

## CHRIS HOLTON: SHARIAH COMPLIANT FINANCE AND FINANCIAL JIHAD

[BEGIN FILE]

### LISA PIRANEO:

– started right now. I'd like to thank everyone for coming today, especially Hill staff. I know that even when your bosses are out of town, it's still really crazy in your individual offices and I appreciate you setting aside some time to come and talk about this very important issue, shariah finance or Islamic finance. This is something that is very much in place around the nation, particularly on Wall Street it's very much in existence. But it really isn't well known at all, definitely not without – not through the American communities as well as up on the Hill. It's just not really an issue that folks know a lot about, so I think that's why it's very important that you all have come here today to set aside an hour of your time to listen to this report and discussion. So without further ado, I'm going to introduce our guest speaker, Christopher Holton, from the Center for Security Policy. This is an event that the Center for Security Policy is doing together with Act for America. I'm Lisa Piraneo, Director of Government Relations for Act for America. And Chris will be able to really discuss in depth and in detail a lot about this issue, so I'm glad to have him here again today. Christopher Holton is Vice-President of Outreach at the Center for Security Policy. He directs the Center's Divest Terror Initiative and Shariah Risk Due Diligence Program. He has been involved in legislation in twenty states to divest taxpayer supported pension systems from foreign companies that do business with the Islamic Republic of Iran, the Islamic Republic of Sudan, and the Syrian Arab Republic. Since 2008, Chris has been the editor-in-chief of the Shariah Finance Watch Blog. In 2005, he was a co-author of *War Footing*, published by the US Naval Institute Press. Holton's work has also been published by *National Review*, *Human Events*, *The American Thinker*, *Family Security Matters*, *Big Peace*, *World Tribune*, *World Net Daily*, *News Max*, and *thehayride.com*. Before joining the Center, Chris was President of Blanchard and Company, a two hundred million dollar per year investment firm, and editor-in-chief of the Blanchard Economic Research Unit. So without further ado, I give you Christopher Holton of the Center for Security Policy. Thank you.

### CHRISTOPHER HOLTON:

How can something be called shariah compliant finance? I mean, after all, shariah is a code that has been around for a thousand years almost now. There weren't stock markets and bond markets and things like that back then. What is shariah finance? Well, the fact of the matter is, is that shariah finance is not something that you'll find in the Koran. Or the hadith. It is something that was man-made. It really had its genesis as recently as the 1940s. A guy named Abul Mawdudi essentially invented it. He was an Islamic philosopher born in India, eventually went to Pakistan. And his whole goal was to insulate the Islamic world from the Western Civilization. At that time, Western Civilization, through colonialism, was, at least in Mawdudi's opinion, inflicting itself on the Islamic world. He thought the solution to that was a return to an Islamic way of life. He conceived of the concept of Islamic economics and a concept under which Muslims would do business with each other in an Islamic way to insulate themselves from the economic imperialism, as he called it, of the Western Civilization at the time. Particularly Britain. Also France, and to a certain extent, Germany and other countries that had colonies and interests in the Islamic world. Nothing much happened with that. In the 1950s, the famous Muslim Brotherhood philosopher, Sayyid Qutb, began to write about the concept of Islamic economics. He developed it a little bit more and developed it in such a way that we – that the Islamic world could insulate itself from Western colonialism by using a system of Islamic economics. But again, though he developed it a little bit more, nothing much happened on the ground with regard

to the concept. Nothing really happened until the mid 1970s. In the mid 1970s, everything changed for a couple of reasons. Number one, the Arab oil embargo and the subsequent increase in the price of oil in 1973 as a result of the Yom Kippur War really enriched Saudi Arabia. And as a result, you started to see in Saudi Arabia and the United Arab Emirates and in Sudan the development of large Islamic banking institutions who did business according to Islamic principles. So this was a man-made phenomenon. It was not – it's not rooted in any actual verses in the Koran. But it was invented by men. It really took off in 1979 with the Islamic revolution in Iran. In fact, the Islamic revolution in Iran gave birth to a myriad of Islamic financial institutions in Iran and one of the dirty secrets of shariah compliant finance to this day is that Iran dominates the world of shariah compliance. You can read all about shariah compliant finance on the internet from what the purveyors of shariah compliant finance say and they won't mention Iran a whole lot. They don't like to talk about it.

