

# When the media got it wrong....

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4 Jul 2012

In the past couple of days, the media, specifically online platforms, had been awashed with news about the closure of accounts of the Nigerian embassy in Washington by some United States banks. The news, which was first reported mid-May, alleged that the accounts of the Embassy in Washington DC, the Nigerian Mission in Atlanta, and New York, and Nigerian Mission to the United Nations were frozen, and then later closed by two US banks - Wells Fargo and Bank of America.

The online reports attributed the development to alleged money laundering by officials of the embassy, while some even specifically alleged that questionable transfers and withdrawals raised red flags that led US government to direct the banks not only to freeze but also close the accounts.

Some of the reports even went as far as quoting unnamed sources in those two banks and in US government that allegedly confirmed that the embassy was being investigated by US agencies.

Subsequent facts that came out have now shown that the embassy neither had accounts with Bank of America nor Wells Fargo. Its banker was Manufacturers and Traders Trust Company (M&T Bank) headquartered in Buffalo.

Not even the official reaction of the embassy - which was posted on its website - could change the conversation that had gained currency online.

In its reaction, the embassy had clearly stated that none of the Nigerian embassies and consulates in the US had any dealing whatsoever with either Bank of America or Wells Fargo cited in the various reports.

Appealing to logic, the embassy had argued that, "accounts that did not exist could not have been frozen," and that it was therefore patently wrong and grossly mischievous to make such allegations.

Nigerian Ambassador to US, Prof. Adebowale Adefuye, had maintained that there was more beyond the reports. He even alleged that it was being orchestrated by a small but vocal group that was bent on getting at President Goodluck Jonathan and his administration by deliberately taking advantage of a routine financial institution's action to peddle falsehood that could tarnish the image of the government in the eyes of the world.

The embassy's statement had disclosed that its banker - M&T Bank - advised, sometime in January, that it should close its account and open a new one with another bank. The bank's letter even gave the embassy about three to four months grace for a seamless exit. The embassy's statement attributed the development to the stringent provisions of the Patriot Act which

prescribe stiff penalties for any breach.

The Patriot Act, also known as USA PATRIOT Act, which full meaning is, Uniting (and) Strengthening America (by) Providing Appropriate Tools Required (to) Intercept (and) Obstruct Terrorism Act of 2001 (USA PATRIOT ACT 2001), was signed into law by President George Bush barely two months after the 9/11 terrorist attacks on US soil.

Because of the cost of complying with the provisions of the Act, some US banks preferred to end relations with foreign missions and embassies, because they were considered high risk customers.

As a matter of fact, it is not only Nigerian embassy that the US financial institution's action had affected. On May 24 2012, Reuters noted that last year, several US banks suddenly closed the accounts of a number of diplomatic missions and foreign diplomats due to the high costs of monitoring financial activity.

On January 13 2011, Bloomberg published a report on the decision of JPMorgan Chase & Co. and several other banks to close accounts of foreign embassies and UN missions. That report specifically noted that the US banks action was creating a cash-flow problem for diplomats in the US with bills to pay and payrolls to meet.

To make the matter worse, it was difficult for those embassies and mission to get other banks to open accounts for them. The report quoted some envoys, including Egypt's Ambassador Maged Abdelaziz saying, "We can't find another bank. They say they don't have any space"; Iran's Ambassador Mohammad Khazaei lamenting that the decision affected almost everybody and warning that it threatens the existence of the UN; and China's Deputy Ambassador Wang Min saying his government would look for another US bank but didn't know what would happen.

Bloomberg also quoted Under Secretary of State Patrick Kennedy - who said a handful of banks had made the decision to end the diplomatic accounts for "business reasons" - telling reporters after meeting with envoys of more than 100 nations on the issue, that the banks' decisions pose "very real questions and very real concerns".

Kennedy in that report was also quoted as saying that, "The State and Treasury departments have been in communication with the banking industry. We made it clear there was a US national interest in working with embassies in Washington and missions to the UN in New York."

Though, for whatever reason, Nigerian embassy and missions were not affected at that time until when their banker wrote in January advising that they close their accounts in three to four months. Like all other banks that such decision affected in the past, Nigerian embassy found it difficult to open a new account until Citi Bank, which has branches in Nigeria, opened accounts for the embassy with the help of the Central Bank of Nigeria.

But before the dust raised by those news items could settle, President Goodluck Jonathan's attention was attracted during last week's media chat. The President, while reacting to insinuations that he was behind the travails of Hon. Farouk Lawan because he directed Inspector General of Police to look into bribery allegation made by the lawmaker, had said he occasionally gives directives to relevant government agencies on news reports brought to his attention by his media team. He then cited as example, his directive to the Economic and Financial Crimes Commission (EFCC) to look into media reports on the circumstances surrounding the closure of Nigerian Embassy's accounts by US banks.

That is how powerful the media is, and that is how influential it should be. It however becomes a sad tale when reports that got the attention of those in the highest level of power are now found to be nothing but mere peddling of falsehood. It is the Nigerian media that suffer the consequent credibility crisis.

While some of the media outfits had tried to correct their initial reports, after now 'putting the horse before the cart' by speaking with some of the banks and the embassy to get the true picture of the development, others who had also carried those false reports simply pretended that the facts had not been laid bare.

Getting news reports wrong is not peculiar to the Nigerian media. As recent as last Thursday, major US media outfits

embarrassingly reported that the Supreme Court had struck down the the individual mandate - a vital provision of the Obama administration health reform - while the judgment was being delivered.

Within minutes after this false report was aired by Cable News Network (CNN) and Fox News, both immediately withdrew their reports, presented the true version and tendered apologies to viewers, with an explanation on why they were erroneously misled. That is what is lacking in the avoidable controversy over the closure of the Nigerian embassy accounts.

*Source: <http://allafrica.com/stories/201207031010.html> allAfrica]]*

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