Bankruptcy: A chance for all to heal

The decision of the Roman Catholic Archdiocese of Portland to file for Chapter 11 reorganization in U.S. Bankruptcy Court on July 6 has troubled many people. You can include the Catholics of western Oregon and me in that category.

The goal of our Catholic community in dealing with child sexual abuse has been to assure the protection of our children for the future and also to provide healing and reconciliation for victims of the past. I am still hopeful that bankruptcy will help us accomplish that goal.

It's understandable that most people don't understand Chapter 11 bankruptcy. The Catholics of this state want to compensate victims justly and to continue the mission of the church. Bankruptcy offers a way out of our current conundrum. In the long run, it can prove positive for victims and the church. Filing for bankruptcy has been described as a "desperate" act. In some ways that is true.

The archdiocese of Portland has settled more than 130 claims involving sexual abuse of children over a number of years. We have spent more than $53 million in settlements. Half of that money came from insurance companies, and the other half from archdiocesan funds. Last year alone the archdiocese spent $21 million of its funds to satisfy claimants. Clearly, we are trying to do the right thing.

A dispute arose that had become irrec- oncilable. Should our outreach to the poor and vulnerable, the education of our children and the worship of our people be placed in jeopardy to punish the church? Catholic people think not.

Certainly, victims deserve just compensation, but the demands presented before the trials scheduled to begin on July 6 had raised the bar too high. I could not in good faith pay even the settlement demands of the two plaintiffs who claimed $155 million and still provide for reasonable compensation of 60 other claims still pending.

Because Oregon law allows punitive damages against a not-for-profit corporation like the Catholic Church, those two cases could have brought us to bankruptcy anyway. What would then have happened to the remaining victims and their claims for compensation?

Bankruptcy provided a way for bringing everyone to the table, for determining in a fair and civil way the assets of the church that should be available, for resolving an almost impossible financial situation for the church and for allowing the Catholic people to continue to worship, to educate their children and to serve the needy.

Some have said that bankruptcy was filed to avoid bad publicity for the church. The church has already faced years of bad publicity about this subject. We have all read and heard and viewed reports like those that would have been presented during the trials many times. The church has been humiliated again and again and again. These two plaintiffs were willing to settle out of court for millions of dollars one week before trial. Frankly, if the church were seeking to avoid public scrutiny, settlement at all costs would have been our strategy. Reasonable compensation, yes. Blackmail, no.

A decision to file for bankruptcy raises all kinds of legitimate questions and concerns, to be sure, but the editorial page cartoon in The Oregonian on Saturday, July 10, was irresponsible and demeaning. That was my first thought. Then I remembered, "Turn the other cheek."

Because so many people have felt the hostility that undoubtedly prompted that visual message, I take this opportunity once again to apologize from the bottom of my heart for the terrible crimes of child sexual abuse perpetrated by Catholic clergy and also for the inadequacy of our church, our families and our society in dealing with reports of such conduct, the needs of victims and the guilt of the perpetrators in the past. I can assure you that we in the church have learned a tough lesson, and we are intent upon improving the situation.

I am grateful to all the people who have expressed their support for these difficult decisions to file for bankruptcy protection and for cooperating in the church's effort to protect children and to provide healing for victims.

Victims deserve a hearing and just compensation. Children must be protected. Healing and reconciliation are important and necessary outcomes for all people of good will. I remain grateful for the call to serve as the Catholic archbishop here in western Oregon. I hope that the bankruptcy proceedings will give all of us a chance to come together and resolve in a just way all our grievances and differences.

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