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Thoughts on the Rise of 'God's Consultants'

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Whenever we get around to cataloging the principal ironies of the Pope Francis era, right at the top of the list will have to be this: The pontiff who famously longs for a "poor church for the poor" and who rails against "trickle-down" economics is also the pope who's created a boom market for "God's consultants."

Before the Francis reform is finished, there might not be a systems analyst, management expert or financial guru left on earth who doesn't have a contract in Rome. This pope may have his issues with capitalism, but these days, he can't even walk across Vatican grounds without bumping into a whole regiment of its foot soldiers.

In brief, three points are especially striking about this rise of God's consultants:

· They represent a clear break with the Vatican's traditional ambivalence about relying on secular expertise, on the grounds that secular values are inevitably part of the package.

· They also represent a clear step towards the "de-Italianization" of the Vatican, rupturing its traditional reliance on Italian financiers for its business advice.

· They raise questions about just how transparent the Vatican's transparency campaign will turn out to be.

On Thursday, the Vatican announced [1] that a commission created by Francis in July to study the economic and administrative structures of the Holy See has awarded contracts to McKinsey & Company to help reorganize the Vatican's PR operation and to KPMG, one of the so-called "Big Four" auditing firms, to advise it on improved accounting practices.

They join Ernst and Young, which had already been asked to study management and economy activity in the Government of the Vatican City State, and Promontory Financial Group, which is currently conducting detailed reviews of client accounts for the Vatican bank and the Administration of the Patrimony of the Holy See (APSA).

Ernst and Young has another beachhead in the Vatican in the form of Francesca Chaouqui, one of eight members of the pope's commission on economic and administrative affairs and a former external relations officer for the professional services colossus.

McKinsey, KPMG, Promontory and Ernst and Young may be the Vatican's version of the "Big Four," but they're not the only outfits to get in on the action.

In May, the new president of the Vatican bank, German businessman Ernst von Freyberg, announced he had not only hired Promontory but also the U.S.-based law firm Cleary Gottlieb Steen & Hamilton to help with regulatory compliance issues.

Freyberg also brought his own PR team to Rome, composed of staff from CNC, a global communications firm

based in Munich.

More such folks may soon be arriving.

In an *NCR* interview Wednesday, René Bruelhart, director of the Vatican's Financial Information Authority, said within the next month, he intends to hire additional staff to help oversee the Vatican bank and, at least for the time being, APSA.

Given the nature of their work, those folks are almost certainly going to come out of corporate backgrounds. Before long, the *mensa*, or cafeteria, for Vatican employees may feel like an alumni reception for an MBA program.

To be sure, this is not the first time the Vatican has tapped outsiders.

At the height of the Vatican leaks affair in early 2012, the Government of the City State defended itself against charges of corruption and nepotism leveled by the current papal ambassador in the United States, Archbishop Carlo Maria Viganò, by insisting it was implementing recommendations made by McKinsey in an earlier management study.

McKinsey had previously consulted for the Vatican during the 1990s, an aspect of its history routinely cited in profiles of the "McKinsey mystique."

Another major global auditing firm, Price Waterhouse, was hired to help reorganize operations at the Vatican bank in the early 1990s during the period when American Cardinal Edmund Szoka was president of the Prefecture for the Economic Affairs of the Holy See.

Today's ubiquity of consultants in the Vatican, however, has reached entirely new levels.

Now for three reflections on the rise of God's consultants.

First, it represents a clear shift in Vatican attitudes about secular know-how.

In the past, the Vatican tended to operate out of what philosopher Alasdair MacIntyre called a "narrative tradition" rooted in a pre-modern worldview, featuring an instinctive distrust of claims to specialized expertise from people who don't share the moral and metaphysical worldview of Catholicism. The fear was that they might build a better mousetrap, but they also might smuggle alien values and ways of doing business into the church.

