speciale Expo, 6 May 2015

discrimination or exploitation" and the company complies with the SA8000 corporate social responsibility standard"¹⁸. Despite its turnover, it has remained a limited partnership (s.r.l.). Its land is in the Catania plain, an ideal area for the production of blood oranges of the "Tarocco" variety. It also produces orange juice, with 17% of the product going to the industry, and owns land in the Mineo area. We asked the Pannitteri company some questions, in particular "what information do you have to prove that your oranges are not picked under forced labour conditions?". Despite various telephone calls we had not yet received an answer when we completed this report.

Another critical point is tax evasion. Beyond physiological delays and small amounts to be corrected, a fairly worrying picture emerges. The total debt of the citrus producers in the Catania area to INPS (National Social Security Institute) amounts to over one million euro¹⁹. What is not clear is how harvests are carried out. Naturally the traders are not all criminals making use of gang-masters. The legal cases mentioned above (Latino, Spagnolo, Rao, etc.) do not imply anyone's guilt until the final judgment. However, the uncontrollable growth of a certain class of entrepreneurs has been encouraged by their invisibility linked to the political-economic role assigned to them.

Worldwide exports

Companies from Calabria partly export to eastern markets. But in Sicily the level is very different; the oranges from the island go all over the world, from South Africa to Korea. The company of Sebastiano Cosentino, in Lentini, for instance, exports to Germany, Austria and France. In 2013 it produced 23 thousand tons of oranges²⁰. These are the same countries to which the "Tre Moretti" company and many other O.P.s export to. Some companies also deal with Scandinavia, Belgium, Netherlands, Croatia, Austria and east European countries. The production rate of each company is impressive, averaging between 16 thousand and 30 thousand tons a year. An O.P. in Carlentini²¹ exports to Austria, Germany, UK, France, Belgium, Croatia, Eastern Europe, Canada, Ireland, Sweden and Switzerland, producing 15 thousand tons a year.

In Calabria there is nothing comparable, apart from the "Campoverde" company (Castrovillari, Sibari Plain), specializing in clementines. It exports throughout Europe and

¹⁸ <http://www.pannitteri.it/coltivazione-sicilia/produuttori-sicilia.htm>

¹⁹ Ebat Ciala (Ente Bilaterale Agricolo Territoriale Catania) - Tabelle evasione contributiva nella provincia di Catania

²⁰ Fruitbook 2015 – The buyer's guide to Italian top fresh-fruit suppliers, fruit-book.com

²¹ APAL O.P. Soc. Cons. arl

produced 60 thousand tons of citrus fruit in 2014. A very different picture emerges from that of a poor and underdeveloped southern land. Ironically, backwardness goes hand in hand with an extensive globalisation.

The Harvest

Ghettos, child labour, housing conditions similar to those of an African shanty town. Tent-cities where the cold is unbearable. Violence against women. Uncontrolled exploitation and gang-mastering. These are the “ordinary” conditions in which the orange pickers live. Over and above the final selling price.

A minibus at dawn. A whole family, four people, including a young boy and girl. It's the 2014/2015 harvest. Orange picking in the Paternò countryside is also done this way. With minors. Across the street, the Italians look on. It's a job that they wouldn't mind doing, but at that salary (as low as 15 euro per day) it's just not worth it. The denunciation comes from the Catania CGIL trade union²². First a complaint in February 2014 and later a documentary shown to the authorities. The public prosecutor's office launches "Operation Slave"²³. "I know that in Paternò there's a protection racket for illegal Romanian workers," says a witness, a labourer from Eastern Europe. "First they asked me five euro for transport and then half my pay. If I hadn't accepted this *"mafiosa"* proposal I wouldn't have worked any longer". These forms of extortion occur for agricultural labour. The racketeers are Romanians "collaborating closely with the Mafia from Paternò who impose a 'price' on each Romanian who works in the fields. Other fellow countrymen extort protection money on top of the rents that everyone pays to the landlord".

The gang-master "had those who rebelled beaten up and excluded from work. When we, Romanians, begin to understand Italian and realize their trafficking they make us return to Romania". The lucky ones who don't pay rent and protection money are housed in the containers of "Saro", a local entrepreneur who exploits labour almost for free.

Slave

Next to the Catania railway station is the transport agency which connects Romania to Italy. Romanians are undergoing a dramatic diaspora, an exodus by bus, difficult to classify. Are we looking at a slave trade or voluntary sacrifices? This description can help us to understand.

²² Cgil Catania, Terra Nera, 2015

²³ Flai Cgil complaint sent to the Public Prosecutor in Catania

Here's how the journey from Romania works: "We came to Sicily on a bus of the "Tour" company, paying 100 euro each. In Salerno they made us get off to switch buses and we got on a minibus. Finally they made us get off in the parking lot of a big motorway restaurant. My brother Titi, with a man called Toni who was driving a red car, came to pick me up. Since that day I have always worked in the 'Saro' company, which retains 50 euro of my pay each month for rent. I pick olives and oranges".

If Pavel works for others, he must give half of his wages to 'Saro'. He lives in a container with a "toilet" without a door, because he cannot afford to pay rent. "I wake up at four in the morning and come back at seven in the evening. And now he tells me he's going to give me three euro per crate? No, I don't agree. We'd agreed upon 3.50," complains Iulia. Non-payment occurs in all the farms. The owner hasn't paid for two months, he says his bank account is blocked. "May God strike him down! I've even finished the gas cylinder... I have no money to buy food... Why does he bring people to work if he hasn't got money to pay them?", complains a worker. Particularly odious is the fact that the workers were forced to shop in a supermarket that kept back the receipts with their names written on them. The amount was then deducted from their wages.

The "Slave" investigation reveals all the features of severe exploitation: lack of essential labour protection; threat that workers won't be able to work any longer if they rebel; deduction of a substantial portion of wages; degrading accommodation and unhygienic conditions; impossibility of using wages freely to purchase food; punitive raids and frequent cases of violence; state of subjection and conspiracy of silence especially during inspections.