But the fact is, you can add up everybody else's shariah compliant finance – financial instruments under management and they don't add up to what Iran has under management. Absolutely dominates the world of shariah compliant finance. Which should tell you something. Six out of the top ten shariah compliant financial institutions in the world are state owned Iranian banks. Who happen to be under US and economic union sanctions for terrorism financing and for financing activities in support of weapons of mass destruction and ballistic missile programs in Iran. So those who call shariah compliant finance ethical investing may want to rethink that. Just in view of the fact that the largest shariah compliant financial institutions in the world are under sanctions for things that I don't think you and I would consider very ethical. Like supporting Hezbollah and Hamas, for example. So why is shariah compliant finance an issue, though, in the West and in the United States today. The fact of the matter is, is that shariah compliant financial industry has absolutely poor standards of disclosure and transparency as compared to Western standards of disclosure and transparency when it comes to financial operations. And those standards of transparency and disclosure are directly related to issues involving national security and terrorism financing. And that's what has to be investigated. And what – and the problem is, is that US policymakers, US regulators, and Wall Street in particular, are not equipped to research those items. I'll give you a few examples right from the start. You know, the main problems with shariah compliant finance are lack of disclosure and transparency. From the very start, you have the fact that shariah compliant finance is usually not referred to as shariah compliant finance. It's usually referred to as Islamic finance or Islamic banking. That's a euphemism for shariah compliant finance. Because the purveyors, the financial jihadis, the purveyors of shariah compliant finance know that shariah has very bad implications for people in the West.

They know that shariah itself is a system that Westerners are very suspicious of. So they choose to avoid the use of the term shariah at all. So it's shariah compliant, but you won't hear them say that very often. They will just say, well, we invest according to Islamic principles without defining what that is. But the main problem is, is that they do not disclose what shariah is. Right from the start. The very basis of this program is something that is being concealed. If you look in most of the prospectuses for shariah compliant financial institutions and instruments, mutual funds and what have you, they'll very briefly sometimes mention shariah. One shariah adviser that I was in the presence of at one point, when asked to define shariah, his response was, it's the path on which we walk. And that was it. Now can you imagine that as being disclosure in a prospectus? For anything other than shariah compliant finance in Western Civilization? That's no disclosure at all. The path on which we walk means absolutely nothing obviously. The problem is, is that shariah is of material interest to investors. Shariah as a system, as a broad overall system, not just shariah compliant finance. You cannot divorce shariah compliant finance from shariah. It is embedded in shariah. The purpose of shariah compliant finance is to promote shariah. Shariah compliant finance would not exist if it did not exist to promote shariah. This was brought force very forcefully in 2009 at the World Islamic Economic Forum in Kuala Lumpur in

Malaysia. Where there was a meeting of the finance ministers of most of the Organization of Islamic Cooperation. At the time it was known as the Organization of Islamic – of the Islamic Conference. A bloc of fifty-seven nations in the UN. Their finance ministers got together in Kuala Lumpur and at the keynote address from the finance minister from the host nation of Malaysia, he encouraged the shariah finance industry to keep conducting its dawa operations. Well, what does dawa mean? Dawa means missionary work. They look at this as a form of missionary work to promote shariah and Islam. You cannot get away from that. Because of that, it has to be disclosed what shariah is and that is not being done at this point.

Not only are they not even talking about shariah, they're not even mentioning it. So the lack of transparency and the lack of disclosure with regard to shariah is the first problem when it comes to shariah compliant finance. But it's more than that. We can get into the nuts and bolts now. Beyond the overarching issue of shariah, we get down into the nuts and bolts of shariah compliant finance. The next issue that we have with regard to lack of disclosure with regard to shariah compliant finance has to do with the shariah scholars who essentially run the industry. Number one, there are very few of them, so there are lots of conflicts of interest that are built up within the industry and with competing financial institutions. You'll have a shariah scholar who's on the shariah advisory board of a financial institution and on a shariah advisory board of one of their competitor's financial institutions, which in most walks of life, that would be considered a conflict of interest that you just wouldn't have. But because there is a shortage of shariah advisers – there's only about two dozen of them who are really the most qualified to sit on shariah boards – and that's the way it basically works. If you have a shariah compliant financial institution or entity or instrument, you set up a shariah advisory board of usually three or more scholars, although in some cases, it's just one scholar, and what this guy's job is to do – and they're all guys, there's no women – is to keep the institution or instrument between the shariah lines. This person gets to decide, you know, you can invest in this, you can't invest in that. And, you know, there's a lot more to it than just like avoiding interest. A lot of people think that shariah compliant finance is just about avoiding interest. And to individual Muslims, that may very well be the case. Somebody might be investing in shariah compliant finance to be a pious Muslim. But on the institutional level, and on the doctrinal level, that is not what shariah compliant finance is about, unfortunately. It's about a lot more than that. And if you look at the shariah advisers, you'll see why. We've done background research on so many of these shariah advisers. And come back with really disturbing stuff.

For instance, there's a guy named Mufti Taqi Usmani. Mufti Taqi Usmani was a member of the Pakistani supreme court for many years. He retired and he essentially cashed in. He is now a shariah scholar, a shariah adviser on dozens of institutions in the West and also in the Islamic world and in Asia as a shariah adviser. Usually, he is the chief of a shariah advisory board of a financial institution. Well, he used to be the chief of the Dow Jones shariah advisory board. He was also the chief of HSBC's shariah advisory board. He's not anymore. And the reason he's not anymore is because they found out a little bit about the guy's background. Now, they found out about it kicking and screaming. They had to be told about it over and over again. They had to be beaten over the head with it. *Investor's Business Daily*, I think, was finally the straw that broke the camel's back. But there were several publications that revealed that this guy, number one, he came from a madrassa and he was an officer of the madrassa that gave birth to the Taliban. Now, kind of a red flag. [LAUGHTER] He wrote a book called *Islam and Modernity* and he wrote another book called *What Is Christianity?* And in those books, you can pull out passages from his writings in which he said that Muslims in the West have a duty to rise up in jihad against their Western neighbors as soon as they're strong enough to do so. Lots of stuff like that. He has written fatwas declaring whole sects of Islam to be apostates, resulting in what amounts to genocide of those sects of Islam within Pakistan. He is an evil man. Once this was revealed,

