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Taking its medicine does the Vatican some good

John L. Allen Jr. | Aug. 24, 2012 All Things Catholic

"Be careful what you wish for," as the saying goes, "because you will surely get it." In light of a couple of recent Vatican stories, the corollary also seems to apply: Be careful what you try to avoid, because it might actually be good for you.

A stringent European money laundering exam in July and a federal court ruling in Oregon this week both make the point.

Earlier this year, the Vatican faced secular scrutiny of its financial operations for the first time with a review by Moneyval, Europe's anti-money-laundering agency. The Vatican submitted voluntarily, a somewhat surprising choice given its long history of fighting off such perceived incursions on its autonomy tooth and nail. The truth, however, is it didn't have much choice. If the Vatican is perceived as a suspect financial player, it risks higher transaction costs and being shut out of important markets.

July's verdict was a mixed bag, raising questions such as whether regulation of the Vatican Bank is sufficiently strong. Yet on the whole, Moneyval concluded the Vatican "has come a long way in a very short period of time" toward transparency, and "there is no empirical evidence of corruption."

Those findings undercut conspiracy theories about Vatican finances, and, to some extent, they also offset perceptions of Benedict XVI's papacy as an administrative train wreck.

Taking its medicine, in other words, did the Vatican some good.

Something similar happened Monday, with a ruling in a federal district court in Oregon on a sex abuse lawsuit. In a nutshell, the judge held that the Vatican is not the "employer" of Catholic priests and dismissed it from the case.

Judge Michael Mosman compared policies for priests set in Rome to the sort of control a state bar association wields over lawyers -- important, sure, but not tantamount to an employer/employee relationship.

Before explaining why that experience was healthy, too, a bit of background.

The Oregon case

The ruling Monday came in the case of *John Doe* v. *Holy See*, filed in 2002 on behalf of a man allegedly abused in 1965-66 by a onetime Irish Servite priest named Andrew Ronan, who was laicized in 1966 and who died in 1992.

Correspondence released in the case shows that Ronan was transferred to the United States in 1959 in the wake of admitting to homosexual contact with seminarians at a Servite priory in Benburb, Ireland. He arrived first in Chicago, moving to Portland, Ore., in 1965 as a retreat director. The lawsuit named the Vatican, the

archdioceses of Chicago and Portland, and the Servites as defendants, asserting that policies of secrecy put the alleged victim in harm's way. Since the two archdioceses were already dropped, the new ruling leaves only the religious order.

As in other instances in which it's been sued in American courts, the Vatican fought back tenaciously.

In 2009, the Vatican asked the U.S. Supreme Court to dismiss it from the case on the grounds of sovereign immunity, drawing support from the Obama administration in the form of a brief jointly signed by the Office of the Solicitor General, the attorney general and the State Department. In June 2010, however, the Supreme Court declined to hear the case, sending it back to Oregon.

(As a footnote, the Oregon case thus produced a rather juicy irony: The allegedly anti-Catholic Obama administration stood with the Vatican, while all those Catholic justices on the Supreme Court didn't give Rome what it wanted.)

In August 2011, the Vatican released what it claimed were all the documents about Ronan in its possession. They included a 1953 note of permission for Ronan to serve as a novice master despite being below the age then established in church law as well as several documents related to his 1966 laicization. Among them is a February 1966 letter from Ronan, acknowledging "my repeated, admitted, documented homosexual tendencies and acts against the vow of chastity and celibacy."

Notably, there was no document suggesting the Vatican approved, or even knew about, Ronan's 1959 transfer. Vatican lawyers say the paper trail proves the Vatican didn't become aware of Ronan's problems until 1966 and laicized him within weeks.

This chain of events culminated in Mosman's ruling Monday, which was read aloud by the judge from the bench.

How it helps

While the Vatican never wanted things to go this far, perhaps it ought to be glad they did.

First of all, the Vatican has always made sovereign immunity its first line of defense in sex abuse litigation. Given public outrage over the scandals, however, it was inevitable that, sooner or later, it would have to take a stand on the merits.

Technically, the Aug. 20 ruling was still focused on immunity. One of the few exceptions to the 1976 Foreign Sovereign Immunities Act is if a foreign state acts as an employer in America. By finding that the Vatican doesn't employ priests, the judge effectively held that its immunity still applies.

Nevertheless, the ruling cut closer than any previous case to the substantive issue of whether the Vatican was actually responsible for supervising abuser priests, and it's probably healthy to face that question head-on.

For Catholics everywhere, there's a broader take-away.

Insiders have long been frustrated with perceptions that the church is rigidly centralized and tightly controlled from the top. In truth, Catholicism is top-down only on faith and morals. In terms of administration, it's mostly horizontal, with key calls on personnel and finance made by diocesan bishops. On most everything else, such as new spiritual initiatives, new intellectual vision, and new pastoral and apostolic models, it's largely bottom-up.

While that might be reality, Catholics haven't had much luck communicating it, so the myth endures that nothing happens without somebody in Rome flipping a switch.

Now, however, we have an American judge with no dog in Catholic fights -- for the record, Mosman is a Mormon -- who took an objective look at the relationship between the Vatican and Catholic priests and concluded that the Vatican isn't their boss.

In a flash, Mosman might have done more to explain Catholic ecclesiology to the outside world than a whole rafter of paid church spokespersons has accomplished since, well, the dawn of time.

In terms of church politics, the ruling could also act as a firebreak against attempted micro-management from Rome. In the future, if somebody in the Vatican tries to push a priest around, he'd be well advised to reply: "Didn't you guys swear to an American judge that I don't work for you?"

In some ways, it's too bad other cases raising similar questions haven't moved further down the pipeline.

For instance, a lawsuit filed in Kentucky in 2004 charged that Catholic bishops, rather than priests, are "agents" or "employees" of the Vatican. In response, Vatican lawyers filed two lengthy memoranda from canonist Edward Peters of Sacred Heart Seminary in Detroit, forcefully defending the autonomy of the local bishop. To assert that bishops are no more than Vatican employees is "contrary to basic principles underlying the structure of the church," Peters wrote.

The judge was never forced to rule because in 2010, the plaintiff's lawyers abandoned the case. It would have been fascinating to see what he made of Peters' argument.

The Vatican's undesired teaching moment may not be over yet, since the plaintiff's lawyer in Oregon, Jeffrey Anderson, has vowed to appeal. No doubt, the Vatican will once again try to fight it off.

As with Moneyval and Mosman's ruling, however, the Vatican may find that sometimes developments you worry about the most also give you the most help.

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