**FATF Choosing to be Unfair**

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There is an old story of a man with a long beard. He lived in a village where somehow his neighbours did not like him. They all wanted to expel him from the village. However, they could not find any valid excuse. One day, a genius came up with a genius idea. He assured villagers that the man with the beard would now have to leave the village. He raised the objection that whenever that man spoke, his beard moved, which was a great sin. So, the man should immediately leave the village. All the villagers applauded his wisdom. In a nutshell, this is what happened with FATF’s recent verdict on Pakistan.

Pakistan is struggling hard to come out of the grey list and has already satisfied 26 action points from the given list of 27. Its score is even better than in some of the most advanced countries. Thus, it is pathetic to note that some advanced countries with a score lower than Pakistan are still on the white list. It is ridiculous that these same countries are leading the propaganda against Pakistan. This episode urges us to look at the history, evolution and working of the FATF. Created as a result of the G-7 recommendation, it is a club of the powerful elite of the world. Since its inception, it has acted as a tool for G-7. It is an institutional form of an economic hitman. It has double standards. Rather, multiple standards.

The FATF has miserably failed to name the most powerful money launders and facilitators, leave alone take action against them. The most shocking but commonly known fact is that paradises of money laundering are running the show of FATF. It is a slap on the face of the so-called international rule-based system of the West. FinCEN leaks are the most recent event, which has jolted the whole world. The leading banks of the West are the main facilitators of money laundering, knowingly or unknowingly. JP Morgan, HSBC, Standard Charted Bank, Deutsche Bank, UAE Central Bank and Barclays Bank are just a few examples. Besides, according to the FinCEN leak, London is the hub of major money laundering activities. It was reported to have links with about 3000 such companies. Already, a report by Transparency International, UK, has flagged around 86 UK banks and financial institutions for assisting dirty money holders in buying assets.

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In this context, few questions require serious consideration. First, is FATF a global institution? No, certainly not. It is a club of few powerful countries. It was established by the G-7 after the fall of the USSR to pursue the dream of being powerful forever and dictating the world. Since its inception, the G-7 has used its economic muscle to dictate its terms, which is evident from the lack of action against leading facilitators of money laundering. Second, is FATF a fair body? The evidence suggests it is not. It is selective in its actions. Clearly, it missed the opportunity to take action against the banks mentioned in FinCEN leaks.

FATF also remained silent over the Uranium sale in India. It rang the alarm bells among the wider diplomatic, defence community and experts. Uranium is extremely lethal and can play havoc with human lives, even countries. Terrorists can use it against civilians, which would be a huge disaster. It is not the first time that Uranium is being made available in the open market across India. It has already happened before. Unfortunately, the FATF could not take an effective move. Although it has direct relevance with terrorism, rather, terrorist attacks, India is still enjoying immunity. The reason remains simple: the political alliance of India with the West. The West wants to use India against China and thus, the immunity. Otherwise, the sale of Uranium is a huge threat to peace.

Third, is it a technical or political organisation? It was created as a technical institution, but it is trying to behave as a political organ of the G-7. Pakistan is observing the worst impacts of political manipulation. The G-7 is using it as an economic hitman. The media is using this opportunity to malign Pakistan and undermine its status. It also has economic implications for us as the international business community avoids doing business with grey-listed countries. There is a broader consensus among independent scholars that the FATF is being used against Pakistan as an arm-twisting tool. It is being used to compel Pakistan to bow down in front of the US and Western demands.

It is no secret that Pakistan has been pursued and pressurised to leave the China-Pakistan Economic Corridor (CPEC). Mr Trump and his administration were hell-bent on convincing Pakistan to part ways with the gamechanger project. It was even discussed at the highest levels. Think tanks, media and digital space were all used to fan propaganda against the CPEC. Mr Biden’s administration is no different from Mr Trump. Rather, it is trying to further complicate the situation for Pakistan. However, Pakistan has refused to accept this pressure. Pakistan has made it clear that the CPEC is our need and there would be no compromise on our relationship with China.

As we know, the US is leaving Afghanistan without any meaningful conclusion of its adventure. It definitely needs support from Pakistan. Pakistan, being a peace-loving country has offered its cooperation. We have already helped the US negotiate with the Taliban and other Afghan stakeholders. Unfortunately, the wish list of the US keeps on inflating, as always. It is the true depiction of the saying, “Old habits die hard.” Now, the US is asking Pakistan to provide air bases to conduct an operation in Afghanistan. Pakistan is refusing to do so. Pakistan is asking a simple question. The US, NATO and Allies could not control the Taliban by physical presence in Afghanistan for 20 years despite deploying the best defence technology of the world. How would it then be possible for the US to control them from the bases in Pakistan?

However, the US is still insisting on the provision of airbases. In Pakistan, many people consider that the US, in collaboration with Allies, is playing a leading role in the FATF. They are all trying to pressurise Pakistan. In this context, it seems that the FATF is behaving like a political organisation, which is not good for anyone, especially for the FATF. It will definitely impact the credibility of the FATF.

To sustain its position and create credibility, the FATF needs to change its course of action. First of all, the FATF should grey-list countries that have been mentioned in FinCEN and other leaks. Secondly, it should also include destination countries in its investigation. Thirdly, the selling of Uranium should be considered the most urgent threat and ergo, the responsible countries should be brought to justice. Lastly, the FATF should immediately stop playing politics.

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