The public prosecutor's investigation and the unions' actions have even probably alarmed Coca-Cola: "The multinational, through its advisor Arché, asked FLAI-CGIL about its five suppliers in Catania, only being partly reassured for four of them. Representatives are to meet their suppliers and apparently they intend to make them sign a disciplinary action in which they self-certify that there is no exploitation regarding citrus fruit but regular contracts and job security"²⁴.

"Over the harvest period, there is at least 40% of illegal work in the citrus fruit areas; we estimate there are 5000 foreigners, of which 2000 are Romanian. At least a thousand work

²⁴

"La denuncia paga: presi i caporali dopo il film della Cgil", il Manifesto, 31st March 2015

illegally. The average is 10 hours of work; 50% of the pay goes to the gang-master, the union declares. "The Italians earn 45 euro per day, we're talking about 12 thousand people in total"²⁵. The Romanians have swept away all the others, in the sense that the working conditions that have been imposed on them are unacceptable for other workers.

This issue is not irrelevant. The Paternò area is the heart of the blood-orange district, the rich and export-oriented economy we described earlier. Directly or indirectly, all supermarkets and multinationals which trade juice are involved. At least until they can prove that their oranges do not come from the nightmare we have described.

A ghetto in the town centre

Mohamed introduces us to another nightmare place. Abandoned for years, it is a former sulphur refinery very close to the station. We are in the centre of Catania. A cube without a proper roof. Rubbish and flakes of plaster everywhere. To enter the "rooms" one has to step over deep gaps. The youth from Casablanca carries two bottles for water. He cooks by lighting fires on the cement. There are Moroccans, Tunisians, Nigerians and Malians. Mohamed has been given a fake work contract in Campania. Some of these people were working in the Lazio farms. They weren't earning enough so they moved here. Where it is even worse. This outer circle from Dante's Inferno has become their house. As usual, the migrants are not so much the problem in itself but the mirror of our problems: an agricultural sector in crisis, document frauds and absurd laws.

The Maghrebis are not being employed anymore. Throughout the south they are working less and less. They generally do not accept less than 50 euro per day. And they are shocked by the 15-20 euro earned by workers from the east. Many go back home. Others end up in these landfill sites.

Florentina

Saveni, province of Botosani. One of the poorest areas in Romania. The news came through the Internet. This is how the Boaru family learnt that Florentina, 19 years old, had been killed in Calabria. The Italian killer had knifed her, cracked her skull, and put her disfigured body into a black plastic bag. After fastening it with ropes, he threw it in a creek near Rossano. Then he alerted the police with two phone calls, one with a cell phone registered as stolen from a Romanian, the other from a phone booth. The suspect is the man who allegedly had an affair with her, probably asking her to move in together.

²⁵

It's an episode that dates back to 2013, perhaps the most serious case in a cycle of violence that affected the entire Sibari Plain. For more than three months the disfigured body remained in the morgue. Blocked in Italy. Bureaucratic obstacles? Lack of money? A Romanian MP speaks of the "the undertaker's mafia" a local racket that doesn't spare migrants who meet a violent death²⁶. Florentina's brother had in the meantime been fired for rebelling against the exploitation by an Italian clothing firm in Botosani. This happens in the district that produces half of the clementines that are produced in Italy, in the Sibari Plain, province of Cosenza.

The operations against gang-mastering in Rosarno

Let's go back to Rosarno. Three more judicial operations, as well as the one mentioned in the traders' paragraph, have highlighted gang-mastering in the area. The first was the "Migrantes" operation started immediately after the uprising in 2010. Medium-sized firms were involved, one of which gave work to Ayiva, wounded during the events in January and reported by the media worldwide.²⁷

In 2013, the "Men at Work" investigation showed a group of gang-masters, usually living in Drosi, who used to go around the tent-city installed by the Ministry of the Interior to stock up on cheap labour.

The latest operation, called "Confine", was launched in June 2015 by the Public Prosecutor's office in Palmi. Entrepreneurs, brokers and two gang-masters, one from Mali and a Bulgarian, were arrested. They were responsible for recruiting workers to exploit. According to magistrates, the company that benefited from cheap labour was "ApoCalabria", paradoxically a farmers' cooperative. The workers earned just 0,50 euro per crate, with half of the compensation being given to the gang-master.

With regards to the "Migrantes" operation, the prosecutor at the time, Palmi Creazzo, told us: "The oranges went to the markets and the processing industry, just as if they'd been picked by non-exploited workers. Where's the difference?"²⁸. On top of this there is a specific feature in Calabria. While in other parts of Italy and even in the south there is a large area of "grey

²⁶ Ref. archive <http://www.terrelibere.org/tag/schiavonea/>

²⁷ See archive www.terrelibere.org/tag/rosarno

²⁸ Interview of 4th March 2013

labour” (formal contracts that do not correspond to the days actually worked), in the Rosarno Plain illegal work is the norm. No contracts, no national insurance contributions²⁹.

How gang-mastering works

The harvest is the only visible part of a complex mechanism. Low wages and gang-mastering produce degrading housing conditions. Ghettos are “photographable”, creating images and becoming the warning light of a dirty system. Gang-mastering is prompted by the need for a very flexible workforce, especially when the product is perishable (tomatoes, fruit, etc.). It becomes necessary to organize labour in teams and team leaders, who become the only interlocutors for payments and placement of workers in the fields. For an employer it is of course much easier to talk to a gang-master than to ten or twenty workers. The gang-masters can partner or replace cooperatives that are officially legal but that end up performing a similar function.

Gang-mastering during the harvest has long been acknowledged. Already seven years ago the Carabinieri captain in Rosarno explained the mechanism in an interview:

"In November 2008 we were engaged in an investigation into gang-mastering. A complex mechanism emerged, with several steps. In this case, the landowner was employing a cooperative to estimate the quantity of the product available in his property. At this stage, semi-professional people estimate the amount of fruit on the tree and multiply it by the number of plants. The owner is paid according to this estimate. Then a firm is contacted that, on the basis of a regular contract, agrees to provide the pickers. In this first stage, regular foreigner workers are also involved, but gang masters arrive for the following steps, in particular an Italian and a north African who has been in Italy for a long time, who provide cheap illegal labour. It's impossible to know to what extent this model is used, but it should be noted that illegality and exploitation coexist with absolutely regular steps"³⁰.

