

## Tony Blair's priest fixed papal knighthoods for cash: Senior Catholic took up to £50k donations for honours

By <u>lan Gallagher</u> Last updated at 4:39 AM on 27th March 2011

- Senior Catholic Fr Michael Seed admits soliciting charity donations of up to £50,000 for prestigious honours
- Franciscan Friars 'appalled' by MoS disclosures... as Seed admits his actions could be 'morally wrong'



Suspended: Father Michael Seed's superiors are said to be 'appalled'

One of Britain's most high-profile Catholic priests has admitted arranging papal knighthoods for wealthy businessmen for money.

Father Michael Seed, who regularly celebrated Mass for Tony Blair and his family in Downing Street, now

faces questions from his religious order after an investigation by The Mail on Sunday.

The most damaging evidence concerns his attempted cultivation of an Israeli arms dealer, Hezi Bezalel, who was seeking business opportunities in the Balkans.

It shows that Fr Seed, a former ecumenical adviser to the Archbishop of Westminster, had 'agreed' a papal knighthood for Mr Bezalel before approaching him. In return for a £45,000 donation to charity, Fr Seed said he could also introduce Mr Bezalel to influential Balkan politicians 'and the man who looks after all arms for the region'. Mr Bezalel declined the offer, saying he did not give to charity 'under instruction'.

Papal knighthoods are awarded to lay men and women for conspicuous service to the church and society. They are among the highest honours the Pope can bestow.

Tonight a source close to Fr Seed's order, the Franciscan Friars of the Atonement, said his superiors were 'appalled'. Although he failed to solicit funds from Mr Bezalel, at least four wealthy Britons were impressed by his overtures. Fr Seed admitted they made donations to an Archbishop friend's charity in Serbia to become papal knights.

It was unclear last night if the four, who are each understood to have contributed between £25,000 and £50,000, had done anything else to merit their honour.

## Our inquiries also reveal that:

- Fr Seed gave a £34,000 cheque drawn from his order's charity bank account to a friend, Chinese businesswoman Xuelin Black, who later paid the money into his personal account. Last night the order said it was auditing accounts over the disclosure. Ms Black, 47, who was made a papal dame by Pope Benedict XVI, is a Tory donor and adviser to the Government's Big Society project.
- Fr Seed is on indefinite leave from his order after claims that he marked the 25th anniversary of his ordination in January with a champagne party at a racy club, with entertainment provided by men dressed as nuns.
- He lives rent-free in a flat owned by one of his wealthy papal knights in exclusive Dolphin Square in Pimlico, Central London.

Fr Seed, who has taken a vow of poverty, denied profiting from any of the deals. But he agreed that trying to solicit funds from Mr Bezalel could be seen as 'morally wrong'.

Asked if he thought many would see the deal as an abuse of the papal honours system, he said: 'Of course I do.'

Fr Seed is honorary chaplain to the International Committee on Human Dignity, based at the European Parliament in Brussels. But it was as unofficial Catholic envoy to Parliament that he acquired many well-connected friends. He was praised by Cherie Blair for turning 'the great into the good' and helped to convert Tony Blair, Ann Widdecombe, John Gummer and the Duchess of Kent.



Admission: Father Seed is facing questions from his religious order

When he approached Mr Bezalel in November 2008, he had recently left his post as ecumenical adviser to Cardinal Cormac Murphy-O'Connor, then Catholic Primate of England and Wales.

The Mail on Sunday can reveal that Fr Seed and his go-between, American corporate strategist Kalman Sporn, 39, constructed a careful plan to try to win over Mr Bezalel.

Central to their strategy was Archbishop Eugenio Sbarbaro, the Vatican's ambassador to Serbia, who had the power to nominate people for papal knighthoods. He has been a close friend of Fr Seed for nearly 30 years and Fr Seed was soliciting funds for the Archbishop's Belgrade charity, The Path to Peace in the Balkans Foundation.

In an email to Mr Sporn dated November 17, 2008, Fr Seed wrote: 'Spoke to Eugenio – Hezi can meet President [of Montenegro, Filip Vujanovic] any time he wishes – Eugenio will call him.

