

Nigeria to Recover \$1 Billion From the Family of a Late Dictator

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Apr 18, 2002

The New York Times

The family of the late Nigerian dictator Sani Abacha, who has been accused of looting national assets during his military rule, will return \$1 billion to Nigeria, the Swiss government said today.

The out-of-court arrangement allows the family to keep \$100 million, which the Swiss Federal Office of Justice described as funds "acquired prior to Abacha's term in office and which, according to Nigerian authorities, demonstrably do not derive from criminal acts."

The settlement also requires the Nigerian government to drop some criminal charges against Mr. Abacha's son, Muhammad Sani Abacha, and an associate, Bagudu Abubakar. Nigeria had been seeking to recover as much as \$4 billion from Abacha accounts in various European banks.

Part of the settlement money will come from Switzerland, which said it would turn over \$535 million to the Bank for International Settlements in Basel for Nigeria's use. Other banks that have Abacha accounts -- in Britain, Luxembourg, Liechtenstein and Jersey, in the Channel Islands -- are expected to detail their shares of the settlement soon.

Mr. Abacha, who died in office in 1998, and his family and colleagues have been accused of plundering on a grand scale during his five-year rule. In one case, he was accused of stripping \$500 million out of a state-owned steel plant.

In 1998, Switzerland enacted legislation to quell accusations that its banks were turning a blind eye to deposits of wealth stripped from poor countries. A year later, Swiss officials were expressing chagrin at having found Abacha assets.

Switzerland has been repeatedly embarrassed by disclosures that its banks held enormous sums believed to have been looted by dictators and top politicians, among them Slobodan Milosevic of Yugoslavia, Jean-Claude Duvalier of Haiti, Mobutu Sese Seko of Zaire and Benazir Bhutto of Pakistan.

After the case of the late Ferdinand E. Marcos of the Philippines took 12 years to resolve, Swiss authorities adopted a more streamlined process. The Marcos case is likely to have inspired quicker action by Geneva's prosecutor, Bernard Bertossa, who met Tuesday with the Abacha family, the Nigerian government and representatives of the four other places where money was deposited.

The current Nigerian government, too, apparently decided that after vigorously pursuing its investigation across half of Europe, it would follow the Philippine government's example and negotiate.

The Abacha episode began in Switzerland in 1999, when suspect funds were uncovered, and a money-laundering inquiry was opened in Geneva. As part of that investigation, Mr. Bertossa's office will continue the freeze on an additional \$90

million connected to Mr. Abacha's brother, Abdulkadir Abacha, said a Swiss Justice Department spokesman, Folco Galli.

As recently as February, Switzerland's largest bank said it had blocked accounts worth at least \$60 million that it suspected belonged in part to Abacha family members. The bank, UBS, said a Zurich account had been opened in a name identical to a false name used by one of the former ruler's sons.

Earlier, Swiss banking regulators took the unusual step of publicly chastising 19 Swiss banks for accepting the Abacha accounts.

The settlement today does not affect murder charges in Nigeria against Mr. Abacha's son Muhammad, who is in jail in Lagos, where he is undergoing trial.