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12 April 2023

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At long last, the veil behind which the power and wealth of the British monarchy are shrouded in secrecy is beginning to be lifted. *The Guardian* has recently announced a series of articles trying to expose the extraordinary lengths the Crown is willing to go to protect its medieval privileges and especially its wealth and conditions of employment. The opening article in the investigation reveals that the late Queen during her reign amassed no less than £1.2bn (tax free, of course) just from the duchies of Cornwall and Lancaster.

The very fact that the finances of the Crown have been kept well sheltered from public scrutiny and that it has taken *The Guardian's* dogged persistence to obtain some smidgeons of information (the Crown is, for some inscrutable reason, exempt from the Freedom of Information Act) should be the subject of parliamentary questions, even a Royal Commission. Perhaps the Conservative Party may not be too keen to disclose that under the 'sovereign grant' agreement negotiated by David Cameron, this year King Charles III would be eligible for a taxpayer-funded payment of £250m in addition to the regular £86m he receives in exchange for his services (compared, for example, with the £7.6m – taxable – received by the entire Spanish royal family).

Perhaps the SNP and Scottish Labour Party may want to revise their servile genuflection to the Crown and propose some long overdue wealth and land redistribution.

However egregious the successful attempts by the British Crown are to keep secret its considerable and untaxed wealth, they pale into insignificance when compared with a much longer established and incomparably richer ruling theocracy: the Roman Apostolic Catholic Church.



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Not a lot of people know that!

To an economist, the organisational structure, legal status and economic value of the Holy See are as inscrutable as they are absurd. Books could be written about the intricate relationships between the Holy See (the only non-territorial institution with international personality in the world) and the officially recognised State of Vatican City, or between the Vatican and its 652 archdioceses, 2,248 dioceses and 2,100 titular sees. But when it comes to economic statistics and accounting, there is no reliable data whatsoever. This fact alone provides ample evidence of the unmatched power of the papacy to escape any form of financial accountability.

What is the value of the assets held worldwide by the Vatican? How many employees are paid by the Vatican? What are the annual revenues of all Catholic-owned companies and charities? The Vatican does not disclose any of this basic economic data. It was only in 2021 that it decided to release something approaching financial disclosure by publishing its first ever budget for the Administration of the Patrimony of the Apostolic See (APAS), a meagre 50-page document which reveals only a tiny fraction of the Vatican's wealth.

It is highly significant that the Holy See's sudden conversion to financial transparency was prompted not by a desire to provide clear information about its finances, but to avoid what the Pope himself called 'reputational risk', following the embarrassing trial of a leading cardinal (Angelo Becciu) for embezzlement, money laundering, fraud and other felonies amounting to US\$371m related to the purchase of luxury accommodation in Chelsea in 2014.

The 2020 consolidated financial statement for the Holy See, although highly selective and incomplete, does allow a peek into the murky world of ecclesiastical finance and occasionally reveals more than was intended. A case in point is the admission, contained in a separate document, that the 2020 deficit of £55m was partially plugged by diverting £46m from St Peter's Pence, the annual collection from the faithful to support the philanthropic activities of the Pope and to fund the administration of the Holy See. (Incidentally, this peculiar form of fundraising, now widespread across 1.3 billion Catholics, originated in Britain in the 8th century.)

As expected, the 2020 documents do not specify in any way the relationship between St Peter's Pence, the Vatican's financial account, and, more importantly, the pontiff's personal secret bank account.

The very existence of this account was brought to light back in 2009 through a series of fortuitous events. An Italian journalist, Gianluigi Nuzzi, found himself in the enviable position of being the recipient of thousands of secret original Vatican documents apparently bequeathed to him by a high-ranking financial administrator – an early, and posthumous, version of Wikileaks.

One of the most explosive revelations was contained in the photocopy of a handwritten letter, dated 16 March 1994, by the Vatican bank's chairman (Mr Angelo Caloia) to Pope John Paul II triumphantly declaring that, following a successful restructuring of the bank's activities, 72.5bn Italian liras (€52.7m) had been transferred to the Pope's personal account.

For the first time in the Vatican's history, a specific amount of cash was traced directly to the Pope's personal account, an amount that, of course, was kept secret at the time. In fact, in that very same year, 1994, the Vatican announced with a grand fanfare that its 'accounts' were no longer in deficit but showed a surplus of 2.4bn Italian Liras (€1.7m). Strangely, the 'accounts'



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failed to mention the €52.7m that had flowed into the Pope's own pocket. This secret €52.7m transfer was not the only deposit into the papal secret account in 1994. It also included €68.6m from St Peter's Pence. The figures of the Centesimus annus pro pontefice fund (which channels all secret donations by Catholic businessmen to the Pope) are not available.

As far as I have been able to ascertain, the current Pope has not released any information about his own personal secret account. In February of this year, Pope Francis has done something truly remarkable, by effectively nationalising all assets and properties owned by the Vatican, amounting to US\$635bn (£512bn).

I find the idea of nationalising all assets and properties owned by an institution that combines unelected headship of state with headship of an established church very appealing indeed. Perhaps not in time for spoiling the festivities on 6 May but definitely on the political agenda of any truly progressive political party.

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The Scottish Review is published weekly by the Institute of Contemporary Scotland (ICS)