HSBC and Dow Jones removed him from their shariah advisory boards. But keep in mind, he was the chief of their advisory boards. This stuff wasn't that hard to find out. They could have found this stuff out if they had done any due diligence on this guy. All right? Now, when HSBC got rid of him, who do you think they replaced him with? His son. [LAUGHTER] So here we have a case where you'd got a really creepy guy with ties to jihadists controlling money. On a major – for a major financial institution in the West. And he's still on the board of dozens of these institutions. He's also the chief shariah adviser to the accounting and auditing standards organization for the entire shariah compliant finance – financial industry. He is perhaps the most powerful shariah adviser in the world and he is a complete jihadist. I've put out a dossier on him with more details than what I provide – than what I provide in this speech in your packet.

I'll talk about a second shariah adviser who you've probably heard of. Sheik Yusuf al-Qaradawi. He's been in the news relatively recently because he's a famous Egyptian shariah scholar. He is probably the most prominent Sunni shariah scholar in the world. He's the ideological mentor, at this point, for the Muslim Brotherhood. He was exiled to Qatar for thirty years from Egypt. He recently moved back to Egypt when Mubarak was taken out of office. And he has been on the shariah advisory boards of many financial institutions, including from 1988 to 2001, a bank called Al Taqwa. This bank was based out of the Bahamas. And it was associated with a real estate firm in northern Virginia named BMI. And what they were doing was they were conspiring to take a portion of their proceeds – and we'll get to how this works in a minute – and send it to one of seven jihadist terrorist groups around the world. So this whole idea of their being a nexus between shariah compliant finance and some terrorism financing is not a fantasy, it's not a theory, it's actually been done. It's been done in several cases, and this is one of them and it happened in the United States. Cause it involved a real estate firm in northern New Jersey. Bank Al Taqwa and BMI were shut down by the US Treasury Department and, of course, the shariah – the chief of the shariah advisory board was this guy Sheik Yusuf al-Qaradawi. He's also the shariah adviser – chief of the shariah advisory board for Qatar Islamic Bank and Qatar International Islamic Bank. And if you look at those two banks, those are the two largest Islamic banks outside of Iran in the world. And this guy's the shariah adviser to them. He is forbidden from entering the United States and Great Britain due to his ties to terrorism. He has written that suicide bombing against civilian targets in Israel is acceptable. He has called on all Muslims to support Hezbollah. He has stated that wife beating is absolutely permitted under Islam, but you're not allowed to beat your wife if she enjoys it. He has endorsed female genital mutilation as a – which is euphemistically referred to as female circumcision. This guy is perhaps one of the most prominent shariah advisers in the financial world. He's getting kind of old. He was a pioneer, though, when it was getting started. It could not have happened with Sheik Qaradawi's help. So these are the kinds of people that we have sitting on shariah advisory boards of these shariah financial institutions. In many cases, if you look at the prospectuses of these shariah financial institutions, they don't even mention that they have a shariah advisory board. And if they do, they don't name them. In some cases, they might name them. Some cases, they might not. This is something that needs to be disclosed. And in fact, it needs to be researched.

The fact that somebody like Usmani could penetrate HSBC and Dow Jones and only through public humiliation get kicked off of those boards and then, of course, replaced by his son has got to be, you know, one of the most cynical moves by a financial institution that I can ever recall. That's something that needs to be looked at by regulators and policymakers. Because of the next phenomenon which is, to me, the big problem when it comes to shariah compliant finance. Under shariah compliant finance, 2.5 percent, or one-fortieth, of the assets of the financial instrument have to be donated each year to zakat. Now zakat is one of the five pillars of Islam. It is a system similar to tithing in other religions. It's ostensibly to eliminate poverty in Islam and that's a good thing. The problem is, is that if you look at the shariah law texts, if you look at the actual shariah law authorities, there are eight acceptable

destinations for zakat. Number seven is listed as those fighting in the way of Allah. And then if you look at the definition of those fighting in the way of Allah, it is defined – that is defined as those who are engaged in Islamic military operations for which there is no payroll on the army – on an army roster. In other words, irregular warfare – they are to be given the zakat even if they're wealthy. And this is – these are codes that were written six or seven hundred years ago. But I mean, they could have been written by Osama bin-Laden twenty years ago. And then it goes on to say that families of those who are fighting in the way of Allah are to be supported as well with this zakat. In other words, if you're a suicide bomber and you blow up a cafe in Tel Aviv, your family gets taken care of by rich Saudis or Saddam Hussein, which is what was going on throughout the 1990s. That is the system of zakat as defined by shariah law.

