

Greed helped cause global financial crisis, say two Vatican officials

VATICAN CITY - The global financial crisis has been caused in part by greed and is likely to have grave repercussions on the world's poor, said two Vatican officials.

The Vatican's representative to U.N. agencies in Geneva, Archbishop Silvano Tomasi, told refugee experts Oct. 7 that the crashing markets could result in greater displacement of people and a greater uncertainty about richer countries' ability to protect and assist them.

"The spotlight of public opinion currently is placed on the crisis of financial markets ... and on the irresponsibility and greed of some managers that led to it," Archbishop Tomasi said.

"The consequences of this enormously complicated crisis exert a grave impact on vulnerable groups in society and give concrete evidence of the interconnectedness and lack of equity in today's world," he told the executive committee of the U.N. High Commissioner for Refugees in Geneva.

At a Vatican news conference Oct. 8, Cardinal Renato Martino, the president of two Vatican departments that deal with migration and social justice issues, said this crisis - like every economic crisis - hits the poor the hardest because they have little or no margin to absorb its effects.

One probable cause of the crisis was "greed and the desire to have more," which should have been better controlled by public authorities and the market itself, he said.

He said the Compendium of the Social Doctrine of the Church makes it clear that "the market is not just a profit factory." The market must be regulated so that all those involved in the economic chain, not only owners and investors, are protected, he said.

Cardinal Martino confirmed that Pope Benedict XVI's upcoming encyclical on social

justice issues is expected to be published before the end of the year. Meanwhile, he said, the Pontifical Council for Justice and Peace is working on a more technical document that looks at poverty in the era of globalization.

The Vatican newspaper, L'Osservatore Romano, said in a Page One article Oct. 8 that the current crisis marked "the end of an era."

"What is truly finished - for now - is the irresponsibly managed laissez-faire financial system," it said. Undoubtedly a new form of state control over markets will be necessary, at least in the short term, it said.

The financial emergency also marks the end of the credibility of the regulators and rating agencies that were supposed to protect against such developments, it said.