The larger companies usually use “cooperatives without land”, consisting of both Italians and foreigners. These are cooperatives which do not produce but which offer services such as

²⁹ Medu, Terra ingiusta – Rapporto sulle condizioni di vita e di lavoro dei braccianti stranieri in agricoltura, Roma 2015

³⁰ INTERV10

pruning, picking, etc. They are often reliable companies, but there are forms of disguised gang-mastering. Hidden behind a formal contract with the client company there can be illegal labour, cut pay packets and tax evasion. While medium producers use gang-masters, bigger companies prefer to employ official organizations.

INPS tables. You work, I take the money

One of the still unresolved issues is that of social insurance contributions. The relevant tables for labourers are surreal. Especially in agricultural towns in the south. Italians in their seventies systematically exceed 50 or 100 days of work (those sufficient to obtain government subsidies), vigorous Romanians in their twenties do not exceed five days of work, those necessary to avoid inspection.

Often illegal labour is replaced by "grey" labour. There is a contract, but only because the "employer" needs it as a shield for inspections. It is a mere formality and for the worker it is worthless paper. For the other party it is a guarantee that they will come out clean in the event of inspections. It is sufficient to mark up a few days work and no one can challenge it.

Now it is all out in the open. You can go to the National Social Insurance Agency internet site and download the tables of days worked for which contributions were paid³¹. To which the illegal work days are added. It is often a triple fraud. Sometimes a small employer does not pay the worker, does not pay the social insurance contributions and obtains unemployment subsidies as a fake labourer.

There is the risk that the proper benefits are even taken from those eligible for them. Above all there is a fiscal damage that affects the whole community, even those not employed in agriculture. "There are ten INPS inspectors for the whole province," the CGIL in Catania tells us. "Personal data tells us that in Paternò less than 300 Romanian workers were hired with less than 50 work days per year, compared to Italian workers who have an average of 116 days of work" claims the union³².

³¹ For instance see: <https://servizi2.inps.it/servizi/ElenchiAnnualiOTD/Default.aspx>

³² Esposito Flai Cgil alla Procura di Catania, *cit.*

Transport

Local transport is carried out by trucking companies often connected to the mafia.

Global transport by the containers that cross the world. Two opposites that produce distortions and paradoxes.

In Sicily, road transport accounts for a high percentage of the final price³³. With all the relevant implications. One of these is called Vincenzo Ercolano, who has been dominating the logistics sector in Catania for a long time. According to the magistrates, it's a weighty surname, closely linked to that of the Santapaola clan. With mafia pressures on customers and competitors, he has allegedly monopolized the market. Allying with the clans in Palermo and Agrigento he has allegedly set up new companies in which he has merged the businesses confiscated from his father, Giuseppe Ercolano³⁴. After the "Caronte" operation in May 2015, more assets were confiscated. An investment in maritime motorways has also emerged.

Again in the Catania area, there is the affair of the Riela Group, a big trucking enterprise entirely confiscated because of mafia contacts. In December 2012, six trucks for transporting citrus fruit in Italy and abroad belonging to Pannitteri were set on fire. Pannitteri is the most important citrus fruit trader in the province of Catania. The estimated damage came to over 400 thousand euro. This serious episode has still not been clearly explained³⁵. There is a similar situation in Calabria. The confiscation of assets in Rosarno enables us to reconstruct a real mafia orange supply chain, parallel to the official one. But with dangerous overlaps.

The sector absolutely dominated by clans is that of road transport. The companies of the clans are involved in processing fruit and vegetables, juice production, wholesale trade, road transport, supply of plastic crates and management of petrol pumps; they even owned citrus fruit assignment cooperatives.

The series of confiscations continues to this day: from land for obtaining government grants (by both Pesce and Bellocco clans) to supermarkets and industries linked to the agro-

³³ INTERV1

³⁴ <http://www.si24.it/2015/05/09/sequestrati-beni-per-23-milioni-a-un-boss-catanese-vincenzo-ercolano-era-stato-arrestato-a-novembre/90922/>

³⁵ <http://ilmattinodisicilia.it/2328-attentato-a-pannitteri-federica-argentati-a-crocetta-troppo-silenzio/>

industrial sector that have augmented the mafia galaxy over the years³⁶. "The mafia empire has squandered the agricultural economy in the Plain. The *'ndrangheta* has imposed its low prices on honest producers," Giuseppe Lavorato, former mayor of the town said years ago.

An investigation by the Naples DDA (Local Anti-Mafia Investigation Department) has brought to light the existence of a Camorra-Cosa Nostra axis to control the fruit and vegetable market and road transport in much of central and southern Italy. The Casalesi clan ran "La Paganese", an agency controlling all the transport of fruit and vegetables to the markets of Palermo, Trapani, Catania, Gela and Fondi. Sicilians obtained free access for their products in the Campania and Lazio markets, with a dominant position over other operators. In order to work, many small contractors and many small transport firms in Sicily, Campania and Calabria had to accept the Casalesi's control. According to investigators the pact between the Casalesi and Corleonesi clans was only possible with the permission of the Tripodo clan, originally from Reggio Calabria, present in the Fondi fruit and vegetable market since the seventies.

³⁶

<http://www.terrelibere.org/4334-rosarno-la-filiera-mafiosa-delle-arance-ecco-i-nomi-e-le-ditte/>

Fruit and Vegetable Markets

Fruit and vegetable markets are the natural alternative to large-scale distribution. Today they represent a big failure. Over and above the mafia presence, they are dominated by brokers and they even import goods from abroad.

