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SLIPPERY BUSINESS

The trade in adulterated olive oil.

by Tom Mueller AUGUST 13, 2007



“Fraud is so widespread that few growers can make an honest living,” one expert says.

On August 10, 1991, a rusty tanker called the *Mazal II* docked at the industrial port of Ordu, in Turkey, and pumped twenty-two hundred tons of hazelnut oil into its hold. The ship then embarked on a meandering voyage through the Mediterranean and the North Sea. By September 21st, when the *Mazal II* reached Barletta, a port in Puglia, in southern Italy, its cargo had become, on the ship’s official documents, Greek olive oil. It slipped through customs, possibly with the connivance of an official, was piped into tanker trucks, and was delivered to the refinery of Riolio, an Italian olive-oil producer based in Barletta. There it was sold—in some instances blended with real olive oil—to Riolio customers.

Between August and November of 1991, the *Mazal II* and another tanker, the *Katerina T.*, delivered nearly ten thousand tons of Turkish hazelnut oil and Argentinean sunflower-seed oil to Riolio, all identified as Greek olive oil. Riolio’s owner, Domenico Ribatti, grew rich from the bogus oil, assembling substantial real-estate holdings, including a former department store in Bari. He bribed two officials, one with cash, the other with cartons of olive oil, and made trips to Rome, where he stayed at the Grand Hotel, and met with other unscrupulous olive-oil producers from Italy and abroad. As one of Italy’s leading importers of olive oil,

Ribatti's company was a member of ASSITOL, the country's powerful olive-oil trade association, and Ribatti had enough clout in Rome to ask a favor—preferential treatment of an associate's nephew, who was seeking admission to a military officers' school—of a high-ranking official at the Finance Ministry, a fellow-*pugliese*.

However, by early 1992 Ribatti and his associates were under investigation by the Guardia di Finanza, the Finance Ministry's military-police force. One officer, wearing a miniature video camera on his tie, posed as a waiter at a lunch hosted by Ribatti at the Grand Hotel. Others, eavesdropping on telephone calls among Riolio executives, heard the rustle of bribe money being counted out. During the next two years, the Guardia di Finanza team, working closely with agents of the European Union's anti-fraud office, pieced together the details of Ribatti's crime, identifying Swiss bank accounts and Caribbean shell companies that Ribatti had used to buy the ersatz olive oil. The investigators discovered that seed and hazelnut oil had reached Riolio's refinery by tanker truck and by train, as well as by ship, and they found stocks of hazelnut oil waiting in Rotterdam for delivery to Riolio and other olive-oil companies.

The investigators also discovered where Ribatti's adulterated oil had gone: to some of the largest producers of Italian olive oil, among them Nestlé, Unilever, Bertolli, and Oleifici Fasanese, who sold it to consumers as olive oil, and collected about twelve million dollars in E.U. subsidies intended to support the olive-oil industry. (These companies claimed that they had been swindled by Ribatti, and prosecutors were unable to prove complicity on their part.)

In 1997 and 1998, olive oil was the most adulterated agricultural product in the European Union, prompting the E.U.'s anti-fraud office to establish an olive-oil task force. ("Profits were comparable to cocaine trafficking, with none of the risks," one investigator told me.) The E.U. also began phasing out subsidies for olive-oil producers and bottlers, in an effort to reduce crime, and after a few years it disbanded the task force. Yet fraud remains a major international problem: olive oil is far more valuable than most other vegetable oils, but it is costly and time-consuming to produce—and surprisingly easy to doctor. Adulteration is especially common in Italy, the world's leading importer, consumer, and exporter of olive oil. (For the past ten years, Spain has produced more oil than Italy, but much of it is shipped to Italy for packaging and is sold, legally, as Italian oil.) "The vast majority of frauds uncovered in the food-and-beverage sector involve this product," Colonel Leopoldo Maria De Filippi, the commander for the northern half of Italy of the N.A.S. Carabinieri, an anti-adulteration group run under the auspices of the Ministry of Health, told me.

