

The Unholy Financial Dealings of the Papacy

THE UNHOLY FINANCIAL DEALINGS OF THE PAPACY

Increasing media attention has been concentrated on the finances of the Roman Catholic Church this year. This article will illustrate some of the ways that the Church has made its money. Those responsible for investing the Church's colossal income decided early on that they should not be restricted to theological considerations - a policy they pursue with unabashed enthusiasm.

The Vatican City is a 16 square mile independent state, located in the heart of Rome. It contains the Holy See, the spiritual home and headquarters of their church for hundreds of millions of Roman Catholics around the world.

The State of the Vatican City is distinct from the Vatican; a distinction that is generally not made clear to Catholics world wide. When the Franklin National Bank collapsed, owing the Vatican some \$14 million, it was decided to make up this deficit by appealing to Catholics in America and Canada for more contributions. These countries were quite deliberately chosen because in the field of politics and international affairs, the Italians consider the Americans, in particular, naive and gullible, and easily parted from their money. The so-called \$14 million deficit would disappear completely if placed against the Vatican's earnings from all sources - which is known to be around \$1.1 billion annually (\$1,100,000,000).

Pope Paul VI condemned the use of contraception in 1968 at a time when oral birth control capsules made by a Vatican-owned company were for sale in every Italian pharmacy. The capsules were manufactured and distributed by the Instituto Farmacologico Serono. Most Italians did not know this company was backed by Vatican money. The Vatican has a policy that whenever any of its capital is heavily invested in a business enterprise of any kind, it places one of its agents (men of trust) high up in the company.

These "men of trust" come from families who are related to Vatican officials or from families who have a long association with the Vatican. In the case of Farmacologico Serono, the "Man of trust" was its Chairman, Prince Giulio Paçelli, a nephew of Pope Pius XII.

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The public image of the Roman Catholic Church is of a charity. It is however, the world's largest religious business concern today. The Vatican's financial empire was given a heady start in 1929 when Mussolini and Pope Pius XI signed the Lateran Pact, which, in exchange for surrendering 16,000 square miles of Italy, gave the Vatican compensation of about £50 million.

Pope Pius called in banker Bernardino Nogara, an Italian Jew converted to Catholicism. Nogara suggested that $\frac{1}{3}$ should be put into gold, which is still kept at Fort Knox today, and the rest invested. He formulated a policy that the Vatican's investment programme should not be restricted by theological considerations and when he died in 1959, Nogara left a network of prospering holdings, an established investment policy, and the belief, expressed by one of his successors that he was "the best thing to have happened to the Church since Our Lord Jesus Christ".

The Vatican is fully entrenched in numerous companies engaged in real estate, plastics, electronics, steel manufacturing, cement, textiles, chemicals, food products and construction. It is one of Italy's largest bankers, owns several large Italian insurance companies and invests more than £1,1000 million on the New York Stock Market. It is a formidable international financial power with a corporate wealth in excess of £11,000 million.

The man who now handles the Vatican's complex financial affairs is the 6'2" - 220 lb - cigar smoking American Archbishop, Paul Marcinkus, known affectionately in the Vatican as the "Gorilla".

He is in executive control of the Vatican's Institute for Religious works, which is the official name of the Vatican bank and probably the classiest euphemism for any financial organisation anywhere. The bank was founded in 1942 by Pope Pius XII to transfer money from Fascist Italy to religious orders and charitable institutions all over the globe. It remains one of the world's most mysterious financial entities.

Accounts may only be opened by people who live or work in Vatican City, by Diplomats accredited to the Holy See, by members of the Curia, by heads of religious orders, by Italian citizens who are members of the "royal" Vatican families, and by priests and nuns.

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The bank is owned by a foreign country (the State of Vatican City) and is not subject of Italy's banking laws. This loophole is exploited by Italian citizens who want to transfer money out of Italy without alerting the Italian authorities. Vatican banking officials are aware of this but sympathise with the fear that well-to-do Italian Catholics have about communism, the Red Brigade and the weak lira.