'Eugenio will also introduce Hezi to the man who looks after all arms for the region of Serbia, Montenegro and the Balkans in general – he is a friend of Eugenio – my side of deal is done – Eugenio will entertain Hezi in Belgrade. We must act quickly as Eugenio might be going on vacation in a week or so to his family in Italy, near Genoa, till early December. Papal knighthood is also agreed.' The following day Fr Seed sent an email to Mr Bezalel couched in more formal language.

In it, he said he understood from Mr Sporn that 'you are seeking a meeting with the President of Montenegro and I am only too happy to facilitate that for you whenever you wish'.

Fr Seed added: 'I have spoken with the Archbishop and he is only too happy to assist you in any way you wish. I have told him of your particular interests and he is again familiar with the specific people (at the highest level) you wish to meet. As he has been in the region for nine years he is very well known and trusted by all.'

Although he made no mention of a papal knighthood at this point, Fr Seed raised the matter in an email to Mr Sporn later that day. He included advice on how to court their target.

He told Mr Sporn: 'We must wait and see now – my email says it all – no mention of Papal Knighthood though

- you can do that.' He advised Mr Sporn to stress how 'good' the honour has been for two British philanthropists. One was made a Knight of the Pontifical Order of Pope Saint Sylvester in 2004. Archbishop Sbarbaro gave him the award for his support for 'inter-faith initiatives' in the Balkans.



'Turning the great into the good': Father Seed converts Ann Widdecombe to Catholicism

In the 2008 email to Mr Sporn, Fr Seed said of the papal knighthood nomination process: 'We have time – he can submit even as late as April 09 if necessary. [Archbishop Sbarbaro retired in late 2009.] He [the Archbishop] is submitting names next in January.

'Hezi could be on that list and be invested in February, perhaps at the Ritz hotel, London. I can get the grand rooms free of charge – or wherever he wishes. Eugenio would come over for it.'

Mr Bezalel was unmoved by Fr Seed's offer, though he told him on November 21 that his representative in the Balkans 'will approach you should we need'. Undeterred, Mr Sporn told Mr Bezalel next day: 'I don't think you understand the context and nature of Father Seed's recommendation; so I will spell it out for you. If you Hezi Bezalel make a sizeable contribution to the charitable efforts of His Excellency Eugenio Sbarbaro in Belgrade; then on a diplomatic level you will be introduced to certain heads of state in both Serbia, Montenegro and Croatia. A sizeable contribution is more than \$75,000 [£47,000]. The Vatican can open certain doors for you ...'

Mr Sporn tried again soon after. Accusing Mr Bezalel of being 'short-sighted', he told him: 'Within days you could be sitting with the Presidents of Kosovo, Serbia and Montenegro selling them technologies they want and need. To achieve direct access... surely 75,000 is a small fee.'

Later that day, Mr Bezalel replied by email: 'I don't like this approach. When I give to charity it's because I want and not under instruction. I'm trying to be as polite as possible. So please let's forget about it.'



Friend: Archbishop Sbarbaro made nominations for papal knighthoods

Fr Seed was a student at the Catholic University of America when he met Archbishop Sbarbaro in Washington in the early Eighties. The Archbishop was charge d'affaires at the Vatican embassy.

This January, the Archbishop flew to London to conduct a Mass at the Church of the Immaculate Conception, in Mayfair, marking Fr Seed's 25 years as a priest. At a party afterwards at the Pigalle Club in Piccadilly, known for its racy floor shows, many were taken aback when men appeared on stage wearing nuns' habits.

Party guests ranged from Westminster diocese clerics to millionaire benefactors who had flown in by private iet.

His order exclaustrated Fr Seed, meaning he is suspended indefinitely but is bound by his religious vows.

Last night Fr Seed said he was introduced to Mr Bezalel by Mr Sporn, a New Yorker who keeps a blown-up photo in his apartment of himself with Tony Blair.

Admitting the emails were 'extremely damaging', Fr Seed said: 'I regret the language used. It was because I was dealing with Kalman Sporn, who is very blunt. I had to use language that he understood.' When it was put that he was effectively trying to facilitate a potential arms deal, he replied: 'I can't deny that ... it's terrible.'