Pistachios from Iran, almonds from California, French beans from Senegal, grapefruit from Israel. And every kind of fruit and vegetable from Spain. These are just some examples of the products that, together with Sicilian ones, end up in the Catania fruit and vegetable market. The prices are just slightly higher. The lowest price of Spanish clementines is 0.90 euro per kilo, the local ones can cost 0.50. The exceptions are kiwis from New Zealand (lowest price 2.20 euro) and grapes from South Africa, which are particularly expensive³⁷.

Fruit and vegetable markets are created as outlets for local products. They should supply small retailers and local markets. They are the main alternative to large-scale distribution. They often function badly. As we've seen they import from abroad. They are dominated by an exaggerated number of brokers. Transport –we're talking about perishable products - plays a leading role but is centred on road transport, with all the critical points we analysed in chapter 4.

Intermodality - synergy among different means of transport - is an often neglected aspect. It is not unusual to see vans racing up provincial Sicilian roads to deliver goods the following morning that can perish for a few hours delay. Magistrates have also often pointed out the presence of mafia enterprises, in particular the “*camorra*” and “*ndrangheta*” in the Fondi fruit and vegetable market, the biggest in Italy. In 2014, the “*ndranghetisti*” Carmelo and Venazio Tripodo, with their great influence on the local economy and the Fondi fruit and vegetable market, were finally sentenced.

In Vittoria, the main southern market, similar problems exist together with the domination of a few players. Small producers often have limited bargaining power. Experts point out that the future seems bleak for the fresh-produce market and it will never guarantee any

³⁷ Download the lists: http://www.maas.it/index.php?option=com_content&view=article&id=56&Itemid=101

significant income. The same does not apply to the processed food market which, especially in the south, is still underdeveloped.

The Juicers

The orange-juice factories are often in difficulty. Annihilated by the world trade in a low-cost product and by their incapacity to restructure. They have an ancient history but today they are often ghost sheds.

A packing list swapped with another. With a single gesture, 510 tons of Brazilian orange juice become Italian. Ready to be cut with the citrus fruit of Rosarno. Cut as is done with drugs. The investigation is being carried out by the National Forestry Corps and by the public prosecutor in Palmi³⁸. We are in the Gioia Tauro harbour. A huge hub where commodities coming from the east are stored on smaller ships that will go to European ports. Here all sorts of things have arrived over the years. From counterfeit shoes to cocaine hidden among marble blocks or bananas from Ecuador. There is no end to the traffickers' creativity. But surely a lot of imagination is needed to think that chemical juice – as we explain later- will “cut” the natural one. The problem of the “*biondo calabrese*” is the bitter aftertaste. A bitter taste is not accepted beyond a 13% threshold by the of specifications for soft drinks sold in supermarkets. The solution is an ordinary mixture.

“Brazilian juice arrives in the Plain in various ways, through containers or disembarked in harbours with less inspections, like Greek ones, and then continuing its route overland. Like snakes and ladders. It is the same route taken by the oil that arrives in Valencia and then goes to Italy on trucks. Gioia Tauro is still a trans-shipment harbour. In this way there is no customs inspection. The problem lies in the lack of crosschecks on the production of the juice”³⁹.

“Nowadays most companies mix local juice with imported juice. Other juice companies such as Conagri, Apoc and Itals have shut down. You just need a quick tour in or just outside town to see that all the sheds were close to rivers and streams. So highly polluted waste ended up in the sea”⁴⁰.

³⁸ Antonello Mangano, *Ghetto economy*, terrelibere.org, Roma 2014

³⁹ INTERV8

⁴⁰ INTERV11

There were a lot of juicers. Some historical, almost all with small factories. Tin and cement cubes among the green citrus trees or buildings hidden among the perforated bricks of unfinished blocks of flats. The same happens in Sicily: “much of the product that arrives in the port of Catania comes from Morocco, Egypt and Spain. Obviously at a lower price”⁴¹.

In 2012 consumer associations reported that 80% of the orange juice drunk in Europe comes from Brazil and the USA⁴². The situation has improved over the years, with an increasing drop in orange juice imports and recovery of exports⁴³. A local producer claims that “the price of concentrated juice is set at an international level. A minimum percentage is produced in Europe, from Italy and Spain. Brazil takes 70% - the Cutrale company alone owns 100 thousand hectares. The rest comes from the US, where they have created the Valencia orange as a select species for juice. Technically it is called NFC (Non Frozen Concentrate): pasteurized juice with an addition of sulphurous anhydride. FC (Frozen Concentrate) instead is drinkable; it has a supply chain similar to that of a municipal dairy. Blood orange juice is a quality pasteurized juice”⁴⁴.

“In Italy the average price of NFC is 0.7 euro per litre. The battle for a higher price for juice oranges is a rearguard one. The only chance is to differentiate the products or to create a quality product that cannot be found anywhere else. Something that is not substitutable with other products” is the opinion of a producer⁴⁵.

The blood orange is living proof of this. Just look on the maps published on the Coop websites. If we're talking about the blood orange, it comes from Italy, the others come from abroad⁴⁶. Probably the cultivation of a product that is not substitutable isn't a definite solution (considering that severe labour exploitation also occurs in the Catania area) but is simply the hypothesis for a more profitable economy, capable at a further stage of redistributing income.

41 INTERV1

42 Aduc, Succo di arancia. Per buona parte è americano. Attenzione ai fungicidi, www.aduc.it, 22 February 2012

43 Ismea, Succo di arancia: negli ultimi dieci anni è calato l'import, www.ismea.it, 20 January 2015

44 INTERV11

45 INTERV12

46 See: <http://www.e-coop.it/cooporigini?antiCache=1431864992417>

<http://www.e-coop.it/cooporigini?antiCache=1431864802222>

<http://www.e-coop.it/cooporigini?antiCache=1431864992417>

The Local Industries

Local industries not only package on behalf of others but trade their own brands. There are very few but they could be a significant alternative to the excessive power of multinationals and big chains.

What is the difference between a juice company and a local industry? The latter buys the product, processes, packages and trades it through its own brand. The juicer simply sells the juice to multinationals.