The Vatican had become the financial power behind many of Italy's companies and had enough foresight to see that it could not allow itself to be placed in the embarrassing position of sitting at the bargaining table with Italian union leaders - especially the Communist unions - demanding not only more pay but more economic and social justice. Moreover, it did not want to face the possibility that it may have to fire workers or close down plants that were unprofitable. It therefore secretly hired an Italian lawyer and businessman, Michele Sindona, to represent its interests in America and it gradually started to shed its Italian interests in favour of American ones. The Vatican's portfolio today includes stocks in such diverse US companies as Chase Manhattan Bank, Celanese, Colgate, General Foods, Proctor and Gamble, Standard Oil, Unilever and Westinghouse. (Some of these companies are huge sponsors of American TV programmes, so the Catholic Church is obliquely influencing the moral standards and content of much of American TV).

Michele Sindona also tried to donate a million dollars to President Nixon's 1972 campaign on the proviso that he remained anonymous. It was turned down as secret campaign contributions had become illegal. Michele Sindona overstepped the mark both in Italy and in America. Italian authorities seeking his extradition from the States issued an arrest warrant charging that Sindona had illegally taken money out of his Milan bank and faked a balance sheet to cover up the deficit. Meanwhile, in the US, the Securities and Exchange Commission filed a civil suit charging Sindona with several violations of American Rules - he was indicted on 66 counts of fraud.

The Vatican dropped Sindona like a hot potato and refused to cooperate with his lawyers at his trial. Sindona was found guilty and jailed for 25 years.

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In 1958, the Holy See sold a large area of land to the Italian Olympic Committee and erected 15 stadia on the site. To connect these sports structures in the northern part of Rome to those in the southern part, it was necessary to build the Olympic highway. This followed a contorted route because it was placed on land that the city had purchased from front companies owned by the Vatican.

In all cases involving the building of the Olympic structures, every Vatican owned company filed a petition for bankruptcy as soon as the installations had been finished. When some of these structures began to sprout major cracks and crevices, including the Olympic Highway, the Vatican companies could not be sued because they were no longer in business. Nor could the Vatican be sued because the Rome City government had dealt with front companies.

The Vatican has been involved with other scandals concerning major construction work in Italy but, for the sake of brevity, enough is enough.

The Church also has a major stake in politics. It has been the power behind the Italian government for at least 15 years since the Christian Democratic Party was formed and took office. This has led to close links being placed between the Vatican and the Mafia. The Mafia then controls the Italian vote. Candidates for the Christian Democratic Party have to receive the nod from the Vatican, but in Sicily, it is the Mafia who have the final say, and even if the candidate has been approved by the Vatican, if he is not acceptable to the Mafia, then he will wisely withdraw his nomination. This now rarely happens as the Mafia and the Vatican collaborate in advance at secret conferences which men are qualified. Once in office, vice betide the parliamentarian who does not follow the bidding of his masters with puppet-like obedience. because the Rome City government had dealt with front companies.

I hope readers having reached this point will ponder on a few things. The Vatican has been involved with other scandals concerning major A major world religion with a nice friendly-seeming man at its head and with hundreds of millions of devoted followers, manipulate its financial affairs and its political aspirations with a cynical disregard for honour, freedom, truth and life values which it nevertheless continues to uphold in its churches, chapels and cathedrals around the world. Millions

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and millions of people have no idea that they are being controlled, conned, exploited and manipulated not only in matters pertaining to their spiritual life but in affairs to do with their material well being also.

We all have Ishvara as an exemplary guide by which we can live our lives. We all have the opportunity to aspire to the highest spiritual truths and to put those truths into practise in our lives. We have the very best cards that life's dealer could possibly have dealt and it is up to everyone to improve the odds stacked against humanity. There are no possible excuses - there has never been a better time.

So stop hiding the spiritual revelations you have received and start sharing it with mankind. Humanity will change if you change and manifest that change.

Believe it - it is True.

With my joy and being in ISHVARA'S True Divine Love

Adara Aja Anand

Bibliography: The Vatican Papers
Nino Lo Bello (New English Library £7.95)