Now 2.5 percent of the proceeds from shariah compliant financial institutions go to zakat. That is very often not disclosed. In cases where it is disclosed, they will merely say something about it is donated to Islamic charities. And leave it at that. They won't name the charities, they won't talk about the activities of the charities. Now here's the problem with that. Now fewer than eighty Islamic charities have been identified by the US Treasury Department or by British authorities or by the United Nations as funding jihad. Eighty. That's not a small number. And the reason that so many Islamic charities fund jihad is because shariah law mandates that they do so. It is one of the eight destinations for zakat. This is not something that they think is wrong. So very many of these charities are involved in funding jihad. Now we saw it in Bank Al Taqwa with Sheik Qaradawi. It was absolutely happening with Bank Al Taqwa. And it was shut down because of that. Now more recently, our friend Sheik Qaradawi was named the head of a charity based out of Saudi Arabia called the Union of Good. The Union of Good is kind of like a United Way for Islamic charities. Depending on whose numbers you use, it's either fifty-three or fifty-six or fifty-seven charities under the Union of Good. Okay? Now, the Union of Good has been designated a terrorist entity by the US Treasury Department. Because Qaradawi takes money from the Union of Good and he sends it to Hamas. I mean, that's something that's US government policy already. And this, remember, this guy who's the head of this charity is also the chief shariah adviser to these big Islamic financial institutions. It's not hard to connect these dots. There's also twenty-seven other charities that have been designated by the US Treasury as terrorist entities. Including the three largest Muslim charities in the United States. The last one being the Holy Land Foundation. Which of course the offices of the Holy Land Foundation were convicted on all counts for material support of terrorism cause they were sending money to Hamas from right here in the United States. So we have a situation where there is no disclosure.

You can't find any information on zakat and the charities that this money goes to in any of the publications from these Islamic financial institutions. And I'm here to tell you that Wall Street, they don't want to fund terrorism, that's for sure. But they're so eager to win back some of the petrol dollars that we've sent overseas that they're willing to take – take them at their word. You know, do these charities support terrorism? Oh, of course not. Okay. Good enough for me. And I've talked to people on Wall Street about this. I've talked to one person on Wall Street about this activity and he said, no, we've done the due diligence on shariah [MISPRONOUNCES WORD] [LAUGHTER] Interesting. How much due diligence did you do on shariah? [MISPRONOUNCES WORD] [LAUGHTER] So there isn't – evidently, there's not enough incentive for Wall Street to do due diligence on this. This is not a normal regulatory issue in that it's got national security implications. There needs to be scrutiny of this. This is not something that we need to take lightly and say that this is big government getting in the way of Wall Street. That's not what this is about. Cause a lot of people will say that all shariah compliant finance is, is a way for Muslims to invest according to their religious principles. And there's absolutely nothing wrong with that. Nobody should have a problem with that. The problem is with the doctrinal level of what shariah is and the fact that shariah is a totalitarian system. It is the opposite of a free

market system. So when people – when free market people say that this is something that we have to allow to go unfettered and unscrutinized, because of free market economics, what they don't realize is, is that they're bringing in a system which is an anathema to free market economics. In fact, Sheik Yusuf al-Qaradawi himself has called for replacement of capitalism by shariah finance. This is not capitalism. This is something else. It's not communism. It's not socialism. But it's not capitalism, it's not free enterprise. It is something else. It is a third way, if you will.

Another guy who said the exact same thing Sheik Yusuf al-Qaradawi did was our friend, Mahmoud Ahmadinejad. Who also, a couple of years ago, called for a replacement of capitalism by Islamic economics. And then, you may have been familiar, in 2009, an organization called Hizb ut-Tahrir, which is an international jihadist organization which has members in forty nations, has been banned in many nations, including Germany, their goal is reestablishing the caliphate. When they established their chapter in the United States, they held an event in Chicago – in Chicago [LAUGHTER] – and did I mention it was in Chicago? [LAUGHTER] Where else would it be? The name of their event was – I can't remember the exact name, but it was essentially for Islam to replace capitalism. It wasn't for Islam to replace democracy, it wasn't for Islam to replace America, it wasn't for Islam to replace Western Civilization. It was for Islam to replace capitalism. So shariah compliant finance is not about free enterprise. It's not about free market. It's not about capitalism. It is the opposite of that. And we're allowing, literally, the camel's nose under the tent by not seriously looking at this and determining where regulation is needed. Unfortunately, regulation is needed on this issue. That pretty much wraps up my prepared comments. Does anybody have any questions? Yes, ma'am?

