

The *otto per mille*, schools, hospitals, RE teachers, big events. Every year the Roman Catholic Church receives €4 billion from the Italian State.

The Church's accounts: here's how much it costs us

By Curzio Maltese | Translated by Graeme A Hunter

“When I arrived at the CEI [Italian Episcopal Conference] in 1986, there were hardly enough funds left to pay the salaries of four employees”. Camillo Ruini is not exaggerating. In the mid-1980s the Vatican's finances were a dark and empty box. A year after Ruini's arrival at the CEI, only his Vatican passport saved Monsignor Paul Marcinkus, president of the IOR (the Vatican Bank), from arrest after the collapse of Roberto Calvi's Banco Ambrosiano. The economic crisis is the reason why John Paul II summoned to Rome the young bishop from Emilio Romagna, who, up until that point was notable only for having celebrated the marriage of Flavia Franzoni and Romano Prodi, but was possessed of a managerial talent. Few choices would prove more accurate. In Ruini's twenty-year tenure (secretary from 1986 and president from 1991), the CEI transformed itself into an economic powerhouse, and therefore also a politically- and media-savvy one. In parallel, this “president of bishops” took on a central role both in Italian public debate and within the Vatican, which none of his predecessors had done, to such an extent that he became the major “elector” of Benedict XVI.

The reasons behind the rise of Ruini are linked to his intelligence and iron will and his extraordinary qualities as organiser of people, but another key to understanding his parabolic ascent is called *otto per mille* (literally: 8 per thousand). A river of money began to flow into the CEI's coffers from the Spring of 1990 when a direct contribution from income tax came into force, and which then gushed toward an oceanic fund of a billion euros a year. Ruini is the uncontested lord of this money. Except for automatic expenditure such as priests' salaries, it is the president of the bishops' conference, through a few faithful colleagues, who has the last word on every single outlay, from repairs to a local church to construction of a mission in Africa or investments in real estate or stock.

It is from this *otto per mille*, the largest part of the fund, that La Repubblica begins its investigation into the cost of the Catholic church to the Italian people. The mathematics is not simple on top of not being very fashionable; it is even less fashionable than the furious diatribes about the cost of politics. The cost of the “political caste” is now calculated to be four billion euros a year. It is equated to “half a government budget” used to “feed the political class”. It is the “equivalent of a Straits Bridge or a Mose each year” (references to big capital works like the bridge over the Straits of Messina and the tidal barrage on the Venetian lagoon).

To arrive at the scandalous total, shouted from the front pages of *Le Monde* and other newspapers riding in the wake of recent books like *La Casta* (The Caste – How Italian Politicians Became Untouchable) by Rizzo and Stella and *Il Costo della democrazia* (The Cost of Democracy) by Salvi and Villone, we must add the salaries of all 150 thousand elected representatives, from MEPs to the furthest Alpine local councillor, plus the fees of almost 300 thousand advisors, running costs of the various Ministries, politicians' pensions, electoral expenses, running costs of party organs, "blue" chauffeur-driven cars and other privileges, including drinks and visits to the parliamentary barber at Montecitorio.

Just like for the *par condicio* (or principle of equal broadcast time for political parties), we need to adopt the same "big picture" approach to the "cost of the Church" issue, especially as we will be looking at sums of money as stratospheric as they are approximate, of the kind trumpeted in libellous tracts and on certain anti-clerical websites.

In any case, with a more conservative and realistic approach it can be established that the Catholic Church costs at least as much as the political class. More than four billion euros a year, from direct funding by the State, local organisations and the begrudged charity tax. The first part comprises the billion euros of the *otto per mille*, €650 million for the salaries of the 22 thousand RE teachers ("a relic of an old agreement which should be abolished", according to the Catholic author Vittorio Messori), another €700 million paid by the State to local organisations to cover the education and health agreements. Next there is the variable sum for Big Events, from the Jubilee (€1.6 billion) to the last Loreto Festival (€2.5 million) making an annual average of €250 million over the last decade. To these 2.6 billion of direct contributions to the Church must be added the total of all the fiscal advantages given to the Vatican (currently the target of an EU investigation into "State aid") of which the list is immense, at both local and national levels. Continuing with the conservative approach, the between €400 and €700 million exempted from the ICI or buildings tax ("non-commercial" assessments from the Local Government Association), the 500 million in exemptions from IRAP and IRES (types of corporation tax) and other taxes, another 600 million in legalised tax evasion by the Catholic tourism sector, which manages, for and on behalf of Italy, a total of forty million visitors and pilgrims. The total exceeds the abovementioned four billion per year, and as such is really a "half a government budget" along the lines of a Straits Bridge or a *Mose* each year, plus a few tens of millions.

The Catholic Church, not elected by the people and not subject to the democratic process, costs the Italian people as much as the whole political system. Only the Italians pay, though, at least on such a huge scale; not the French, nor Spanish, nor Germans, nor Americans, who only pay, along with the Italians, the "cost of democracy", albeit with better results.

One could object that Italians are happier to give money to priests than to politicians, and that they even complain a bit less about doing so. This is partly because they perhaps don't know about it. The *otto per mille* income tax mechanism looked at in the mid-eighties by a then "left-wing" economist such as Giulio Tremonti, a Craxi government advisor, also assigned non-specific donations to the Catholic Church on a percentage basis. Sixty per cent of taxpayers leave the *otto per mille* section blank, but thanks to the thirty-five per cent who choose "Catholic Church" from the allowable choices (the others are State, Valdesi (Protestants), Adventists, Assembly of God, Jews and Lutherans), the CEI grabs almost ninety per cent of the total. As early as 1984, the historian Piero Bellini described this as a "legal monstrosity".

