

“The Sicilian Mafia”

Twenty Years After Publication

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doi: 10.2383/35869

The Sicilian Mafia was originally written in English, and published by Harvard University in 1993 (the publisher Einaudi was faster and the book came out first in Italian translation, in late 1992). It has since been translated into German (1994), Spanish (2007) and Polish (2009). The time may be ripe for examining the impact the book has had so far, but first I would like to say a few words about the origins of this study.

My interest in the mafia stems partly from my biography. Having been born and raised in the northern Italian city of Turin, and having spent most of my professional life in England, the Sicilian mafia was not just geographically distant, but as culturally alien to me as it is to a Scandinavian. Still, like it or not, it was part of my country of origin: as the social phenomenon that was at once closest to “home” and about which I understood the least, making sense of the mafia proved an irresistible challenge.

My interest in the mafia has also another source. In the mid-1980s, I became absorbed by arguably the most enduring empirical puzzle in development economics: why has the South of Italy manifested such a persistent inability to develop both socially and economically? In the South – especially in the Tyrrhenian regions of Campania, Calabria, and Sicily – three unfortunate states of affairs have coexisted for a long time: people do not often cooperate when it would be beneficial for them to do so; they often compete in harmful ways and consider violence never too remote an option for settling their controversies; finally, they refrain from engaging from that kind of competition from which they could all gain. While there are other parts of the

world cursed by a similar situation, the Southern Italian puzzle becomes a lot more intense once we consider that the South is part of a country that has otherwise grown rapidly and successfully after the Second World War to become one of the world's richest nations. The close proximity with the rest of Italy should have offered plenty of opportunities for the South to develop. Yet, despite the emergence of a few sparse niches of growth, these opportunities were not taken on any significant scale.

Searching for an answer I landed on the notion of *trust* [Gambetta 1988] well before it became a popular research topic, and I hypothesised that the weakness of this social lubricant in the South could be at the source of its tenacious development difficulties. This line of research proved fruitful in several ways, and has had some influence on subsequent studies, for example on Robert Putnam's *Making Democracy Work* [Laitin 1995, 173]. But it also had an unexpected effect by "forcing" me into a perilous deductive chute: for if it is the case that trust and trustworthiness are scarce in the South of Italy, which they are, and hamper economic development, which they almost certainly do, the next question is: how has a minimum of social order and productive activity managed to persist? What is it that obviates to the absence of trust preventing an even deeper social dissolution? At the chute exit, as it were, I found myself in Palermo, doing fieldwork on the Sicilian mafia. My intuition was, as I argue in the book, that the mafia, at its core, is an institution that exploits and thrives on the absence of trust, by providing protection, largely in the form of enforcing contracts, settling disputes and deterring competition. While not the only one, it epitomises the South responses to the lack of trust.

As the reader of the book knows, it does not follow that mafia activities are therefore socially beneficial. Quite the opposite, for the manner in which the mafia discharges its services, while giving a sense of security to those under its wings, ends up increasing the transaction costs and reinforcing distrust for all. It does so directly, as I explain in chapter 1, by providing an incentive for people to behave in an untrustworthy manner when they are under mafia protection (except towards those who are also under mafia protection); and it drives out the intrinsic motivations for good behaviour in business and any incentive to find self-managed and thus cheaper ways to cooperate. The mafia is the opium of distrusting people.

It reinforces distrust indirectly too, by fostering crime. In fact, most in need of protection are those who deal in illegal goods – for instance narcotics, illicit betting, loan sharking – or those who deal illegally – by using smuggling, corruption, or collusion – with goods that are, in themselves, legal. Both types of operators for obvious reasons cannot resort to the law to settle their disputes over their ill-gotten gains, and thus benefit from the mafia's provision of "governmental" services. For

them a world without the mafia would be one of anarchy, and many would not even choose a life of crime in the first place. But if the mafia is available criminals thrive and further corrode the fabric of society.

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Studying the mafia was far from an easy choice, and not only because of the dangers proverbially associated with an excess of curiosity in its affairs [some of the things that happened to me studying the mafia are mentioned in my new book, Gambetta 2009]. It was arduous also because of the dearth of empirical evidence and the unreliability of the little evidence that was then available – both of which made it easier for ordinary people and scholars alike to form all sorts of unwarranted beliefs about the nature of this organisation.