#### **WOMAN:**

Have you guys any information on the financing [UNCLEAR] interested in, for that mosque at, you know, at 9-11 – I mean –

#### **CHRISTOPHER HOLTON:**

Well, that's a good question. [OVERLAPPING VOICES] That's a very useful question. The Ground Zero mosque, right. Now, we don't know where that funding was going to come from. But it seems to be stymied right now. And the reason that it's probably stymied is that it's going to take a hundred million dollars to build it. And there's two and a half million Muslims in the country and most of them, I don't think, think that building a mosque at Ground Zero is such a peachy idea. So they're not going to be able to raise a hundred million dollars from Muslims in America. You know, who, for the most part funds mosques in the United States? It's the North American Islamic Trust. The North American Islamic Trust was named an unindicted co-conspirator in the Holy Land Foundation trial. Depending on whose numbers you use, they own the title between twenty-seven percent and eighty percent of the mosques in the United States. And when you own a mosque, you get to decide the curriculum at the madrasa school associated with the mosque, you get to decide who the imam is, you get to call shots.

And the overwhelming majority of the funding for the North American Islamic Trust comes from Saudi Arabia and Qatar. You should also – might also be interested in knowing that, remember Dow Jones' chief shariah adviser was Taqi Usmani? Well, the adviser to the Dow Jones Islamic fund is none other than North American Islamic Trust. An unindicted co-conspirator in the largest terrorism financing operation in US history. Was the adviser to that fund. Again, we have an example of one of the most respected financial institutions in the United States not doing their due diligence when it comes to an organization that was involved in terrorism financing. Now, let's take a look at the non-profit that Imam Rauf and his wife Daisy were putting – had before they put together the Ground Zero mosque. This

might give as a clue as to where they were seeking to get their funds to build the mosque. They have an – she actually had an organization called ASMA, American Society for Muslim Advancement.

[LAUGHTER] It was not lost on me. So the last year we have figures, they had an operating budget in 2009 of one million, three hundred and sixty thousand dollars. Okay? Not a big non-profit. But they had a one million, three hundred and sixty thousand dollar operating budget for the year. Six hundred and seven-six thousand dollars that year came from the emir of Qatar. All right? Three hundred thousand came from the Kingdom Foundation from the king of Saudi Arabia. So nine hundred and seventy-six thousand out of a 1.36 million operating budget we know came from two foreign powers. So they couldn't – they basically could not run their little bitty non-profit without donations from foreign powers. Where do you think they've been getting a hundred million dollars to build a mosque at Ground Zero? I have a hunch that it wasn't going to come from the United Way or the Red Cross.

[LAUGHTER]

I know of no waivers that have been issued. You know, I don't have an exact count as to how many financial institutions in this country have shariah compliant finance windows. There are dozens of them. If you look at most of the big financial institutions, the big banks, the big Wall Street firms, they almost all have shariah windows or shariah visions. You know, if you named them, I could probably tell you yes or no, but you know they almost all do. There's four or five hundred total worldwide, perhaps, outside of Iran. Then you add Iran, it probably doubles the figure. So maybe a thousand. It's 1.5 trillion dollars estimated to be under shariah finance right now.

There's no question that that is the big problem. It's a problem politically as well as, you know, in the world of finance. Just as you point out. And part of it is, it's a result of disinformation that's being circulated by Islamists here in the United States and throughout the world. When they give answers to questions about, you know, what is shariah? Well, it's the path on which we walk. That's probably one of the least evasive answers that I've heard. If you look at – shariah is the law of the land in only three nations in the world right now. Now there's other nations that have shariah law embedded in their legal systems and have their legal systems subordinated to shariah law, but there's only – shariah law is only the hundred percent law of the land in Saudi Arabia, Iran, and Sudan. Now look at those three countries. Human rights violations galore. Genocide in one of them. They all three support terrorism. I don't care what anybody says. Saudi Arabia supports terrorism. They're all into all these bad things and that's not an accident, that's not a coincidence. Wow. They're all completely shariah and at the same time, they do all these really bad things. That is shariah. That's not an accident. When you impose shariah completely on a nation, you end up with a situation where you, according to shariah, you have to wage jihad to promote Islam by violence if necessary. And yes, ignorance of shariah is a problem. The problem that I see on Wall Street is that it is blissful ignorance. It is like, I'm making money hand over fist, don't tell me about all this stuff. I don't want to know. Just tell me you're not funding terrorism. And if they can be convinced that they're not funding terrorism, they're cool with it. The problem is, is that they're not in a position to know for sure. Does that answer your question? Yes, sir?

**MAN:**

Chris, the article by Jeane Kirkpatrick from 1989 on how the PLO was legitimized through the UN would be most instructive, cause you see the whole process of covering up and of excusing terrorist organizations. It isn't counted as terrorism if you're doing it against oppressive colonial power, which would be the West, Israel, Britain, you name it. In some cases, India. [OVERLAPPING VOICES] Justify the raid on Mumbai.

**CHRISTOPHER HOLTON:**

That's exactly a good point and I think it's part of the problem that she – she mentioned, was that we, you know, Wall Street will try to make sure that there's no terrorism funding going on. And Islamists could look back at somebody from Wall Street with a straight face and say, no, we're not funding terrorism. Because they don't consider whatever they're funding to be terrorists. They don't consider Hezbollah to be a terrorist organization. So they can fund Hezbollah with a straight face. According to their philosophy, that's not funding terrorism. Yes, sir.