In Puglia, which produces about forty per cent of Italy's olives, growers have been in a near-constant state of crisis for more than a decade. "Thousands of olive-oil producers are victims of this 'drugged' market," Antonio Barile, the president of the Puglia chapter of a major farmers' union, told me, referring to illegal importations of seed oils and cheap olive oil from outside the E.U., which undercut local farmers. Instead of supporting small growers who make distinctive, premium oils, the Italian government has consistently encouraged quantity over quality, to the benefit of large companies that sell bulk oil. It has not implemented a national plan for oil production, has employed a byzantine system for distributing agricultural subsidies, and has often failed to enforce Italian laws and E.U. regulations intended to prevent fraud. The government has been so lax in pursuing some oil crimes that it can seem complicit. In 2000, the European Court of Auditors reported that Italy was responsible for eighty-seven per cent of misappropriated E.U. subsidies to olive-oil bottlers in the preceding fifteen years, and that the government had recovered only a fraction of the money.

Paolo De Castro, who was appointed Italy's agriculture minister in 2006, told me that olive-oil fraud has been a problem in the past but that he was taking action to curb it. "In the past few years, we have tightened

things up a lot, through our Inspectorate for Quality Control, and through our *carabinieri* corps,” he said. One problem is that Italian officials charged with detecting adulterated oil can, in theory, be held liable for their actions. “Who’s going to take this responsibility?” asked Lanfranco Conte, a professor of food chemistry at the University of Udine, who in the early nineties was the head of a laboratory belonging to the Agriculture Ministry’s anti-fraud unit. “If you decide to block three thousand tons of oil and it turns out you were wrong, you pay out of your own pocket.” Colonel De Filippi acknowledged that some companies are essentially immune to investigation. “Unfortunately, there are big producers who have strong political ties,” he said.

The olive is a drupe, or stone fruit, like a plum or a cherry. Most vegetable oils are extracted in a refinery from seeds or nuts, using solvents, heat, and intense pressure; the best olive oils are made using a simple hydraulic press or centrifuge—they are more like fresh-squeezed fruit juices than like industrial fats. The olives are harvested at the moment of the *invaiaatura*, when they begin to turn from green to black; ideally they are picked by hand and milled within hours, to minimize oxidation and enzymatic reactions, which leave unpleasant tastes and odors in the oil. There are approximately seven hundred olive varieties, or cultivars, whose distinctive tastes and aromas are evident in oils that are made properly, just as different grape varieties are expressed in fine wines.

In the past decade, olive-oil consumption has risen thirty-five per cent in southern Europe, its traditional market, and more than a hundred per cent in North America. Much of the growth is due to the increasing prestige of the highest-quality olive oil, extra-virgin. (The European Union also recognizes several inferior grades, including virgin and *lampante*, or “lamp oil,” which is made from olives that have spoiled and fallen from trees, and cannot legally be sold as food.) In Italy, where most olive oil is labelled “extra-virgin,” competitions, public tastings, and “oil bars” have proliferated.

According to E.U. law, extra-virgin oil must be made exclusively by physical means (by a press or a centrifuge) and meet thirty-two chemical requirements, including having “free acidity” of no more than 0.8 per cent. (In olive oil, free acidity is an indicator of decomposition.) Virgin oil, the next grade lower, must have free acidity of no more than two per cent. Oil that has a greater percentage of free acidity is classified as *lampante*.

Most olive-oil frauds are easy to detect using chemical tests. In February, 2005, the N.A.S. Carabinieri broke up a criminal ring operating in several regions of Italy, and confiscated a hundred thousand litres of fake olive oil, with a street value of six million euros (about eight million dollars). The ring, which allegedly sold its products in northern Italy and in Germany, is accused of coloring low-grade soy oil and canola oil with industrial chlorophyll, flavoring it with beta-carotene, and packaging it as extra-virgin olive oil in tins and bottles emblazoned with pictures of Italian flags or Mt. Vesuvius, and with folksy names of imaginary producers—the Farmhouse, the Ancient Millstones.