There is little to say about local processing industries. And this is the main problem. Everyone agrees that there has been a great missed opportunity. “In the area around Catania the output of the processing industry is 10%. The processed food market guarantees much more income than that of the fresh-produce market, which is a difficult sector even just because fresh fruit and vegetables decay rapidly”⁴⁷.

These type of industries, Sibat Tormarchio and Oranfrizer, are located in the area around Catania. The first has its hub in Acireale, the second in Scordia. Oranfrizer, as well as selling to Coop and Conad, exports to Japan, Korea, US, Europe and South Africa. A section of its website is in Japanese. Its main brands are Oranfrizer, Oranfruits, Solo di Sicilia and Bior. In 2014 it produced more than 22,485 tons. Among its many quality certifications is UNI 11020, meaning that Sicilian IGP blood oranges and citrus fruit are traceable.

The Sibeg case is anomalous in the southern survey. The Catania firm, despite running the Coca Cola brand (and thus producing Fanta orangeade), has good autonomy in trade and production. It also deals with events and sponsorships, supplies to supermarkets on the island, organizes promotions and competitions.

As well as the traditional Coca-Cola brands (Fanta, Sprite, etc.), it is the only authorized agent for its own brands in Sicily –for instance “Cappy Pulpy”, orange-flavoured soft drink with pulp, Nestlé’s Nestea and the Greek “Amita” fruit juices.

⁴⁷ Interv1

Large-scale distribution

Large-scale distribution buys from traders and big producers. It is a crucial step in the supply chain. It should state every step of the product that ends up on the counter on the label. And insist that it is all grown, picked, and packaged without exploitation.

The supply chain terminal is large-scale distribution. In other words, the supermarket where we find juice in a tin or fresh oranges. Supermarkets buy directly or indirectly from traders. Products often pass through big logistic platforms that - despite lengthening the commodities' route - guarantee lower costs.

The price increases considerably from the field to the counter. Simplifying, from 30 euro cents up to 2 euro. In the last step supermarkets often add the most consistent mark up. Sophisticated systems used by GDO (large-scale distribution) can make calculations that influence the quantity purchased, prices and discounts. If, for instance, at a certain time in previous years there has been a consistent sale of that product, a consistent purchase will be made. If there's a long bank holiday, people leaving will be likely to buy a certain range of food products. And so on. In this way the mark up becomes a complex variable and not just a simple figure added to the previous cost.

Coop is the most attentive to corporate social responsibility. We asked them a key question. What is your policy to ensure there is no exploitation and gang-mastering along the supply chain?

“In the past five years we have expelled seven farms from our distribution chain. Checks are made along the supply chain as a whole – in recent years over 1200 inspections - including with anonymous interviews with workers, in particular to check that work hours and salaries are respected. Despite this, the inspections carried out on the producers of the Coop supply chains have not highlighted any critical situations”⁴⁸.

Coop-origini.it is an interesting project concerning the provenance of the raw materials of the products sold over the counter. Unfortunately it is only possible to know the country of origin of the raw materials, certainly inadequate as information.

⁴⁸ INTERV17

The multinationals

Multinationals determine the price of orange juice and buy from the juice companies. What do they do to ensure that the products do not come from exploitation? Are they willing to make the supply chain transparent? For the first time Coca-Cola, the only one to do so, has published a list of its suppliers.

Orange juice in Italy is managed by an oligopoly. There are three main players:

- 1) Nestlé, multinational born in Switzerland, which produces San Pellegrino orangeade; in Italy it has its HQ in Milan.
- 2) Coca-Cola, one of the most famous brands worldwide, produces Fanta orangeade. The national HQ is in Sesto San Giovanni.
- 3) San Benedetto instead is an Italian brand and has its HQ in Scorzè, close to Venice.

Multinationals contribute to determine the price of orange juice and buy from the main “juicers” in each area. The juicers stock up from local producers, sometimes organized into O.P.

In 2012, the weekly magazine “The Ecologist” published an article⁴⁹ claiming that Coca-Cola used Rosarno oranges, probably picked under conditions of severe labour exploitation. Two years before the media had broadcast the Africans’ rebellion worldwide. The “juicer” which Coca-Cola used was the Branca firm, that has now shut down its Calabria branch. Local businesses have been for years been located in the city centre, within a radius of few hundred metres. “Rognetta” was a factory that worked for Coca-Cola. After it closed it became an abandoned ruin occupied by workers, especially those from north Africa, up to 2010, the year of the riots. At present the Biondo firm is the only one still operating in town.

We asked Coca-Cola some questions concerning their commitment against exploitation in agriculture. For the first time the multinational has disclosed the list of its local suppliers: ”They are all located in Sicily and they cover all the needs of the firm, using only Italian

⁴⁹ Andrew Wasley , Coca Cola challenged over orange harvest linked to 'exploitation and squalor', The Ecologist, http://www.theecologist.org/News/news_analysis/1257263/coca_cola_challenged_over_orange_harvest_linked_to_exploitation_and_squalor.html

juice”. Here is the list: Agrumi Gel S.r.l, Citrofood S.r.l, Ortogel S.p.a, Fratelli Branca S.r.l e Agrumaria Corleone S.p.A⁵⁰.

The firm “believes that a distinct public spirit is fundamental, in the long run, to be successful”. Concerning inspections, Coca-Cola “uses independent third parties to ensure compliance with the firm’s guiding principles, conducting sample checks on a continual basis”. By doing this you can even arrive at the cessation of a contract.

“We expect our suppliers to adopt and develop internal processes that guarantee full compliance with the firm’s guiding principles”, adds Coca-Cola. “In 2014 we further strengthened our controls on a global basis with regard to employment and use of migrant labourers”.

Finally, to the question about the reception of migrants in areas most at risk, Coca-Cola answers that it has contributed to the “Rosarno - Land of Integration and Legality” project, a multipurpose centre for foreigners which has been active for twelve months⁵¹.