In this regard I was lucky. The witness protection programme, which was introduced in Italy in the 1980s, was a crucial source of evidence, which has provided us with all the elements to form an accurate and realistic view of the mafia. The remarkable investigative work of a small group of courageous public prosecutors – in particular Paolo Borsellino and Giovanni Falcone, who paid with their lives, and the many others who collaborated with or followed them – persuaded many Mafiosi to become state witnesses. The testimonies of these *pentiti* have, for the first time in the history of the phenomenon, provided us with a detailed account of its organisation and activities from within. My book was the first to make an in-depth and extensive use of these sources, which, while in need to be interpreted with care and enlightened by theoretical reasoning, have proved to be an essential element in understanding how the mafia really works.

This new evidence now ensures that any one who pays attention to it will be spared from many of the misconceptions that were common when my study began. Let me briefly mention a few of these misinterpretations that are dealt with in the book, but not all of which have completely evaporated and which readers are still likely to encounter in journalistic and even some scholarly writings on the mafia.

In the mid-1980s, for example, there were two opposing beliefs concerning the organisational form of the mafia. One of them, as I explain in chapter 5, was popular among scholars (as well as among Mafiosi when asked whether the mafia existed!): “Social research into the question of the mafia has probably now reached the point where we can say that the mafia as the term is commonly understood, *does not exist*” [Arlacchi 1983, 21; my emphasis]. This belief in the non-existence of the mafia as an organisation, as Pino Arlacchi himself later acknowledged [1992, vii], was wrong and, in the light of the robust evidence to the contrary which emerged during the

late 1980s and 1990s, has now disappeared from sight. The other belief is not only that the mafia does exist, but that it is a highly centralised hierarchical organisation, comparable to a corporation. This view has proven more resilient and can still be heard today despite being as wrong as the other: the Sicilian mafia, as I argue in chapters 5 and 6, is more akin a federation of independent "families," which have one thing in common above all: they share a reputation asset as suppliers of protection, a trademark that distinguishes them from similar other groups present both in Sicily itself and in the rest of Southern Italy.

Another common misconception was to see the mafia as a product of a near-feudal era, when in fact it emerged from its dissolution, in the early part of the Nineteenth century, and from the pressures for development that the newly rising market society based on extensive private property rights exerted in the absence of well-functioning state institutions. The theory, which I develop in chapter 4, by pinpointing the exact necessary conditions for the emergence of the Sicilian mafia can be of help in predicting the emergence of mafia-like organisations in other parts of the world. As I argued, *ex-ante facto*, in the conclusions to the book, the conditions that led to the growth of the mafia in Sicily, have striking parallels, *mutatis mutandis*, with those that were to lead to the emergence of the mafia in post-Soviet Russia. Parallels can also be established with the present conditions in Northern Ireland. Just as in Sicily a century and a half earlier, scores of "men of violence" both Catholics and Protestants following the peace process find themselves idle, and there are signs that they are putting their skills, their only comparative advantage, to profitable if criminal use.

Yet another common misconception portrays each new generation of Mafiosi as worse than the preceding one. This argument, which is heard both within and without the mafia, has it that while the old generation was bound by a true code of honour, the up and coming men would be "men of honour" only in name but not in deeds – they would kill, cheat and betray one another with ever increasing brutality and lack of restraint. As two Sicilian historians have argued, this is largely a rhetorical claim that does not reflect reality – men of honour have always killed and cheated each other with an *élan* that seems rather constant through time – and repeats itself at each new generation since the inception of the mafia [Lupo and Mangiameli 1990].

A further example of an enduring wrong belief, probably influenced by fiction such as *The Godfather* saga, sees the mafia "families" as based largely on kin. By contrast, Mafiosi, unlike other less developed underworld groups but like other large mafia-like organisations such as the Yakuza in Japan, have whenever possible tried to introduce some separation between mafia family and blood family – an essential condition to make the mafia families more adaptable to change and more resilient in troubled periods of internal succession.

Still, even though the new evidence swept away many of the wrong beliefs about the phenomenon, a large hurdle still remained for my research: this consisted of the conceptual confusion and theoretical weakness of the interpretations of the phenomenon. It takes more than the raw evidence offered by *pentiti* and a book like mine to overcome the resilience of these interpretative difficulties.¹ In particular, at the time I became interested in the phenomenon the core idea of the book, namely that extra-legal *protection* is the key to understanding mafia activities and organisational arrangements, was not in circulation. I am not here claiming immodestly that “avant moi, le déluge.” On the contrary, I was fortunate to be able to count on a small number of scholarly work, each of which inspired an aspect of my theory: Leopoldo Franchetti’s classic study on the mafia, while containing all the essential elements for a proper explanation of the mafia, had hitherto found no real followers [Franchetti 1974]; Robert Nozick’s analysis of protection agencies, which, while not referring to the mafia, is the first instance of a robust analytical approach to understanding the dynamics of the market for protection and its ineluctable drift towards monopoly [Nozick 1974]; Thomas Schelling’s [1984] sharp definition of the difference between a crime that is simply organised and *organised crime*; and, finally, Peter Reuter’s important and innovative analysis of the North American *Cosa Nostra* [Reuter 1983; Reuter 1987].

