

HOME » NEWS » WORLD NEWS » EUROPE » VATICAN CITY AND HOLY SEE

## Vatican denies it built property empire on back of Mussolini's money

The Vatican has rebutted claims that it built up a huge property portfolio, including assets in Britain, on the back of money it received from Benito Mussolini in return for recognising his fascist regime.



The Quirinal Palace is a former papal palace, lost under the Lateran Accords, which is today the residence of the Italian President Photo: AP



By Nick Squires, Rome

3:55PM GMT 22 Jan 2013

Follow

The tiny city state has extensive property holdings in London and other parts of Britain, including the headquarters of an investment bank in St James's and the premises of Bulgari in New Bond Street.

In an investigative report, **The Guardian** said that the portfolio had been "built up over the years, using cash originally handed over by Mussolini in return for papal recognition of the Italian fascist regime in 1929."

Sources within the Holy See however said that was misleading and historically incorrect.

**The Vatican** received money from Mussolini's government as recompense for the extensive properties it lost when the papal states

Print this article

### Vatican City and Holy See

News » World News » Europe » Nick Squires »

### In Vatican City And Holy See



Pope visits Philippines



The Telegraph

Like Page 2.5m likes

### Europe news»

- France news
- German news
- Italy news
- Spanish news
- Russian news
- European Union

### Latest Video»



Crane collapses at Mecca's Grand Mosque



Cameron caught mocking people in Yorkshire



Thieving seagull steals nuts from newsagents



Hungarian police throw food at refugees



Vivienne Westwood drives tank to David Cameron's constituency home in protest



'Feet-on-seat' rant on London Overground

### More From The Web

## Barnebys.co.uk

All Auctions In One Place

were invaded and occupied by the Kingdom of **Italy** in the 1860s.

The money was paid out under the Lateran Accords of 1929, the agreement by which the Mussolini government recognised the Vatican City State as a sovereign nation and the Church gave up its claim to the former papal states.

**Related Articles**

- [Pope wants to use social networks to win converts](#) 24 Jan 2013
- [Minister: poor families are likely to be obese](#) 22 Jan 2013
- [Pope tweets in Latin for first time](#) 20 Jan 2013
- ['Gorgeous Georg', Pope's private secretary, on Vanity Fair cover](#) 16 Jan 2013
- [Leon Panetta meets Pope Benedict XVI](#) 16 Jan 2013
- [Pope Benedict XVI says Church must stand firm against 'intolerant agnosticism'](#) 06 Jan 2013

It was compensation for the millions of pounds' worth of property that the Church lost under the accord, such as the Quirinal Palace in Rome, a former papal palace which is today the residence of the Italian president.

The fact that the Vatican had property holdings around the world was no secret, said Father Federico Lombardi, its official spokesman.

"I'm bewildered – this article reveals nothing that was not known already," he said on Tuesday.

"The existence of property investments by the Holy See, bought with money paid by the Italian State as compensation for expropriated assets, has been known for more than 80 years. "I'm amazed by the publication of this story – it doesn't reveal anything new."

The Vatican's British properties are managed by a special unit inside the Vatican called L'Amministrazione del Patrimonio della Sede Apostolica (APSA), or the Administration of the Patrimony of the Holy See.

"The fact that APSA has a special section is even recorded in the Vatican telephone exchange," and was again no secret, said Father Lombardi.

In his book "Inside the Vatican", Thomas J. Reese, an American expert on the inner workings of the Holy See, wrote that in 1929 Italy agreed to subsidise the Italian Catholic Church and to give the pope the equivalent of \$92 million as an indemnity for the loss of the papal states.

"Some of this indemnity was immediately used for construction within Vatican City – the train station and an office building for Vatican City.

The rest was invested as the patrimony or endowment of the Holy See," Father Reese said.

That patrimony now includes an extensive property portfolio, including buildings in some of London's smartest areas and apartment blocks in Switzerland and France.

Ownership of the properties is through a web of offshore companies, the names of which have nothing to do with the Vatican or the papacy, The Guardian said.

But Vatican sources said it was not unusual for large, multinational organisations to use a web of companies to manage their assets.



Pope's visit to Israel



The Pope in Palestine



In pictures: Popes canonised



The Queen's Papal visits



Tom Wesselmann Bedroom Nude (Frontal)

Estimate: \$ 300000  
Phillips

[VIEW LOT!](#)

[SEARCH ALL AUCTIONS](#)

**More From The Web**



**Sending money abroad?**

It's easy to outsmart the suits. TransferWise saves you up to 89% vs the bank

[View](#)

**News Most Viewed**

- [TODAY](#)
- [PAST WEEK](#)
- [PAST MONTH](#)

- [1. At least 107 killed as crane crashes into Mecca's Grand Mosque](#)
- [2. Jeremy Corbyn faces a dozen shadow cabinet resignations if he wins Labour leadership](#)
- [3. Woman discovers 'boyfriend' of two years is woman when she removes blindfold during sex](#)
- [4. Polish man finds 'Nazi underground shelter' in 'gold train' tunnel system](#)
- [5. Army captain jailed for raping a woman while his fiancée slept in the next room](#)

**More From The Web**



The Telegraph  
SIGN UP TO OUR  
THE WORLD TODAY  
NEWSLETTER

The Telegraph  
The world today

SIGN UP NOW »



## Top News Galleries

### Royal Mail Star Wars stamps



**In pics:** Royal Mail to issue 18 special Star Wars stamps

Comments

### Celebrity traders



**In pics:** BGC Annual Global Charity Day

### The week in pictures



A round-up of our favourite photographs of the week

### Honouring the victims of 9/11



**In pics:** 14th anniversary of the September 11 attacks

### Floyd Mayweather: The good, the bad and the ugly



**In pictures:** We recollect ten of the most memorable 'Money' Mayweather fights, as selected by Boxing Correspondent, **Gareth A Davies**

Comments

### Animal photos of the week



All creatures great and small in our ever popular animal gallery





## How Mayweather spends his millions



**In pics:** Floyd Mayweather is fighting for the 'final time' this weekend against Andre Berto - but how does he like to spend his cash?

[Comments](#)

## Celebrity couples with large age gaps



In the world of Hollywood, age is nought but a number, but which A-lister romances have the largest age gaps between them? By **Saffron Alexander**

## The best British political insults



**Culture**  
A hilarious history of political insults and putdowns, from Churchill to Corbyn

## Celebrity Sightings



September 11 2015: Starring Rihanna, Coco Rocha and Gigi Hadid

### US NEWS



Latest and breaking stories from the United States

[View](#)

### FOOTBALL



Catch up on all the latest football news

[View](#)

### FILM



All the latest film trailers, reviews and features

[View](#)

### WORLD NEWS



The latest world news

[View](#)

[Back to top](#)

[UK News](#)  
[Politics](#)

[Long Reads](#)  
[Wikileaks](#)  
[Jobs](#)

[USA](#)  
[China](#)

[Royal Family News](#)  
[Celebrity news](#)  
[Dating](#)

[Defence](#)

[Weird News](#)  
[Editor's Choice](#)  
[Financial Services](#)

[Matt](#)  
[Alex](#)

[Comment](#)  
[Blogs](#)  
[Crossword](#)

[Advertising](#)  
[Fantasy Football](#)

[Tickets](#)  
[Announcements](#)  
[Reader Prints](#)

 [Epaper](#)  
[Expat](#)

[Promotions](#)  
[Subscriber](#)  
[Syndication](#)