The Coca-Cola Italian website seems one of most attentive to the social engagement of consumers, but much less to providing tangible indications about sustainability. The American corporate website dedicates a whole section⁵² to social issues, divided into three main areas: women, water, and wellbeing. There is a subsection on to human rights and labour. You can download the corporate policy on the subject and the guide for suppliers, as well as the sustainability report⁵³. The firm says it respects the United Nations principles on business and human rights.

The Italian version is called “Our Commitments” and lists a limited amount of information. Generally speaking, it is not possible to learn anything about the suppliers and the provenance of the raw materials.

Nestlè has not yet answered our questions about suppliers and transparency⁵⁴. In a previous interview it stated that in Calabria “there are ongoing business relations with three suppliers, one in the province of Catanzaro, and two in the province of Reggio, one of the two being in the Gioia Tauro Plain, though not in Rosarno”⁵⁵. Unlike Coca-Cola’s suppliers, names have not been given in accordance with the privacy law. Nestlè tells us to buy “only from the best

⁵⁰ Cristina Camilli, Public Affairs and Communication Manager, INTERV15

⁵¹ Cristina Camilli, Public Affairs and Communication Manager, INTERV15

⁵² <http://www.coca-colacompany.com/sustainability/>

⁵³ <http://assets.coca-colacompany.com/77/4c/2a44a5234a3ca65d449d174a0ded/2013-2014-coca-cola-sustainability-report-pdf.pdf>

⁵⁴ We sent an email and then a certified email on 11th June 2015. A telephone follow-up was unsuccessful.

⁵⁵ Interv16

firms in the world” to “keep high quality standards”. Sicily and Calabria thus hold a crucial position: “concentrated orange-juice supplies from Calabria amount to roughly 16% of the total purchased for the 2012/2013 campaign”⁵⁶.

How do we know that those products do not come from exploitation?

“The Sanpellegrino Group makes its suppliers comply to a strict code of conduct whilst carrying out their activities and reserves the right to terminate the contract should that specified within is not respected, that is the commitment to fully observe work regulations both for their own employees and for any subcontractors supplying the raw materials. The code specifies, inter alia, that the supplier’s employees must receive wages and benefits in conformity with current laws and legally binding collective contracts”.

Nestlé’s code of conduct for suppliers, which can be downloaded from the Internet,⁵⁷ is very strict concerning trade-union rights, “health and safety” work rules and forced labour. Unfortunately the firm does not think it appropriate to give the names of its suppliers and the provenance of the products.⁵⁸

Two crucial issues appear when comparing multinationals: social responsibility and transparency⁵⁹. The supply chain is complex and structured but this does not mean that the contractor’s responsibility finishes on the first level; it has to also involve the other steps, especially where exploitation lurks. Transparency can only become a benefit for businesses. Refusing to name suppliers raises the suspicion that there is something to hide. The example of Coca-Cola in publishing the list of its suppliers instead creates an important precedent.

⁵⁶ Interv16

⁵⁷ <http://www.nestle.com/asset-library/documents/library/documents/suppliers/supplier-code-italian.pdf>

⁵⁸ We sent an email and thus a PEC on 11th June 2015. A solicitation by phone led to no results

⁵⁹ Check “Conclusions and proposals”

Cliches

It's a job that Italians no longer do

“Agricultural work is something Italians don't want to do”. In many southern areas, instead, Italians still work in agriculture, even doing some of the most menial tasks such as olive picking. In Sicily many continue to pick oranges. And they would like to keep doing it. Unfortunately continuously falling wages (as low as 10 euro a day) remove them from the market. The confrontation is not between Italian and migrant labourers. The Maghrebis are also being gradually pushed out. Used to 50 euro wages, they don't accept anything less.

Workers from eastern Europe accept lower wages, connected to their type of migration: temporary, based on the departure of entire families and, ultimately, close to their places of origin.

During our research the contrast in the square of Paternò was visible. Italian and Arab workers left standing while workers from eastern Europe (whole families with children) are loaded on vans ready for the harvest. Exploitation does not come with migration and the solution is not to set Italian and foreign labour against each other, or to separate them. They are workers before they are migrants. Divisions only favour the exploiters.

They live like this back in their own country

“In Africa, they're used to this”. This is one of the most frequent comments by ignorant Italians when faced with ghettos, slums and rundown conditions. It becomes common to associate Africans with the shanty towns in rural Italy. And someone comes to the conclusion that Africans cannot live in ordinary apartments: ”Back in their country, they're used to this”. Nothing could be further from the truth. The cause is mistaken for the effect. Many lived in ordinary houses to which they returned after working in the factory. The impoverishment has been brutal. Migrant labourers have been the first to pay for the crisis. Theirs is first of all a workers' tragedy; farms are a horrific step backwards.

Paying workers proper wages increases the retail cost

Let's analyse the case of Catania. A kilo of oranges costs 0.65 euro in the Peschiera historic market; 1.33 euro at the supermarket downtown; in Rome, in another supermarket, the cost

rises to 2.10 euro. The entire problem lies in these numbers. Too many intermediaries, some perfectly useless. Inefficient transport. Mafia business. But the solution also lies in these numbers, that is the margin for cutting the parasitic income and giving what is right to the workers. And the consumer does not pay a cent more.

The pickers are illegal immigrants (or non-EU nationals)

Non-European migrants who work in southern farms can be divided into three categories: “refugees”, “workers” and “Neapolitans”. The first left after the “North African emergency” back in 2011 and kept on leaving. For years they have been going from reception centres to asylum applications and farm labour. They are literally stuck in Italian bureaucracy and blocked by European regulations. Many, if they could, would go to a country with better opportunities. The “workers”, those who used to have jobs in the factories up north and lived in ordinary apartments, were the first to have been affected by the crisis and to have looked for new work in agriculture. The third category consists of Africans who live in the Castel Volturno area (which they generically call “Naples”) and move seasonally for the harvests, but also to set up small businesses on the margins of the “ghettos”.