It was still the case, however, that the idea of protection as the key to making sense of mafia activities was not at all present in the debate, and, for various reasons, it is still being resisted today. Partly this is due to the belief that Mafiosi do not offer a real service, but are involved only in extortion, that they are essentially racketeers forcing phoney services on their victims (this belief is perhaps fuelled by the irrational fear that arguing that the mafia offers real protection amounts to claiming that it is therefore a good thing, which is, as I said above, an unwarranted inference.) It is true that Mafiosi charge at times extortionate prices like all monopolists are tempted to do; and it is further true that they may offer a service of poor quality, again like monopolists do. It is also the case that Mafiosi do at times force people to become their clients. But it does not follow from any of the above, that they are therefore offering nothing to those who yield except the absence of punishment. The evidence that protection is the core activity of a well-ordered mafia has become increasingly too strong to be resisted. Those who receive mafia protection may see it as troublesome, but not as useless, and far more often than commonly imagined they actively seek it [see also Gambetta and Reuter 1995].

¹ These concern not just the Sicilian incarnation of the phenomenon, but extend to other mafia-like organisations. In fact, there are parallels not only between the features of the different mafia-like organisations, but also between the misrepresentations that they receive, which suggest that the misrepresentations are the results of systematic causes.

Partly, however, the resistance to the idea that protection is the basic service of the Sicilian mafia, as well as of other mafia-like organisations around the world, is due to sheer confusion and shoddy scholarship, of which this field is, regrettably, not short. "Lasciate ogne speranza, voi ch'intrate" (All hope abandon ye who enter here) – this is the injunction that, according to Dante, "le anime dannate" about to enter the underworld see etched above Hell's gate. I sometimes wondered if those entering the criminal underworld, scholars and casual observers alike, receive an analogous injunction instructing them to abandon not so much hope but all commonsensical distinctions. As if illegality was on another planet, straightforward analytical categories, which everyone naturally applies to the world of ordinary business, are simply ignored. "Organised crime" and "mafia" are wielded imprecisely and loosely employed to refer to one or other of the very diverse array of things that make up an underworld economy. We hear cliché expressions – like "something or other is *under the control* of the mafia" – but we are frustratingly hard put to understand their precise meaning. Different sectors, different organisational levels, different organisations, buyers and suppliers, are all mixed up. While, for instance, confusing the activities and revenues of a state with those of the businesses under its jurisdiction would be ridiculous, in the underworld the confusion between traders and enforcers, commerce and protection, protégés and protectors, seems to be the rule rather than the exception. Illegal profits, for instance, are often referred to as "i profitti della mafia," which is like confusing the profits of an insurance company with the overall profits made by both the insurer *and* all the firms it insures.

Still, notwithstanding the persistence of unwarranted beliefs, the book has had some success at influencing several studies that have taken its approach further in a number of directions, both theoretical and empirical. Several scholars have shown how the overall model developed for the Sicilian mafia can be successfully applied to other organisations in very different parts of the world, thus showing that cultural differences, which were often blamed as a key component of the Sicilian mafia, do not really matter: for example, Yiu Kong Chu [1999] has worked on the Triads in Hong Kong; Federico Varese [2001] and Timothy Frye [2002] on the emerging mafia in post-Soviet Russia; Curtis Milhaupt and Mark West [2000] and Peter Hill [2003] on the Yakuza in Japan; and Marina Tzvetkova [2008] on the Bulgarian emerging protection market.

Other contributions have addressed specific issues present in this book, notably Barbara Alexander's analysis of a mafia-protected cartel of the pasta producing industry in Chicago in the 1930s [Alexander 1997], Valeria Pizzini-Gambetta's detailed investigation of how the mafia's internal norms concerning the relations between members and women, are effective in sustaining the reputation asset in the organisa-

tion [Pizzini-Gambetta 1999]; Oriana Bandiera's elegant empirical test of the theory on the origins of the mafia [Bandiera 2003]; and Federico Varese's series of tests of a conjecture I put forward in the conclusion—that the mafia is a difficult industry to export, and that not unlike the mining industry it is heavily dependent on the local environment and its detailed knowledge [Varese 2011].