More sophisticated scams, like Domenico Ribatti’s, typically take place at high-tech refineries, where the oil is doctored with substances like hazelnut oil and deodorized *lampante* olive oil, which are extremely difficult to detect by chemical analysis. In 1991, the E.U., recognizing that laboratory tests fail to expose many acts of adulteration, instituted strict taste and aroma requirements for each grade of olive oil and established tasting panels, certified by the International Olive Oil Council, an office created by the United Nations, to enforce them. According to the E.U. regulations, extra-virgin oil must have appreciable levels of pepperiness, bitterness, and fruitiness, and must be free of sixteen official taste flaws, which include “musty,” “fusty,”

“cucumber,” and “grubby.” “If there’s one defect, it’s not extra-virgin olive oil—*basta*, end of story,” Flavio Zaramella, the president of the *Corporazione Mastri Oleari*, in Milan, one of the most respected private olive-oil associations, told me.

Zaramella, a garrulous sixty-six-year-old former businessman, has made oil from olives grown on his small farm in Umbria since 1985. He began to study olive oil systematically when he found that the local farmer who tended his trees had been cutting his oil with sun-flower-seed oil. “Fraud is so widespread that few growers can make an honest living,” he told me. Four recent operations for abdominal cancer have left him gaunt, but Zaramella still has plump, mobile hands and speaks in a mellow baritone. On a wall in his office is a map of Somalia, where, in 1987, as the head of a humanitarian-aid project, he supervised the construction of a high-tech hospital in Baraawe, a city on the Indian Ocean. “I got everyone working together: Communists, Catholic priests, Muslims, professors, illiterates, anyone with the will to get things done,” he recalled. Two months after the hospital was completed, it was destroyed in the civil war. “Generosity is the purest form of egotism,” he said.

Zaramella became the president of *Mastri Oleari* in 2000, and is devoting his remaining years to redeeming extra-virgin olive oil from fraud. He calls his fight for olive-oil quality a “civic responsibility,” both to consumers and to the many small producers who struggle to make a living in a market awash in cheap, counterfeit oil.

One morning last October, the *Mastri Oleari*’s olive-oil tasting panel—six men and three women—conducted a test of five premium oils, all known to be extra-virgin. The test was a training exercise, one of about twenty that the panelists perform each year to keep their tasting skills sharp. (The panel, along with nineteen others in Italy, recently lost its E.U. accreditation, after the International Olive Oil Council suffered budget cuts and decided that it would no longer certify panels run by private institutions.) The *Mastri Oleari*’s tasting room consisted of eight cubicles, which isolate panel members to prevent them from influencing one another’s judgments. (The panel leader, who coordinates the team, often does not taste the oils.) Each cubicle contained a sink, several tulip-shaped tasting glasses with lids to trap aromas, and a yogurt-maker with a thermostat, used to warm the glasses to twenty-eight degrees Celsius, the temperature at which the aromatic substances in the oil are volatilized, making it optimum for tasting.

By 10 A.M., the panel members had arrived, grumbling about having been deprived of their morning coffee and cigarettes, which are forbidden before a tasting, because they dull the senses. The group included, in addition to Zaramella, a thirty-three-year-old olive miller from Lake Garda and a forty-seven-year-old Tuscan marquess who worked as a personal motivation coach. After Zaramella’s assistant had poured the oil samples into the tulip glasses and warmed them, the panelists entered their cubicles. Cradling the glasses containing the first sample in their palms to keep the oil warm, they removed the lids, inserted their noses, and snuffled loudly, some closing their eyes. They sipped the oil, and began sucking in air violently, a technique known as *strippaggio*, which coats the taste buds with oil and helps its aromas ascend to the nasal passages. After the first volcanic slurps, the *strippaggi* grew softer and more meditative, and took on personal notes, the marquess’s wheezy and almost wistful, Zaramella’s deep and wet, as if he were gargling Epsom salts.

The tasters remained in their cubicles for the next hour, snuffling and slurping, and periodically cleansing their palates with mineral water. After sampling each oil, they rated its tastes, aromas, texture, and other characteristics on a scoring sheet. The panel’s leader, Alfredo Mancianti, collated the sheets, and assigned a score to each oil based on the tasters’ judgments. The *Mastri Oleari* panelists were remarkably consistent,

agreeing not only on the subtle flavors—artichoke, fresh-cut grass, green tomato, kiwi—suggested by the oils but also on their intensity.