According to *Emergency*, in the Rosarno plain two out of three migrants have a residence permit and so they are eligible to stay. At this stage, the majority of foreign agricultural workers consists of refugees and European citizens, i.e. Bulgarians and Romanians.

We’re exploited ourselves, we can’t pay the workers

This is a cliché often used by the media. Small producers, questioned about the workers’ pay, say: “If we paid them more the oranges would remain on the trees”.

The fact that it’s not possible to pay more is untrue because there were also low wages at the time of the frauds against the EU budget. The “paper oranges, for instance, gave producers from Calabria high incomes – even if fraudulent; low wages exist also in the collection of kiwis, a more profitable cultivation than oranges; last but not least, even in Piemonte (Saluzzo and Canelli) there is severe labour exploitation, although these are rich economies.

So exploitation does not come from “need”, but from lack of counterweights. When the “boss” acts without controls he can impose what conditions he wants.

Conclusions and proposals

This report offers a new perspective on the complex problem of labour exploitation in agriculture. Because, although it's true that thousands of people are forced to suffer exploitation and are being paid starvation wages, it is also true that there is a supply chain that feeds off exploitation as a fertile soil in which to grow. It is precisely the supply chain that needs to be investigated if we want to find the causes and offer solutions.

As long as we only look at the exploitation fields and the tent-cities, as long as we're never shown where the picked products end up - that is if we don't connect the field to the table, the labourer to the consumer who eats the product - it will be difficult to find a solution to such a complex problem.

How many consumers would be willing to buy an orange, a tomato, a bottle of wine, a juice, a preserve, knowing they come from exploitation and slavery? Probably no one. But nobody today knows whether their food is the result of exploitation, if it's dirty.

What we have reconstructed is a long supply chain, too long with too many steps, needed to bring an orange from the tree to the supermarket. Steps, many of which handled and steered by big local traders, where the fruit is purchased off the tree, harvesting teams are organized, agreements are made with transport agencies and transactions are carried out with GDO and multinationals.

Steps in which every single link has to earn money, making the cost of a kilo of oranges in a Rome supermarket go up to 2.10⁶⁰ euro, of which just 0.03/0.06 euro goes to the agricultural worker.

Coming out of the emergency

An emergency is a critical moment that requires an immediate and urgent answer⁶¹, an exceptional situation which has to be tackled as such: as an exception to the rule. Nevertheless, “the refugee emergency” or the “illegal immigrants emergency” depending on how you want to call them, are never-ending emergencies that have been going on for years

⁶⁰ “La filiera sporca dei campi italiani”, Lorenzo Misuraca, Il Test, Giugno 2015

⁶¹ <http://www.treccani.it/vocabolario/emergenza/>

without interruption. They are false emergencies because they always have the same features. Known and foreseeable.

This is why we must stop tackling them as we have in the past, waiting for the harvest to talk about a new “humanitarian crisis”, because that “emergency” will happen again, every year.

To tackle exploitation as a structural issue, relating to both the industrial to the criminal economy, we have to find solutions that go beyond the emergency. This means investigating work conditions, transparency throughout the supply chain, asking ourselves about the agricultural model that needs to be built in the years to come.

A transparent supply chain to stop exploitation

Two missions in the field, one in the Gioia Tauro Plain, the other in the Catania area, years of investigative journalism, studying court cases, interviews with local players, contacting the large-scale distribution and big multinationals, examining the players’ balance sheets, documents and websites. We had to do all this to understand how the supply chain works, to be able to offer this reconstruction. A massive task to trace the information which consumers should be able to consult.

Does the supply chain have to be so opaque?

It is necessary to reduce the opaque areas this is where exploitation hides, in those grey areas that no one can see into.

Instead a transparent, limpid supply chain, where all the steps are clear to see, increases the responsibility of companies and suppliers along the supply chain and in relation to consumers, making exploitation uneconomic because more easy to trace, both by the controlling bodies and by the consumers themselves.

It is necessary to adopt regulations regarding clear labels, giving information not only about the origin of the product but also about individual suppliers (who are the suppliers, how many steps along the supply chain). A clear label that leads the consumer towards the right choice and that may reduce the chances that the single product has been picked by exploited labourers.

According to the results of the consultation issued by the Ministry of Agricultural and Forestry Policies⁶², 70% of citizens are in favour of transparent labels to know the origin of food products for ethical reasons (the use of illegal labour, underpaid labour, etc.). This is important in showing that citizens are aware of labour exploitation.

⁶² <https://www.politicheagricole.it/flex/cm/pages/ServeBLOB.php/L/IT/IDPagina/8123>

The consultation, under the “*Campolibero*” plan of the Competition Law (decree law 91/2014), was aimed at accelerating the implementation of a labelling law, in line with the new Community rules (provided by EU regulation n. 1169/2011), effective since 13th December 2014.

Rules that have something interesting to say but at the same time may affect product traceability and therefore the quality of what is traded in our country. Although these rules impose measures “not to mislead the consumer concerning the features, properties, or effects”, they also abolish the obligation to state on the labels the production factory (obligation specified by legislative decree 109 of 1992).

This is why it is necessary to acknowledge the possibility for Italy to make use of the “further provisions” established by EU regulation 1169/2011, article 39, for specific purposes, such as the protection of agricultural workers’ rights (both migrants and Italians), and thus including the possibility to trace individual suppliers.

On a national level there is lack of interdepartmental decrees for enforcing Law n° 4 of 3rd February 2011 “Provisions concerning labelling and quality of food products”, and on EU level Italy has been invited not to proceed, since Law n°4 is opposed to existing Community provisions and to further regulations under discussion and it still has to be seen if it is consistent with the recently approved Community provisions concerning meat labelling⁶³.

The value of agroindustrial production can only be protected through the promotion of quality, food traceability, more information for consumers and the respect of workers’ rights.

This is why the indication of the origin of a product is necessary but it is not enough in itself to guarantee the ethicality of the product. It is therefore necessary to oblige individual firms to disclose the suppliers of the entire supply chain by setting up a public register of suppliers.