Even considering the "facilitating" mechanism of the *otto per mille*, the conviction that the funds going to the Church are well-deserved remains widespread, with an ample "social return". "Half a government budget" agreed, but useful for repaying the precious work undertaken by priests in the countryside, the wearying daily duties of the parishes, filling the increasingly obvious holes in the welfare-state, without counting the work done in the Third World. All valid arguments, but *how* valid?

Counting the money in the Vatican's purse is a hopeless business, so in order to understand where Italian tax money goes, it will be necessary to quote from the very same irreproachable source (the CEI itself), and its annual balance sheet for the *otto per mille*. For every five euros received from the taxpayer, the Bishops' Conference declares that one euro is spent on charitable works in Italy and abroad (12% and 8% of the total, respectively). The other four euros are for self-financing. Take away the 35% of the total for the salaries of the 39 thousand Italian priests, and each year half a billion euros remains which the CEI council distributes within the Church according to its own arcane logic, and without any serious control, under generic justifications such as "religious requirements", "catechism costs", financial and property activities. All this without considering the other paradox: if, during the "vote" on the *otto per mille*, the usual 50% quorum were to be applied, the Church would not receive a cent.

For years a courageous, painful and very censorious debate has been running at the heart of Catholic culture, greater than anything within the very timid Liberal or Left-wing cultures, into "how" the Vatican hierarchy use the funds received from the *otto per mille* "to cut off and staunch" dissent within the Church". One of the best testimonials to this is the pamphlet called *Chiesa padrona* (Godfather Church) by Roberto Beretta, writer and journalist for L'Avvenire, the bishops' daily newspaper. Under the headline "The other side of the *otto per mille*", Beretta observes that: "Whoever controls the *otto per mille* funds has conquered enormous power which even has important ecclesiastical and theological implications". He goes on: "Which bishop knowing, for example, that he must then apply to the CEI for the funds necessary to set up a seminary or to repair the cathedral, will ever raise his hand during the general assembly to

contest the positions taken by the presidency?”. “Moreover”, concludes the author, “the only ones in Italy who allow themselves to talk frankly are some of the distinguished bishops, or those already in retirement who no longer have anything to lose”.

Going over the commentaries on cultural conventions and the pages of “Chiesa padrona”, refuted in its entirety by the Catholic publishing world and not distributed by religious bookshops, one understands that criticism of the “authoritarian” and “ideological” use of *otto per mille* funds is not at all in the Christian public domain. Naturally there is no shortage of retired bishops, from Carlo Maria Martini, now in voluntary exile in Jerusalem, to Guiseppe Casale, former Archbishop of Foggia, who describes the new way: “The bishops no longer talk, but await input from the council ... when they take nominations for bishop, they consult with everyone, lay people, priests, Monsignors, and then they do exactly as they like, which is usually to go with anyone except the name that has been put forward.” The already cited Vittorio Messori complains repeatedly about “authoritarianism”, “centralism” and the “immense power brought to bear by bureaucracy within the Church.” In one of the most recent public hearings, Alfredo Carlo Moro, lawyer and brother of assassinated ex-Prime Minister Aldo Moro, made a strong accusation: “We are currently witnessing a grave lack of discussion within the Church, an impressive and clamorous silence; we know from CEI meetings only that which the presidency chooses to declare; theologians speak only when they are completely in agreement, otherwise they remain silent”.

The Church of twenty years ago into which Camillo Ruini started his ascent did not have enough cash to pay the CEI employees, with its finances rotten by scandal and emptied by supporting Solidarność (the Polish Solidarity movement). The Catholic Church felt ridiculed by Leftist hegemony, ignored by secular newspapers, expelled from the hedonistic world of commercial television, even reduced to minority status within the reformed RAI (RADiotelevisione Italiana). The Church is, however, alive and well, even in rude health. Harbours a thousand voices within the heart of this very pluralist organisation, from the Theologians of Liberation of Gutiérrez to the ultra-traditionalist followers of Monsignor Lefebvre, it is capable of recognising mass movements such as “Comunione e Liberazione” (a student movement founded in Milan by Luigi Giussani in 1968), “discovering” its own anti-mafia crusade through the homilies of Cardinal Pappalardo, the work of Father Puglisi in Palermo and the commitment of Father Italo Calabrò against the ‘Ndrangheta (Calabrian mafia).

After twenty years of the “Ruini treatment”, the Church seems in rude health. It is now considerably richer and more powerful, heeded by politicians, rules the media agenda and influences the entire political framework, from the ex-fascist Alleanza Nazionale to the neo-communist Rifondazione Comunista, not just one single party [the Democrazia Cristiana of the First Republic]. In television appearances, the cleric is second only to the politician. They boast

of oceanic crowds at religious gatherings, the multiplication of sainthoods and shrines, record audiences for religious-themed TV films. The voices of dissent have disappeared. Yet, however, churches and sacristies are empty of people, a crisis of vocation has reduced the number of priests from sixty thousand to thirty-nine thousand in twenty years, and religious sacraments like weddings and christenings are in decline.

The cleric is a victim of the illusory media equation of “visibility equals acceptance”, just like its twin separated-at-birth: the politician. In the real world, the Church risks bringin down on itself the terrifying profecy made thirty years ago by a progressive theologian: “The Church is becoming, for many, the principal obstacle to faith. They can no longer see in her anything other than Man’s lust for power played out in a little theatre of men who, under the pretext of administering official Christianity, seem mostly to hinder the true spirit of Christianity”. That theologian was called Joseph Ratzinger.

(with the collaboration of Carlo Pontesilli and Marizio Turco).

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