

Jim Hoagland 8/5/91 Post

# Across the Cultural Chasm

## *BCCI viewed from East and West.*

PARIS—Tricky Arabs and Asians who buy influence, run arms and milk rubes out of their savings. That is the BCCI banking scandal seen through Western eyes—a sucker's night in the Casbah with a multibillion-dollar sting.

The view from the Oriental side of the cultural looking glass is the reverse. The abrupt closing of the Bank of Commerce and Credit International, followed by cries that the West is shocked, absolutely shocked, to learn of gambling at Rick's Cafe, form another chapter in the long saga of Western prejudice and exploitation of the Third World.

The extreme version, popularized in the Pakistani and Arab press, portrays the crushing of BCCI as part of an all-embracing imperialist-Zionist plot against Muslims. Many Asian and Arab depositors in London hurt by the abrupt shutdown of the bank find it easier to bathe their wounds in paranoia than to admit they made a costly choice of banks.

There is just enough truth in both stereotypes to make the cultural looking glass a key element of the BCCI scandal. Western prejudice created an opening for BCCI to exploit. Artful dodgers from the Middle East rose to the occasion. Now, Christian and Jewish bank regulators, district attorneys, judges and legislators in the West will have their say on Muslim financiers and many of their Muslim depositors.

This is happening only a few months after the most massive assault by essentially Christian armies on a Muslim nation since the Crusades. It will be tempting for Middle East and Asian Muslims, and those in the West who identify with their causes, to see BCCI as an extension of Operation Desert Storm.

We need to recognize that the cultural clash between East and West and the mind-sets it produces on both sides have created "a flash point . . . which now presents a global danger," as British writer Anthony Sampson puts it.

But the cultural and psychological context should not be allowed to obscure or excuse the wrongdoing that has occurred in the BCCI case. Such a result would allow the fast-buck guys involved to exploit their Muslim/Third World identities twice over.

The victimization theme was sounded by Ghaith Pharaon, a Saudi Arabian financier involved in the BCCI case. Testifying last April in a libel suit he brought against an Argentine journalist, he complained:

"Everyone launders drug money, everyone is a criminal, but only the Arab bank is attacked. . . . There is a campaign against the Arab bank."

Pharaon's legal responsibility in the

BCCI case is still to be determined. But he speaks as a member of an Arab elite that often benefits from shifting attention from what they have done to what the Crusaders and other Westerners have done unto them.

The BCCI case has its roots in this cultural chasm. BCCI was started by a Pakistani, Agha Hasan Abedi. But its pivot became the Persian Gulf sheikhdom of Abu Dhabi after Abedi persuaded Sheikh Zayed bin Sultan al-Nahyan in the early 1970s to put his prestige and his oil fortune behind a global bank for Muslims that would abide by Islamic financial practices.

"Abu Dhabi lacked serious banking regulation, and Abedi told Sheikh Zayed it was his Muslim duty to support an Islamic bank," says a European banker who knows Abu Dhabi well. "It was the perfect anchor for BCCI."

London, with its growing Asian and Arab population, was the Western anchor. "If you are an Arab or an Asian, opening a bank account in Britain is an ordeal," says an Arab businessman based in London. "You will be treated like a crook who personally stole the riches of the British Empire."

Accumulating criminal charges and civil suits in Britain and the United States suggest that BCCI globalized a pattern of influence buying, commission skimming and personal aggrandizement that infected most of the Middle Eastern oil states. Rulers treated national treasuries as their own personal purses not subject to rules or inspection. Too many businessmen and bankers adopted the same attitude.

But Sampson, in *The Independent* newspaper in London July 24, makes the other point that we must keep in mind:

"It is Western humbug to suggest that BCCI alone was a cover for such deals. The Swiss banks, and banks in other havens of secrecy like the Cayman Islands and Liechtenstein, may be more responsible in their accounting; but they too have thrived on providing anonymous hiding places for arms deals, drug money, slush funds and loot from corrupt dictators around the world."

The failure of Swiss Banking Control Commission to actively track down the accounts controlled by Saddam Hussein and his half-brother, Barzan, and to free that loot for feeding Iraq's starving people is a current and flagrant example of such Western complicity in Middle Eastern crime.

It is the international culture of crime, not the culture of different peoples, religions and nations, that is at the heart of a global scandal much bigger than BCCI.