Even the most creative criminals have difficulty outwitting a properly trained tasting panel. “It’s like a machine,” Zaramella told me. “When I see that the oil is peppery, bitter, and smells of olives, rest assured that everything else is automatic.” And yet, according to Zaramella, Italian authorities rarely perform panel tests, and almost never on oil before it is sold. When oil fails a taste test, producers often successfully appeal the verdict by arguing that the samples were incorrectly collected or stored, or they secure a favorable judgment from a more permissive panel. In Italy, eight of the nine remaining panels of record—those empowered to pronounce legally binding opinions on olive-oil quality—belong to national government agencies. The only panel of record that does not belong to a national body, in Florence, curtailed its taste-testing activities in 2004, after it and two other local panels determined that extra-virgin oils made by Carapelli, Bertolli, Rubino, and other leading Italian brands were in fact virgin or *lampante*, and one of the panels was sued by Carapelli. (A Florence court threw out the case.)

Olive-oil fraud was already common in antiquity. Galen tells of unscrupulous oil merchants who mixed high-quality olive oil with cheaper substances like lard, and Apicius provides a recipe for turning cheap Spanish oil into prized oil from Istria using minced herbs and roots. The Greeks and the Romans used olive oil as food, soap, lotion, fuel for lamps and furnaces, a base for perfumes, and a cure for heart ailments, stomach aches, hair loss, and excessive perspiration. They also considered it a sacred substance; cult statues, like the effigy of Zeus at Olympia, were rubbed regularly with oil. People who bathed or exercised in Greek gymnasiums anointed their bodies as well, using oils that were scented with pressed flowers and roots. Some scholars link the central place of olive oil in Greek sports, which were performed in the nude, with the rise of bronze statuary in the sixth century B.C. “A tanned athlete, shining in the summer sun, covered with oil, would really resemble a statue of the gods,” Nigel Kennell, a specialist in ancient history at the American School of Classical Studies at Athens, said. Belief in the sacred, health-giving properties of olive oil continued in Judaism, Christianity, and Islam. “Christ” is from the Greek *christos*, meaning “the anointed one”—anointed with olive oil.

By the first century A.D., olives were a cash crop in the Roman Empire; in some regions, per-capita consumption of olive oil was as much as fifty litres a year. “People were prepared to spend the same amount of money on olive oil back then as they do on petroleum today,” Kennell said. “And governments went to great lengths to insure a steady supply of it.” The family of Septimius Severus, who was emperor from 193 to 211, grew rich on oil in Leptis Magna, a city in the Tripolitania region of North Africa (now Libya). “I’ve always thought of him as somewhat parallel to an oil sheikh,” David Mattingly, a professor of Roman archeology at the University of Leicester who studies Roman olive cultivation, told me. Severus introduced the first regular free distribution of olive oil in Rome—what might be called the bread-and-circuses-and-olive-oil approach to wooing the masses. The emperors Trajan and Hadrian were from the Baetica region of southern Spain (now Andalusia), and their accession triggered a boom in Baetica olive-oil exports. So much Baetica oil was sent to Rome that the amphorae in which it was transported, disposed of at a dump at the southeastern edge of the city, grew to a hill fifty metres high, known today as Monte Testaccio, or Mt. Potsherd.

The amphorae show evidence of extensive anti-fraud measures: each was painted with the exact weight of oil it contained, along with the name of the farm where the olives were pressed, the merchant who shipped the

oil, and the official who verified this information before shipment. Reverse checks were presumably performed at Monte Testaccio when the amphorae were emptied, to confirm that the weight and quality had not changed during shipment. “The biggest danger was that merchants would substitute an inferior product en route, and the explicit labelling of goods was clearly designed to counter this,” Mattingly said.

In other words, the ancient Romans anticipated fraud of the kind perpetrated by Domenico Ribatti, and took more effective steps to prevent it than Italians do today. In April, Paolo De Castro, the agriculture minister, announced that the government had investigated seven hundred and eighty-seven olive-oil producers and found that two hundred and five were guilty of adulteration, false labelling, and other infractions. Yet it will be years before the cases are adjudicated, and most of the alleged violations are unlikely to result in substantial fines or jail sentences. De Castro has also proposed legislation that would require bottlers of extra-virgin and virgin oil to declare on their labels the oil’s country or countries of origin. But many observers believe that the legislation, known as the “Made in Italy” decree, contradicts existing E.U. regulations and will be struck down. “This decree is nothing but a cunning trick intended to pass back through the window what the E.U. has already tossed out the door,” Giorgio Fontana, a lawyer who has studied olive-oil legislation, says.

