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## MARCOS' MISSING MILLIONS

By Lucy Komisar

Corporate corruption scandals roil the United States, dragging down with them the reputations of the major accounting firms that signed off on—or even designed—fraudulent financial practices. These global auditors were supposed to keep corporations honest. But a closer look at Switzerland, the birthplace of financial legerdemain, shows that accounting deceit is nothing new. Western financial managers cut their teeth designing systems for Third World dictators to loot their countries.

Perhaps the most notorious example is Ferdinand Marcos, who is suspected of stealing at least \$10 billion from the Philippines before being overthrown in February 1986. The Philippine government has spent more than 15 years trying to track and recover the money, some of which was secreted away by Swiss bankers and stashed in offshore havens.

Now, a former attorney with accounting firm KPMG in Zurich has come forward claiming she has evidence that on March 23, 1986—just a day before a freeze would be placed on Marcos' accounts—KPMG secretly transferred \$400 million from Credit Suisse Zurich to a Liechtenstein trust on the ex-dictator's behalf.

The attorney, Marie-Gabrielle Koller—named in this article for the first time—first testified about the events behind closed doors before a French parliamentary commission in May 2000. Its report referred to her only as “Madame Z.” Last year, the Quebec native sent her information to U.S. authorities, but elicited no interest from Washington. Now Koller, 46, has privately offered to provide evidence to the Philippine government in exchange for a cut of the amount recovered. With interest, the hidden \$400 million would be worth twice as much today.

Koller didn't join KPMG until 1996, when she was assigned to the Credit Suisse account—a decade after the Marcos government fell. She learned of the midnight Marcos money-laundering operation from a colleague that year, after a Zurich court ordered the transfer to the Philippines of another account—originally worth \$356 million—frozen in Switzerland since 1986.



Ferdinand Marcos.