That background may help explain the reaction to news reports back in July that Francis was on the cusp of appointing German consultant Thomas von Mitschke-Collande, a former official with McKinsey, to help lead reform of the Roman Curia. Mitschke-Collande is the author of a 2012 book titled *Will the Catholic Church Abolish Itself? Analysis and Facts of a Business Consultant*, which some praised as a bold call for reform but others saw as a PR-driven strategy for assimilating Catholicism to secular culture.

According to Italian writer Sandro Magister, the idea of inviting Mitschke-Collande to advise the Vatican came from the secretary of the German bishops' conference but was opposed by Cardinal Reinhard Marx of Munich, a member of the pope's Council of Cardinals. In the end, Mitschke-Collande didn't receive any Vatican commission.

That example aside, the pendulum clearly has swung in the opposite direction. Today, it seems the Vatican has never met a consultant it doesn't want to hire.

Noteworthy about Thursday's announcement is that these consulting firms now are advising the Vatican not only on finances, but also communications strategy. It seems likely that grumbling about secular experts would revive if they're eventually tasked with studying aspects of Vatican operations that have more directly ecclesiological implications, such as, for instance, relations between the papacy and the world's bishops' conferences.

Of course, Francis' example also sets a tone for the church at lower levels. These days, it would be much more difficult for bishops and other Catholic leaders to resist calls to bring in outside experts whenever a problem arises, because the inevitable question will be: "If they're good enough for the pope, why not you?"

Second, the rise of God's consultants represents a clear extension of the "de-Italianization" of the Vatican.

A veteran Vatican writer joked Thursday that as of Jan. 1 the Vatican ought to relocate to New York in order to cut down on travel time for the new cohort of consultants. It was a punch line, but there was a serious point behind it.

McKinsey and Promontory are both based in the United States; Ernst and Young is headquartered in London; and KPMG's home office is in the Netherlands. All are global firms, but none have Italian roots, and most of the personnel being brought into Rome these days to carry out their projects aren't Italian.

Quietly, many of the Vatican's reform-oriented thinkers have said for years that a *sine qua non* is to break the Italian stranglehold on the place, because many of its recent scandals -- the leaks affair, for instance, or the ex-Vatican accountant arrested in a $30 million cash smuggling scheme -- either result from an overly incestuous relationship between Vatican personnel and Italian fat cats, or simply reflect time-honored ways of doing business in Italy that make sense here but not by the standards of the wider world.

One way to de-Italianize the Vatican is to appoint churchmen from other parts of the world to senior positions, and to some extent Francis has done that, although he also has shown a fondness for Italian diplomats in several of his picks.

Another strategy, however, is to ensure that the heavy lifting of reform is carried out by an international cast of characters, and the rise of God's consultants would seem to be a way of accomplishing that.

(That's not universally true, however, as there are Italians in the mix. For instance, the new director of the Vatican bank, Rolando Marranci, is a former official with the Promontory Group. He's a father of three who hails from the small town of Reggello in Tuscany near Florence.)

It also should be noted that these consultants are almost entirely laity. Their presence in such large numbers subtly alters the sociology of the Vatican and, at least in theory, could promote the "de-clericalization" of the church for which Francis has repeatedly called.

Third, if one hallmark of the Francis reform is supposed to be a climate of greater transparency, one wonders if that will extend to God's consultants.

Big-time global consulting firms are notoriously hesitant to reveal details of the work they perform, generally citing client confidentiality, the need to protect trade secrets, and so on. They also generally shy away from acknowledging how much they're paid.

To date, no one at the Vatican has said out loud how much they're shelling out for the services of this new batch of consultants.

A spokesperson for the Vatican bank told NCR on Dec. 20 that figures for their expenses on consulting services, including not just Promontory but also CNC and various legal firms, will be provided in the bank's 2013 annual report, which is expected to appear in April 2014.

"Transparency" has become a cornerstone of Vatican rhetoric about what this cycle of reform is intended to achieve. In that spirit, it will be interesting indeed to track the extent to which Vatican officials are willing to open up about what exactly these consultants are doing, and how much they're being paid to do it.

*(Follow John Allen on Twitter:**@JohnLAllenJr**)*

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