In March, 1993, Domenico Ribatti was arrested, along with his chief chemist and three other accomplices, and charged with contraband, fraud against the European Union, operating a criminal network, and other crimes. During an extended legal battle, he insisted that he had been defrauded by his suppliers—Caribbean shell companies that had sold Riolio hazelnut oil instead of olive oil. But when Pascal Brugger, a Swiss financier who managed these companies, turned state’s evidence, and revealed that Ribatti himself controlled them, his defense collapsed. In the end, Ribatti plea-bargained a thirteen-month prison term. (Ribatti, who has since left the olive-oil business, denied that he had committed any crimes. “I was just the scapegoat,” he told me.)

Leonardo Colavita, the president of ASSITOL, the olive-oil trade association, and the owner of Colavita, the olive-oil company, told me that the group’s policy is to expel member companies that are accused of illegal activity, so that, as he put it, “no one can attack us, no one can say, ‘You have criminals in your organization!’” According to Colavita, when Ribatti resigned from the organization he said, “If I leave, everybody’s got to leave.” Using the diminutive of Ribatti’s name, Colavita said, “Mim-mo Ribatti was a gentleman, because he didn’t name names. If he had named names, a lot of folks would have gone to jail.”

While investigating Ribatti, the E.U. anti-fraud team discovered that the two tankers he had used had also transported contraband olive oil to the port of Monopoli, in Puglia. The team traced the oil to an acquaintance of Ribatti’s named Leonardo Marseglia, the managing director of an olive-oil and vegetable-oil company in Monopoli. The company, now called Casa Olearia Italiana, became one of the leading olive-oil importers in Europe and owns one of the largest edible-oil refineries in the world.

In 1994, eighty agents from the Guardia di Finanza raided Casa Olearia and seized documents detailing four illegal shipments of oil involving the Mazal II and the Katerina T. In July, 1996, an arrest warrant was issued for Marseglia and sixteen business associates, on charges that included contraband, E.U. tax fraud, and operating a criminal network. Three weeks later, Marseglia, accompanied by his lawyer, surrendered to the authorities and was jailed. Prosecutors accused him of importing Tunisian olive oil falsely identified as a product of Europe, thus evading the duty imposed on non-European goods, and of illegally receiving E.U.

olive-oil subsidies when, later, he sold the oil. Domenico Seccia, the prosecutor in the case, who also prosecuted Ribatti, believes that Marseglia taught Ribatti the criminal techniques for which Ribatti was eventually convicted. “Ribatti inherited from Marseglia all the methods and procedures of the fraud,” Seccia told me. “The Marseglia case is identical to Ribatti’s.”

In a ruling on January 13, 1997, Italy’s Supreme Court noted that the magistrate who authorized the arrests of Marseglia and his associates had “amply demonstrated, with documentary evidence, that the product unloaded in Monopoli was extra-EC olive oil from Tunisia, free from import tariffs, which was subsequently made to appear to be Italian olive oil using false sales transactions, resulting in serious EC fraud.” The court also noted that the magistrate had ordered the men’s arrests because of what he considered “the concrete risk that similar activities would be repeated,” and because of the “criminal character of the defendants.” Nonetheless, after years of judicial wrangling, the prosecutors were unable to win convictions, and the charges against Marseglia and his associates were dismissed in 2004, when the statute of limitations in their cases expired.

Last December, I travelled to Monopoli to visit Marseglia at Casa Olearia. Driving south from the airport in Bari, I followed the coastal highway through ancient olive groves, where the trees are of the local *ogliarola* cultivar, some of them nearly a thousand years old. Since 1994, Antonio Barile, the farmers’-union president, has led tens of thousands of olive farmers in blockades of the ports of Monopoli and Bari, where many tankers carrying oil arrive. Barile said that some oil shipments entering Italy with government approval are in violation of European law, which allows oil to be imported from countries outside the E.U. when local supplies cannot meet demand. So much of this cheaper foreign oil enters the local market that, for example, according to investigators at the Guardia di Finanza, only one per cent of the oil made in Puglia during the 2003-04 harvest and intended for sale in Italy actually sold at a profit for local producers.

