

Advice to Crime Fighters: Follow the Money

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By Darren Schuettler

BANGKOK (Reuters) - If you want to fight global crime syndicates, traffickers and corrupt officials, just follow the money, a financial crimes expert said on Thursday.

David Leppan, director of London-based World Check which advises banks and government agencies in 120 countries, said the international effort against these crimes was being hampered by fragmented strategies and poor coordination between nations.

"Nobody is looking at the overall picture, which I think is the mistake we are making," Leppan said on the sidelines of a week-long U.N. crime conference in Bangkok.

The five-yearly meeting of more than 3,000 delegates -- including justice ministers, police chiefs and rights activists -- is debating everything from the links between organized crime and terrorism, to computer crimes and human and drug trafficking.

But Leppan feared the conference would end on Monday with few concrete steps to tackle the root cause of cross-border crimes.

"At the end of day, it boils down to money; people trying to make money and trying to launder their ill-gotten gains," he said. "What we need is a conference about money, bad money."

The United Nations drugs and crime watchdog estimates that transactions worldwide by organized crime reach \$2 trillion every year and about half that goes toward corruption and bribes.

U.N. estimates of money laundering range from \$500 million and \$1 billion annually, but watchdogs like the Paris-based Financial Action Task Force (FATF) have made it harder to wash dirty money through major bank systems.

As a result, criminals are eyeing smaller banks on remote Caribbean or Pacific islands, Leppan said, or setting up trusts, charities and NGOs to conceal funds.

Authorities on the Marshall Islands called Leppan's firm after the Pacific nation suddenly became popular with Russians.

"They had one Russian but could not identify him because he had so many false passports," Leppan said. "These guys will go anywhere they have to go to do their business."

FILLING A NICHE

Too often the intelligence gathered by governments and agencies is not shared with foreign counterparts, he said.

Seeking to fill that niche, World Check offers detailed profiles of some 300,000 suspects -- everyone from politicians and arms dealers to money launderers and terrorists -- in a database supplied to 1,300 corporate and

government clients.

Most of the information is gleaned from public sources such as arrest warrants, most-wanted lists issued by agencies such as Interpol or the FBI, and media reports.

The company's first major clients were Swiss banks linked to the billions of dollars in state funds embezzled by the late Nigerian dictator Sani Abacha, who died in 1998.

Swiss banks, embarrassed by a probe into the money transfers, agreed in February to return \$458 million to Nigeria.

"Clients are worried about the risk to reputation and what they need is an early warning system. They need something to come up on the radar to say this guy is stealing billions from his country or this is his front man," Leppan said.

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