

Nazi-loot suit against Vatican dismissed

Patricia Zapor Catholic News Service | Dec. 31, 2009

WASHINGTON -- A California appeals court dismissed a lawsuit against the Vatican bank seeking restitution for Holocaust survivors who said the bank stored and laundered millions of dollars worth of assets looted by a Nazi-backed regime in Croatia.

The 9th U.S. Circuit Court of Appeals Dec. 29 upheld a federal District Court ruling that said that as an agency of a sovereign state, the Vatican bank is immune from such lawsuits. The 1976 Foreign Sovereign Immunities Act protects other countries from being sued in U.S. courts, the court noted.

The lawsuit sought an accounting from the Vatican of assets the plaintiffs allege were stored and laundered by the church under the Nazi-backed Ustasha government in Croatia. It also asked for restitution and damages.

The class-action suit was originally filed in 1999, on behalf of potentially hundreds of thousands of concentration camp survivors of Serbian, Jewish, Roma and Ukrainian background and their heirs. It currently has about 28 named plaintiffs, according to their attorney.

Still remaining is a similar lawsuit against the Franciscan order, which also was dismissed by the Northern California District Court and is on appeal to the 9th Circuit.

Jonathan Levy, a Washington-based attorney who represents the plaintiffs, told Catholic News Service Dec. 30 that it hadn't yet been decided whether to appeal the 9th Circuit ruling involving the Vatican bank to the Supreme Court.

Levy said there is a stronger connection between the Croatian assets and U.S.-based Franciscan entities than there was to the Vatican, creating what he believes is a better case for pursuing the religious order for redress.

The case started after the U.S. State Department in 1998 issued a report linking the Vatican to the disappearance in 1945 of the treasury of the "Nazi Puppet State of Croatia," according to background material on the plaintiffs' Web site, www.vaticanbankclaims.com.

The site says that during the war some Franciscans were "militant Catholics" who "led pogroms against Orthodox Christian Serbs, Roma and Jews" and that Franciscans in Rome helped smuggle the Ustasha treasury out of the country. The Ustasha ran a brutal Nazi-backed government in Croatia between 1941 and 1945.

In a November order finding the lawsuit against the Franciscans fell outside the jurisdiction of the federal court, District Judge Maxine Chesney left open the door to refile the case in a state court.

Levy told CNS that there are connections linking the missing assets to the Croatian Franciscan Custody based in Chicago, making it possible the plaintiffs will pursue their claims in a state court.

The U.S.-based lawsuit was filed after Swiss banks agreed in 1998 to pay \$1.25 billion in restitution to people

who said the banks stole, concealed or sent to the Nazis hundreds of millions of dollars worth of property owned by Jews.

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