At Monopoli, the highway skirts the Casa Olearia plant: stainless-steel silos, office buildings, smokestacks, and warehouses set, incongruously, in a grove of huge olive trees. Since Marseglia bought the complex, in 1981, it has grown fifteenfold; in 2005, the company processed about a million tons of olive oil and vegetable oils. The Italian press has called Marseglia, who began his career driving a delivery truck for his family’s olive-oil company, the “baron of extra-virgin.” Nonetheless, last year Marseglia left the olive-oil business to concentrate on making biodiesel fuels and electricity. In these fields, he told me, the authorities “break your balls less.”

Marseglia is sixty-one, and has the powerful frame, thick neck, and heavy-lidded eyes of an aging prizefighter. Despite a habit of referring to himself in the first-person plural, he is disarmingly informal; he prodded my arm companionably from time to time to emphasize a point. I asked him whether he was guilty of any of the crimes with which he had been charged. “We have never been convicted of anything up to this point,” he replied. “Therefore we don’t think there’s anything to add. We have suffered trials, and we have been acquitted because the events did not take place.” He added that he had earned the resentment of local farmers by importing foreign olive oil, which is necessary, he insisted, not only to satisfy Italy’s internal demand but also to bolster the shoddy quality of some of the local *pugliese* oil. “You have to import six hundred thousand to seven hundred thousand tons a year,” he said. “And since we imported a lot, to make blends to save many bad, smelly local oils, people basically saw it as an affront.” (Marseglia denied that he has ever adulterated his olive oil with other vegetable oils.)

Marseglia estimated that ninety per cent of oil sold in Italy as extra-virgin isn't of premium grade. "It's anything but extra-virgin, the oil we have here," he said. He did not seem to think that this was a problem. "First of all, let's give people good oil," he said. "Then the excellent—all the extraordinary stuff at forty or fifty euros a kilo, which a few idiots in the world can afford—we'll think about that later, no?" He told me that his family uses ordinary oil: "For us, the concept of 'good' is enough. We want to be average folks."

Over lunch in the Casa Olearia canteen, Marseglia showed me what he meant by good oil. Techniques like *strippaggio* are "all hot air," he said. "Tasting a plate of pasta is easy. Tasting a glass of wine is easy. Tasting a piece of fruit is easy. Tasting oil is the same. It has to have the same pleasurable tastes. If it has an unpleasant one, it's not good—that's pretty simple. They say you need a lot of knowledge to understand it, because they want to make the subject seem more intellectual."

He reached across the table for a bottle of Giusto, his company's supermarket label, unscrewed the cap, and pointed it at me. "Smell this. Does it smell good, or stink?"

It smelled good: a tart, intensely green fragrance that I'd come to associate with *coratina*, a popular olive cultivar in Puglia.

Marseglia brought the bottle to his lips and tipped in two big glugs. "So you put it in your mouth, right?" he said thickly, through the oil. "Either it's disgusting, and you spit it in somebody's face, or it's good." The sign of a good oil, he went on, is the *bocca bella* ("pretty mouth"), the pleasant taste and sensation that remains in the mouth after you've swallowed the oil.

Marseglia passed me the bottle. "Now you taste it, without doing what those other guys do," he said. "Pretend you're eating a candy, something good. Then we'll see how it leaves your mouth." He watched my face intently as I swallowed the oil, then nodded, satisfied. "Tasting things is simple," he said.

In January, Marseglia was arraigned on charges relating to another olive-oil crime, this one involving the United States. According to documents compiled by investigators of the Guardia di Finanza, between 1998 and 2004 Casa Olearia evaded more than twenty-two million euros (about thirty million dollars) in E.U. duties by illegally importing seventeen thousand tons of Turkish and Tunisian olive oil, apparently with the cooperation of Italian customs officials. E.U. law allows non-European companies to ship oil duty-free to Italy for processing by an Italian company; however, investigators say that AgriAmerica, the American firm that Casa Olearia claims imported the oil, was a shell company created by Marseglia in order to evade customs duties. The oil was processed in the Casa Olearia laboratories, where investigators suspect that it was mixed with other vegetable oils, though they have been unable to prove this. Some of the oil was bought by Italian companies, but the bulk was shipped to distributors in the United States, who sold it as Italian olive oil.