**FRED GRANDY:**

Chris, clarify something about zakat. The portion that must go to zakat, then is segmented among eight different categories, is that correct? Or is it determined –

**CHRISTOPHER HOLTON:**

[OVERLAP] It depends on which school of shariah you're talking about. But in some schools, it has to be divided between all eight. In other schools, you can divide it how you want between the eight.

**FRED GRANDY:**

And is it that imam or that shariah compliant adviser who makes that determination?

**CHRISTOPHER HOLTON:**

Yes. And that's something I failed to mention. I appreciate you pointing that out.

**FRED GRANDY:**

So just to finish, assuming – well, knowing that the large, the American financial institutions, the large banks, Bank of America, Goldman, Wells Fargo, and others, if they received our bailout money in 2008 and they had shariah compliant products, is it fair to say that some of that money coming from American taxpayers underwrote terrorist activities?

**CHRISTOPHER HOLTON:**

It's certainly a possibility. Usually they segregate their shariah instruments from the rest of the institution simply because on the shariah side, it's required. For instance, one of their things that are considered haram under shariah is to invest in any way in any Western financial institution. You can't invest in a Western financial institution, but it's okay to be a shariah adviser to Western financial institutions as long as your little segment is not, you know, involved in any of the rest of their business. So there's supposed to be a division there. So I don't know if TARP money would end up in the shariah division, but it, you know, the big example of that that I think you're getting at is AIG. Where we know for sure that AIG was bailed out with tremendous amounts of TARP money and at the same time they were standing up this taqifal [PH] division, which is a form of insurance under shariah and that is an example where we know that, in essence, US government funds were being used to subsidize a shariah compliant instrument.

**FRED GRANDY:**

But at this point, even in the aftermath of Dodd Frank and with Sarbanes and Oxley on the books, there is no reporting requirement that would divulge or would create any kind of transparency as to where these products are, how they're being used, and where that money might be going?

**CHRISTOPHER HOLTON:**

Absolutely not. There's no requirement with regard to zakat at all. I mean, in some cases, it's not mentioned at all. Yes, ma'am.

**CHRISTINE BRIM:**

If I'm a local investor, is there any kind of blue sky or any kind of, you know, consumer protection legislation – let's say somebody comes to me and says, hey, I got this wonderful ethical fund and, you know, I like to do ethical investing and I buy green funds and I buy this and that, and I go, oh, this is great. It's a Middle Eastern ethical fund. You know, peace in the Middle East. Nobody says shariah. Or if they do say shariah, I say, what's this shariah [MISPRONOUNCES WORD] thing and they say, well, it's, you know, the path we walk. And I go, oh, lovely. Is there anything out there that will help me know how to invest, know what I'm actually putting my money into?

**CHRISTOPHER HOLTON:**

It's a real good question. Let me address that in a couple of ways. First of all, she makes mention of the fact that this is often referred to as ethical investing. There is an absolute move in, especially Great Britain, but it's also moved over to this side of the Atlantic, to promote shariah compliant investments to non-Muslims. In Great Britain, it's very common for non-Muslims to invest in shariah compliant investments and also to put their money in shariah banks. In fact, there's one major shariah bank in Britain where forty percent of the depositors are thought to be non-Muslim. Now, Sheik Yusuf DeLorenzo is probably the most prominent shariah adviser to shariah compliant finance here in the United States. He actually recently moved to Dubai. But he actually came out and said that in countries that are non-Islamic, it is perfectly acceptable not to refer to shariah, but to refer to this as ethical investing. And not to refer to the shariah advisers and shariah advisers, but as ethical advisers. So this is – it gets back to the whole problem, it's moving in the wrong direction when it comes to disclosure and transparency. It's moving in the opposite direction. They're concealing what this is and they're trying to do it to capture non-Muslim investors, essentially, and get their money invested. Now there is really nothing right now that forces a shariah compliant fund to identify itself as such, except there's going to be one state that has just passed a law – it passed the House and the Senate in Louisiana – and it'll be signed by governor Jindal in a week or so, which requires this type of disclosure. And we're hoping that more states will copy this. But really it needs to be done on the federal level, because the amount of regulation in the securities industry on the state level is obviously very limited. But it's the best we can do right now. But it's something that needs to happen on the federal level. There needs to be this disclosure of shariah, needs to be disclosure of zakat and where the zakat money goes. It absolutely has to be transparent. Yes, sir?

**MAN:**

Quick question, though. Having a law would be very good, but enforcement of the law is critical. I, in my organization, back in '08, we put in a freedom of information act request of the US Treasury Department to tell us about the two day conference they held here in Washington with Harper Business School in December of '08 on shariah compliant financing. Stonewalled. Wouldn't give us anything.

**CHRISTOPHER HOLTON:**

Really?

**MAN:**

Really. And we have a freedom of information act built, you know, law on the books. And they just completely blew us off.

**CHRISTOPHER HOLTON:**

Is it any wonder that there's no disclosure by the financial institutions themselves? If the regulators aren't disclosing –

**CHRISTINE BRIM:**

[OVERLAP] What is your organization?