But he said all the funds he solicited helped charity in the Balkans. He said donations went to Archbishop Sbarbaro, who then distributed them as he saw fit. 'At the heart of this is goodness,' he said.

Asked if he thought donors he recruited were motivated more by a papal knighthood then helping good causes, he laughed: 'I can't answer that.' He admitted he is living in a London flat owned by Gregory King, a Glaswegian corporate money lender whose fortune is estimated at £200 million. Fr Seed claimed that Mr King, who could not be contacted last night, received a papal knighthood after donating to Archbishop Sbarbaro's

charity.

Archbishop Sbarbaro said yesterday: 'Fr Seed is a very good man. When I was ambassador I met a lot of people and I awarded papal knighthoods but this was a secondary part of my work.'

He could not remember discussing Mr Bezalel with Fr Seed but said: 'The Church rewards people who are charitable. I still work for the foundation and we are completing two works in Serbia which came about through kind donations.'

Mr Bezalel did not respond to calls last week. He has many other business interests.

The Franciscan Friars of the Atonement, based in New York, stressed they were unaware of Fr Seed's 'involvement with soliciting funds for any charitable organisation'. They were 'most definitely not aware of any promises or implied promises of a papal knighthood'.



High-profile: Father Michael Seed regularly celebrated Mass for Tony Blair and his family in Downing Street

Mr Sporn said the emails referred to helping Mr Bezalel with introductions to politicians who could faciliate Balkans technology deals.

He said: 'Hezi was involved in the arms trade but for five years he has been a distributor for security technology for software companies.

'Sometimes when you are raising money for charity, the language may sound heavy-handed but the overall result is beautiful. Fr Seed and I were raising money for Path to Peace, which brings Jews, Muslims and Christians together in the former Yugoslavia. Hezi already had business interests there and the approach was that he should use them to support this charity.'

He said he and Fr Seed would not have been remunerated if Mr Bezalel had agreed to their proposal.

## Riddle over the £34,000 he gave to Tory donor



**Questions: Father Seed with Tory donor Xuelin Black** 

A Chinese businesswoman is at the centre of a mystery over why Fr Seed gave her £34,000 from his order's charity bank account.

Xuelin Black, 47, has lived in London since the late Nineties 'developing business and political interests'.

In the run-up to last year's Election she donated £50,000 to the Tories and was later invited to their summer ball. She now advises Mr Cameron's Big Society 'Tsar' Lord Wei.

Last night the Franciscan order was investigating why Fr Seed gave her the £34,000 cheque drawn from its charity account. She held on to it for two months before paying it into Fr Seed's personal account.

Fr Seed described it as a 'loan' when questioned by The Mail on Sunday but declined to elaborate.

Miss Black, who runs an import business was made a papal dame by Pope Benedict XVI. She insisted yesterday that Fr Seed had inherited money following an elderly relative's death.

'He didn't have a bank account so I held on to it for a couple of months while he opened one,' she said. She added that she was introduced to Archbishop Eugenio Sbarbaro by Fr Seed at a party 'years ago'.

She said: 'He [the Archbishop] told me about his good work and asked if I could help. I made a donation a few years later. I didn't expect to be made a papal dame. I do loads of work for charity.' She said the Archbishop flew to London to present her with the honour at the Ritz hotel. Fr Seed was also there.

## Elite band of 400 Britons



Prized: The papal knighthood medal for which four Britons allegedly donated up to £50,000 to a charity n the Balkans

Britain now has 400 papal knights – an award that Popes have been making since the early Middle Ages.

Originally they were conferred to the nobility.

But today the Papal Orders of Chivalry are a means for the Holy See to distinguish all those who have served the Church well.

British papal knights are traditionally members of the Pontifical Orders of Saint Gregory the Great and Pope Saint Sylvester.

Most are Catholics but some come from other faiths.

Knights and dames wear their badges suspended from a ribbon on their left breasts at ceremonies.

They are entitled to wear a uniform of their order. Dames wear capes.

The uniform of St Gregory is dark green, with silver buttons and braiding; that of St Sylvester is black, with gold buttons and braiding.

The uniform is accompanied by a cocked hat and dress sword. Those honoured do not have specific obligations.

But it is customary to take part in major diocese events like consecrating bishops and ordinating priests.