The American market, which is worth about one and a half billion dollars, is the largest outside Europe, and is growing at a rate of ten per cent a year. Yet the Food and Drug Administration considers olive-oil fraud a relatively rare problem and does not routinely test oils for adulteration. Instead, the agency relies on major producers and trade groups, like the North American Olive Oil Association—whose members include several companies that also belong to ASSITOL—to alert it to suspicious products. With the industry acting as a watchdog, Martin Stutsman, a specialist in adulterated food at the F.D.A., told me, "you don't waste your resources on surveys that are likely to make somebody comfortable but that don't do much toward protecting the public health."

In February, 2006, federal marshals seized about sixty-one thousand litres of what was supposedly extra-virgin olive oil and twenty-six thousand litres of a lower-grade olive oil from a New Jersey warehouse. Some of the oil, which consisted almost entirely of soybean oil, was destined for a company called Krinos Foods, a member of the North American Olive Oil Association. Krinos blamed the fraud on its supplier, DMK Global Marketing, which in turn blamed the Italian bottlers from whom it had bought the oil. The marshals destroyed the oil, but no criminal charges were brought against Krinos or any other companies. “My experience over a period of some fifty years suggests that we can always expect adulteration and mislabelling of olive-oil products in the absence of surveillance by official sources,” David Firestone, an F.D.A. chemist who was the agency’s olive-oil specialist from the mid-sixties to 1999, told me.

In September, Marseglia and five associates will be tried at a closed hearing in Puglia for their role in the AgriAmerica case. They have been charged with forming a criminal network for the purpose of committing contraband, but an investigator familiar with the case says that Marseglia is unlikely to be convicted. “He has protection at the highest levels, from right to left across the political spectrum,” the investigator told me. (Marseglia, citing the ongoing nature of the case, declined to comment on the charges against him but said that he expected to be found innocent, as he had been in previous investigations.)

Casa Olearia remains a member of ASSITOL, which has considerable influence in both Rome and Brussels. The Italian government’s Technical Commission of Oils and Fats, a group that helps draft olive-oil regulations, includes several heads of laboratories belonging to ASSITOL members; its chair is Enrico Tiscornia, a longtime scientific consultant to ASSITOL, who also serves on an analogous board in Brussels. Moreover, ASSITOL recently collaborated with the Italian Ministry of Agriculture on a proposal to create a “Mediterranean Axis of Olive Oil,” which a 2004 government document described as “an informal cartel of international dimensions among olive-oil producers.” According to Colavita, ASSITOL’s president, the project was initiated by Gio-vanni Alemanno, the agriculture minister from 2001 to 2006, and would be financed by the Italian government. The goal, he said, was to expand olive-oil production in Syria, Morocco, Turkey, and other southern Mediterranean countries outside the E.U., and to facilitate the sale of the oil in Italy, using a duty-free storage facility in a southern Italian port.

Paolo De Castro, who replaced Alemanno as agriculture minister last year, told me that he was unfamiliar with the project. But when I described it to him he said that he supported its aims. “We have to avoid distortions, not place limits on business,” he told me. “The important thing is that people don’t act like wise guys, and that this Tunisian oil doesn’t become extra-virgin olive oil from Puglia. Now, this is quite a little problem, eh?” De Castro added that his “Made in Italy” decree, which would require distributors to declare the provenance of their oil on labels, would prevent them from misleading the public. “You write it, and there’s no problem,” he said.

Leonardo Marseglia dismissed the notion that such a measure could be effective. “Oil doesn’t have an identity card; it just goes,” he said. “When someone has two silos of oil, one Italian and the other foreign, you just have to switch them: the other one becomes Italian oil, this one becomes foreign.” Noting that oils labelled “Made in Italy” sell for more than other oils, Marseglia said that De Castro’s legislation would only inspire more fraud. “So what’s going to happen? They’ll do another swindle, and behind the mask of ‘Made in Italy’

there's foreign oil labelled 'Made in Italy.' ” Leonardo Colavita is equally skeptical: “I say that a criminal ought to make the law, because the criminal knows how to outwit the law.” ♦

ILLUSTRATION: JOOST SWARTE