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DIVESTING SADDAM: FREEZING, SEIZING, AND REPATRIATING SADDAM'S MONEY TO THE IRAQIS

HEARING

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Rebuilding IRAQ — ADVE

The search for Saddam's stash

As fighting in Baghdad cools down, the hunt for the spoils heats up. How to find hidden assets.

April 16, 2003: 4:58 PM EDT
By Gordon T. Anderson, CNN/Money staff writer

NEW YORK (CNN/Money) - It may take weeks or months to find out whether Saddam Hussein is dead. It will take years, even decades, to find his money.

As the situation in Iraq moves into the post-war phase, the search for Saddam's money trail is accelerating. Having already identified and seized more than $1.6 billion in Iraqi assets just before the war began, Washington is preparing to go after more.

"The world must find, freeze and return Iraqi money for the Iraqi people and their future," U.S. Treasury Secretary John Snow said in a speech last month.

Fates of fallen dictators

How much is he talking about? Estimates vary widely -

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- from $6 billion, as Deputy Secretary of State Richard Armitage estimates, to $20 billion or more.

Finding it won't be easy. Over the past three decades, experts say, the Iraqi regime established an intricate global apparatus to keep its finances well hidden. Indeed, many people involved in the asset-recovery business doubt that all the money can ever be identified, let alone recovered.

It won't be for lack of trying. Here's how investigators will look for the money.

Looking for legitimate companies

The responsibility for finding the assets will fall to an international task force, still to be assembled. For now, there are active research units within the departments of Treasury and State, as well as the CIA. The British government also is looking.

"One of the first things they want to do is find the corporations that Saddam owns," says Ed Pankau, a Texas-based private investigator. Pankau has worked on scores of asset-recovery projects, including ones involving Panamanian strongman Manuel Noriega and deposed Ethiopian ruler Haile Selassie.

"These people live in a world of their own, with an unlimited amount of wealth they have to put somewhere," Pankau says. In the case of Hussein, "he's going to own hotels, shopping centers, and real estate."

Managing all the data is a key element of discovery.

"You start with a look at overall sources of financing," says John Fawcett, of the New York law firm Kreindler & Kreindler.

Fawcett is the co-author of an exhaustive report, "Sources of Revenue for Saddam and Sons," published last fall by the Coalition for International Justice, a human rights organization based in the Hague and Washington.

The study documents a wide-ranging series of transactions, both legal and illegal. The regime imported hundreds of millions of dollars worth of steel from Egypt's Ginza Co., for example, and mechanical equipment from Technopromexport of Russia. It

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