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July 12, 2021

**Networks of impunity**

It would be absolutely naive to think that Pakistan’s retention on the FATF’s grey list had anything to do with our laxity in enforcing its recommendations. Having implemented 26 of the given 27, the FATF’s invocation smacks of blatant partisanship; the ‘do more’ refrain echoes Washington’s perpetual mantra. To make things clearer for the undiscerning mind, only Iran and North Korea are on the FATF’s blacklist.

A Foreign Policy Magazine report states: “The phrase shell company conjures images of offshore havens such as Panama or the Virgin Islands but one of the world’s leading enablers of financial secrecy is actually the United States”. TI’s 2018 report offers a damning critique of US financial secrecy, labeling it a haven for money launderers and tax evaders.

The irony is starkly epitomized in President Biden representing Delaware as a senator for 36 years. Delaware, home to 870,000 people, houses addresses of more than half of the US publicly traded companies, including 60 percent of the Fortune 500. Further, 378 Trump owned companies are also incorporated here. A small building, ‘1209 North Orange Street Wilmington, Delaware’, is office to over 285,000 shell companies including 5 owned by the Clintons.

A European Council on Foreign Relations study is captioned ‘Networks of Impunity”. It asserts how Europe continues to be a “secure financial haven for kleptocrats, criminals and tax evaders”. In February 2019, the European Parliament’s tax committee reported that “EU member states lack the political will to counter financial crime”. The Tax Justice Network has consistently ranked financial systems of the US, Britain, Switzerland, France, Netherlands and Germany among the leading facilitators of unaccounted proceeds.

A February 2020 ICIJ expose reveals stark realities of a murky financial underworld. The leaked documents, known as the FinCEN Files, include more than 2,100 suspicious activity reports. These are a mere 0.02 percent of the more than 12 million filed with the US Department of Treasury’s Financial Crimes Enforcement Network (FinCEN); purportedly an intelligence unit to combat money laundering.

The ICIJ identifies more than $2 trillion worth of transactions as “possible money laundering of criminal proceeds” – that too in plain sight of government regulators. A few of the top banks reported in the FinCEN Files are JP Morgan, Deutsche Bank, Standard Chartered, New York Mellon, Barclays, Societe Generale, State Street, Commerzbank AG and PNB Paribas. According to the report, just two banks – Deutsche Bank and JPMorgan – handled suspicious proceeds worth $1.3 trillion and $514 billion respectively.

Antonio Maria Costa, executive director at the UN Office on Drugs and Crime, said he had seen evidence that the “proceeds of organized crime were the only liquid investment capital available to some (western) banks on the brink of collapse”. A single example, Wachovia Bank, one of the largest US banks, was involved in laundering $390 billion at the behest of Mexican drug cartels. Wachovia escaped prosecution by paying a paltry $160 million fine and promising to ramp up its Anti Money Laundering procedures.

The British National Crime Agency reports that “90 billion pounds is being laundered in the UK each year”. The British Virgin Islands with a mere 20000 inhabitants is the world’s fourth largest recipient of (unaccounted) ‘FDI’. Various noted bodies refer to London as the “laundry of choice for criminals”. This is just the tip of the iceberg as trillions in criminal proceeds go through laundries of choice peppering the Western financial system. This is enabled by oversight of the very governments that police and penalize the lesser mortals of this world.

A proven reality, the economies of states that dare pursue nationalistic policies are made to scream through ‘recommendatory bodies’ and ‘aid agencies’. The conduct of India, an FATF member since 2010, stands irrefutably proven in its subversive and malicious intent towards Pakistan. Declassified documents reveal how president Nixon, in a bid to oust a democratically elected Salvador Allende, ordered the CIA to “make the economy scream in Chile”.

In his bestselling ‘Confessions of an Economic Hit Man’, John Perkins (an insider) chillingly narrates how the economic hit was only the first line of attack. If it failed, then CIA “jackals” were sent in to stage a coup or assassinate an uncooperative leader. If that too failed, then the US would resort to military action – an oft-repeated macabre script.

Lord Cromer famously worded the British Empire’s influence on Egypt when he said: “We do not govern Egypt; we govern the governors of Egypt”. For all his macho bravado, Gen Musharraf shall always be remembered for his absolute capitulation to Washington’s demands. In doing so he opened the gates of hell for Pakistan.

Prime Minister Imran Khan’s post-budget address was the harbinger of an agonizingly long-awaited national policy. Having treaded a non-compromising path to the stewardship of Pakistan, the ‘Taliban Khan’, absolutely and rightfully averse to fighting alien wars, stands fully vindicated. We simply cannot afford a proxy war’s destructive and harrowing consequences all over again.

Used to a Pakistan governed by serfs, measures to make our economy scream are inevitable. These machinations shall become ever more desperate, given the expected outcome left behind by a vanquished Washington-led juggernaut in a totally ravaged and rudderless Afghanistan.

Our national policy, as laid out unequivocally by the prime minister, based on national interest rather than the inherited ones of unabashed vacillation shall be, as Milton put it, “Hard are the ways of truth and rough to walk”. However, our history shall undoubtedly record it as Imran Khan’s most cherished legacy; the most enduring service ever to the motherland.

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