**MAN:**

Family Research Council.

**CHRISTINE BRIM:**

Family Research Council. Thank you.

**CHRISTOPHER HOLTON:**

Yes, ma'am.

**WOMAN:**

Is there a list – I mean, how do we find out, like you just said HSBC, well –

**CHRISTOPHER HOLTON:**

I can promise you HSBC is up to their ears and elbows in this.

**WOMAN:**

Right. And I mean, I had no idea. So how do we find out.

**CHRISTOPHER HOLTON:**

I've attempted in the past to publish lists. The problem is, that's a dynamic thing. You know, if a company has a shariah compliant division and then, later on, stops it and they remain on the list, you know, they'll threaten legal action and stuff like that. I can give you my card, you can contact me if you want to know, you know, about a particular institution, I'll be happy to give you what information I

have on that. It's something that we ought to do. It's something that we've looked at. But I can promise you right now if you're dealing with one of the big boys, they pretty much have a shariah compliant division. Yes, ma'am?

**WOMAN:**

Can you talk a little bit about what happens if there's any kind of dispute regarding the shariah compliant finances and if it goes to an imam for settlement rather than the SEC, is that a legal conflict or –

**CHRISTOPHER HOLTON:**

That is not something that I'm really aware of, of that type of dispute. Has that happened here in the United States?

**WOMAN:**

I mean, this isn't my area. But my understanding is that that's part of the problem. That it warns of creating like the parallel system –

**CHRISTOPHER HOLTON:**

[OVERLAP] Well, that is a problem with shariah, but I mean, that's something new to me. I'm not aware –

**WOMAN:**

[OVERLAP] Yeah. I don't want to put it in writing. [OVERLAPPING VOICES] Yeah.

**CHRISTOPHER HOLTON:**

I'd have to take a look at the prospectus to see how conflicts are supposed to be resolved [OVERLAPPING VOICES] but if they're supposed to be resolved by the shariah advisers to the fund, you know, good luck. Yes, ma'am?

**WOMAN:**

To follow up with what this woman said about which institutions actually have these products, can you go to their individual website if you want to see –

**CHRISTOPHER HOLTON:**

[OVERLAP] No, not really. You know, you can to some extent. But there are some that have shariah divisions overseas, but you go to their website in the United States and you try to do a search to see if they have an Islamic division or something like that, it won't appear, but it doesn't necessarily mean that they don't do it. They just don't like to talk about it.

**WOMAN:**

So when you, for example, I get documents from board meetings so that I can vote for board of directors and so forth, are there ways on those forms, on those bios to determine this kind of information?

**CHRISTOPHER HOLTON:**

On the bios for –

**WOMAN:**

Well, let's just say Metropolitan, cause I just got one –

**CHRISTOPHER HOLTON:**

Oh, you mean Metropolitan Life?

**WOMAN:**

Right. So –

**CHRISTOPHER HOLTON:**

Probably you're not going to have a problem with Metropolitan Life, I'll tell you why. Insurance – unless they have a taqifal insurance division, which I don't believe they do, you know, insurance is something that is set up very differently under shariah finance than it is under conventional finance. So there are some shariah insurance companies. The only one in the West that I know of, really, was AIG. And, you know, they were into it in a big, big way, obviously.

**WOMAN:**

But Metropolitan has a whole investment division –

**CHRISTOPHER HOLTON:**

That's true. You know, and I'm not aware of that particular one, but I'll research it for you. I'll be happy to.

**WOMAN:**

How about credit unions?

**CHRISTOPHER HOLTON:**

Most local credit unions, I don't think you'd have a problem. You know, now maybe some of the big national ones, but I don't think, yes, ma'am?

**CHRISTINE BRIM:**

There's the blog [shariahfinancewatch.org](http://shariahfinancewatch.org). If people have a question, they could also just search there. It

might turn up.

**CHRISTOPHER HOLTON:**

We have a search feature on the blog. You can go in and – you're not going to find anything under Metropolitan Life there, though, I know. But I'll be happy to look into that for you.

**WOMAN:**

Well, that was just an example. I mean, is there any way to tell from these documents that come to vote on a board of directors or –

**CHRISTOPHER HOLTON:**

[OVERLAP] I'd be very surprised, unless they mention it overtly in the documents, you know, I'd be very surprised if it was disclosed. You know, very surprised. Cause most of these – when it comes to, you know, there's a difference between a shariah compliant financial institution and a financial institution who has a shariah compliant division or maybe sells a shariah compliant product, all right? And in the United States, for instance, Chase – JP Morgan/Chase – has a shariah compliant division, okay? Now their overall financial institution is not shariah compliant. But they have a division that's shariah compliant. That's different from like Bank Melli in Iran, which is completely shariah compliant from soup to nuts. Do you understand the difference there?

**WOMAN:**

So these companies' purpose is to put people on their boards or on their whatever, have someone to talk with them and decide about the shariah compliance?