The fact that Coca-Cola, in reply to our inquiries, discloses the names of its orange juice suppliers in Italy proves that, if there is good will, then the supply chain can be transparent, beginning from the individual suppliers. But a further step has to be made along the entire supply chain, by disclosing every supplier (not just the direct ones), because it is not enough

⁶³ <http://www.e-coop.it/web/guest/rapporto-origini-lancio>

to say that “we expect that our suppliers adopt and develop internal processes that guarantee the full compliance with the firm’s guiding principles”⁶⁴.

Along this line there is ASGI’s interesting proposal⁶⁵ in the “Terra Ingiusta” report by MEDU (Doctors for Human Rights), which suggests “widening the possibility of applying sanctions on all the employers constituting the supply chain, specifying a joint responsibility of contractors when they influence the organization of agricultural production”.

It is necessary to have a transparent supply chain not just for the protection and health of consumers and to safeguard the “*Made in Italy*” brand, but also as an answer to labour exploitation.

This is why we believe it is necessary:

- To oblige suppliers’ traceability and transparency by disclosing and making accessible the list of suppliers and firms in the supply chain.
- To possess a clear label that tells the consumer the provenance of the product as well as the individual suppliers (who they are, how many steps along the supply chain).
- To possess regulations that specify the joint responsibility of contractors.

Shortening the supply chain, towards a new production model

Free circulation of goods and the exponential growth of the sources of raw materials procurement, has caused further difficulties in the citrus market. This is an open system that, as such, is exposed to international competition and that currently risks being able to survive only thanks to labour exploitation. We must not forget that in Europe – including Italy - we import large quantities of orange juice from other countries. From Brazil, for instance – main exporter of juice - whose concentrated orange juice was blocked at the US border in 2012 because it contained traces of a fungicide – *carbendazim* - which exceeded the US limits. This fungicide, classified as toxic for reproduction⁶⁶, cannot be used in Italy for treating citrus trees, but through free trade agreements, such as those of the TTIP currently being negotiated between the US and EU, who can guarantee that the different regulations concerning pesticides in force in different countries do not lead to lowered standards?

⁶⁴ INTERV15

⁶⁵ Report Terraingiusta, MEDU: http://www.mediciperidiritiumani.org/pdf/SINTESI_MEDU_Aprile_2015.pdf

⁶⁶ <http://eur-lex.europa.eu/legal-content/IT/TXT/?uri=CELEX:32015R0408>

We are looking at a production system that risks collapse, crushed by international competition, capable of existing only by exploitation, that has been unable to make the most of O.Ps., the producer organizations, as links between the field and the shelf, thus reducing the steps of the supply chain and making it more transparent.

The other proposals

A complex problem can be solved by putting together different solutions. This is why the transparent label, the public list of suppliers and the strengthening of the supply chain are necessary solutions but not sufficient if they are not combined with those proposed by the many associations have been working along these lines over the past years (Flai/Cgil, Medu, Amnesty International).

- The congruousness index, i.e. a truthful relation between the field production and the labour employed
- The increase and the rationalization of controls and inspections
- The booking lists: workers enter their names on a public list at the start of the season and firms have to employ the necessary labour through those lists.

Only through the adoption of these wide-spectrum measures will it be possible to stop an unacceptable practise.

This is why we believe it is necessary for:

- a commitment of the **Ministry of Agricultural and Forestry Policies** and **Parliament** to adopt the necessary measures to obtain a transparent supply chain
- a commitment of the **large-scale distribution** and **multinationals** to disclose the list of all their suppliers.

In this year of Expo, we hope this is a challenge that companies and institutions want to face with determination.

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Who we are

terrelibere.org

terrelibere.org was born in 1999: it is one of the first Italian websites to have gathered and produced inquiries and researches. The issues are relations between North and South, mafia, migrations, economy and inequalities.

Terra!

Terra!Onlus is an environmental association that connects experiences, ideas, people, groups and associations who want to protect the environment and the local territory.

daSud

daSud is an anti-mafia association that promotes social progress. It was born in Calabria in 2005 to experiment social justice pathways, to develop rights as a tool to oppose the clans and to reconstruct the grassroots anti-mafia campaign. Its headquarters is in Rome.

Closing Credits

This report is edited by Antonello Mangano. Supervision by Fabio Ciconte. Contribution by Lorenzo Misuraca.

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With the contribution of Open Society Foundations

#FilieraSporca Synopsis

Romanian children picking oranges. Africans freezing to death in shanty towns and ghettos. In Sicily and Calabria harvesting has been taking place for years under circumstances of severe exploitation. The victims are – at different levels – migrant and Italian workers forced out of the labour market. A production model that is presented as a humanitarian emergency. The supply chain of citrus fruit is significant because beyond the façade of poverty, a badly distributed richness is hidden.

The #Filierasporca campaign - promoted by the associations Terra! Onlus, daSud and terrelibere.org- has reconstructed the path the fruit takes from the fields to the supermarkets shelves. The blood oranges of Mount Etna exported throughout the world, the “*biondo*” variety from Calabria mixed with Brazilian orange juice ends up in the cans of multinationals, clementines from Sibari sold over the counter throughout Italy.

The heart of the supply chain is a class of intermediaries that accumulates wealth, organizes the harvest through gang-masters and determines the price. It impoverishes small producers and buys their land. It causes poverty among migrants and denies them a respectable reception.

In the year of #Expo2015, #FilieraSporca suggests that supermarkets and multinationals take joint responsibility, answering for what happens even at the lower level of the supply chain. As well as regulations for transparent labelling, through a public list of suppliers, so that clear information allow consumers to choose “slavery free” products.

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The #Filiesporca campaign The heart of the supply chain is a class of intermediaries that accumulates wealth, organizes the harvest through gang-masters and determines the price. It impoverishes small producers and buys their land. It causes poverty among migrants and denies them a respectable reception.

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www.filiesporca.org

www.facebook.com/filiesporca