Finally, the economic theory on the properties of extra-legal protection too is making significant progress, thanks in particular to the work of Avinash Dixit [2003; Dixit 2004]. Since its inception, economics has worked under the simplifying assumption that protection and property rights enforcement are matters smoothly and effectively performed by legitimate states under the rule of law. This assumption, which works well enough for developed countries – though, of course, not for Italy or Northern Ireland – leaves the theory ill-equipped when it comes to dealing with the rest of the planet. The awakening of economic theory to the problem of modelling extra-legal protection is thus a step forward of considerable importance, which may turn out to be of help in shaping policies in developing countries as well as in countries beset by unstable political institutions or civil war. We are only at the beginning, but it looks as if there is something that the Sicilian mafia – if properly studied as the epitome of a well-oiled, long lasting organisation of extra-legal protection – can teach us.

In the opening paragraph of a paper by Gustavo Duncan [2005, 1] I read, with some satisfaction, that “la mafia” is referred to “en el sentido de la definición tradicional de ‘empresarios de la protección.’” After barely a decade, this concept crucial to this book, is now being already deemed, by some at least, as “tradicional.”

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When Marco Santoro asked me to write this contribution he raised two further questions that I have yet to address—to reflect on the experience I had dealing with others who study the phenomenon, and on the effects that studying the mafia has had on my view of doing sociological research and on my “sociological imagination.”

The reply to the first question is that my experience has been rather mixed. When one studies well-trodden (legal) subjects—such as for instance social mobility, immigration, educational choices, or trust—one can expect the quality of those working in these fields to be fairly homogeneous, scholars are in broad agreement on the object of their interest, enjoy the cumulative effects of previous research, are able to produce or gain access to good quality data, and check on each other's quality of arguments and analysis. In all these respects, this has not been the case for the study of the mafia. The lack of robust wide-ranging evidence on the exact nature and activities of the mafia has been at the same time a constraint on the development of serious

scholarship *and* an attractive opportunity for much cavalier or ideological scholarship or for shoddy, quick-buck making journalism—it is a lot easier to write nonsense on something about which most people know nothing, all the more so if the phenomenon is thrillingly illegal, often fictionalised and associated to violence. Alas, it is the latter kind which forms the vast majority of written material one finds on the phenomenon.

As for the second question, studying the mafia has shaped my subsequent research trajectory, and not entirely in linear ways. It left me with a number of unforeseen findings and related questions. Why do they use nicknames, why do they imitate movies, why do they flaunt their incompetence in every field except in the use of violence, how can they trust one another enough to function at least some of the times? And I duly researched each of these questions over the years, and the answers are now published in *Codes of the underworld*.

More than anything else Mafiosi left me with one finding that stimulated the direction of my research since 1993, when the mafia book came out. I discovered that they were very worried about impostors – people who claim to be Mafiosi and are not, or people who claim to be protected by Mafiosi and are not (the same worry has been found in other mafia-like groups, by Peter Hill, Federico Varese, and Yiu Chu Kong.) Under the constraint of secrecy, the opportunities to pass off as someone you are not are greater for it is harder to be discovered; and the beauty of it all is that when intimidation is the key “means of production” if you can persuade someone that you are a real Mafioso, there is nothing else you need to do. Once established, reputation in this world does all the work and creates a very strong incentive to parasite on it.

It is by pondering over these findings that I became intensely interested in signalling, both honest and fraudulent. After all, an impostor displays the right signals without having the corresponding qualities. I then took a long theoretical detour – with my late friend Michael Bacharach – in an attempt to find the general principles that could be applied to make sense of the strategies of both impostors and of their victims, whether in the mafia or anywhere else. Signalling theory has become a core interest of mine, and I have been working on applications of it both to criminal communications as well as in other domains, such as taxi drivers in dangerous cities [Gambetta and Hamill 2005].

I ought to add, that personal experience intruded in sensitizing me to the importance of signals. When I arrived in Palermo in 1986 I heard the story of a Canadian researcher who had just been rapidly leaving town. Someone had stolen his dirty laundry from his car boot, and a few days later he found it cleaned and ironed back in the boot of his car with a note that simply said “*buon viaggio*”. When in Palermo I myself masked my research as being about trust, but towards the end of my stay my presence must have become more obtrusive than I would have wished. I too received

interesting subtle messages that encouraged a rapid exit. I thus realised that violence was not the only resource of these men.

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Abstract: In this essay, I describe the reasons that led me to study the Sicilian mafia, and some of the difficulties that I encountered during my fieldwork in Palermo in 1986-7. I then review the effects that my study – which was first published 20 years ago in Italian and has since been translated into English, German, Spanish and Polish – has had on the scholarship on the mafia as well as on that of similar organisations in other countries.

Keywords: Sicilian mafia; trust; illegal markets; protection; economic development.

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