**CHRISTOPHER HOLTON:**

Well, the shariah advisory board is more than just talk to them. I mean, those – the shariah advisers make the decisions. They make the decisions on whether you can invest in something or not and they make decisions on where the zakat money goes. Incidentally, there's another aspect of that that I failed to mention. It's called purification. It's related to zakat, but it's perhaps an even greater moral hazard. Under purification, let's say that we're running a shariah compliant financial instrument – a mutual fund – and we invest in your farm. And at the time that we invest in your farm, all you're doing is growing corn. But we come back a year later and you're making alcohol out of that corn. And that's haram. We can't profit by that. So what we'd have to do is we'd have to purify those funds. And shariah advisers would then take all the proceeds that we got from that investment, okay, and they would purify it by sending it to Islamic charities. And so, you know, you can see where, if you wanted to – if you wanted to send money to an Islamic charity that was supporting jihad, for instance, you know, first thing you'd do is you'd go find, pick a farm, invest in it and then come back a year later and say, oh, look what I've done. [LAUGHTER] How silly of me. And purify all that money. You know, it's a great way to funnel money. And, look, it's not a fantasy. Bank Al Taqwa did it. We know that it's done. It's breaking news in Bangladesh. A shariah adviser to one of the banks there was just arrested for taking part in an attack on a police station. I've got – that will go up on the blog later. I mean, this, he's not a major shariah adviser. I'm not going to say he's one of the top twenty-four, but, I mean, he's a shariah adviser to a bank there. Yes, ma'am?

**WOMAN:**

Are you saying that the average middle class American investor could possibly be investing in shariah law with their funds and not even know it?

**CHRISTOPHER HOLTON:**

Could happen. Absolutely could happen. It's very common in Great Britain. Everything that happens over there tends to come over here a few years later. So it's theoretically possible here now. If you look in Great Britain, it is happening – it's almost widespread there. But what could happen right now is that you could be approached by somebody with the Amana group of funds and they could come to you and say, this is a socially responsible group of mutual funds We don't invest in alcohol, pornography, we don't invest in – pork, yeah. You probably don't care so much about that, but we won't mention that. We'll talk a lot about pornography and we'll talk a lot about alcohol. We'll talk about, oh, we don't invest in armaments industries. At least in armaments industries in the West. So those are the things that they'll go to people and they'll say, you know, this is ethical investing, socially responsible investing. And they won't mention that, you know, it's socially responsible according to who? According to Taqi Usmani and Sheik Yusuf al-Qaradawi, they think it's ethical as hell.

**WOMAN:**

So that would come through your investor and then your manager who's managing your funds would relay that information to you, so it would be their responsibility to filter a lot of that out, correct? I mean –

**CHRISTOPHER HOLTON:**

[OVERLAP] Well, yeah, I think there's a chain of responsibility. There's a chain of responsibility there. The responsibility, you know, is with the fund itself to properly disclose. If they're not doing it, then it's the responsibility of, you know, your registered representative or your financial planner to do his due diligence. To make sure that you're not, you know, doing something against your own principles. I mean, if you're someone that has expressed an interest in socially responsible investing, he obviously – he or she obviously knows that you care about what you invest in, so he or she should research it for you. But if the fund itself is not fully disclosing what this is all about, how is he or she going to know? I can tell you that most registered representatives and financial planners, they're salespeople. They depend on the literature that they're given from the fund. They don't have access to, I mean, it's very difficult for me to believe that Wall Street could ever police themselves on this. They don't have the incentive and they don't have the skills to do it. They don't know what to look for. Yes, sir?

**MAN:**

What has to happen here, from your perspective, you described the problems as huge, is I think you're suggesting you have to have full disclosure, first of all, and that's going to take some time, okay. But then the next step after that or simultaneously with that is for, what, the Treasury to look at these things and do an investment –

**CHRISTOPHER HOLTON:**

[OVERLAP] Well, I think that you'll – under existing laws, this is something that should be scrutinized

by the SEC. I think absolutely that that is the case –

**MAN:**

So that has to happen in order to solve this –

**CHRISTOPHER HOLTON:**

[OVERLAP] Or more legislation needs to be passed to get them to do it or maybe hearings need to be held. Maybe they need to call in the SEC in front of, you know, a committee and say, what are you doing about this?

**MAN:**

Conduct hearings, okay.

**CHRISTOPHER HOLTON:**

Something. I find it astounding that the Family Research Council would do a freedom of information act request and get no answer on that. That's – it's astounding. Astounding.

**MAN:**

Yeah. And because of the tyranny of the urgent, other things pressing in, we didn't keep at it, keep at it, keep at it. But –

**CHRISTOPHER HOLTON:**

Well, I'd like to talk to you after this and maybe we'll –

**WOMAN:**

[OVERLAP] – get a lawyer, the documents magically appear. [LAUGHTER] [OVERLAPPING VOICES] I'm just telling you.

**MAN:**

They called it – they didn't cover up what it was. They said shariah compliant financing. Now, this was December of '08.

**CHRISTOPHER HOLTON:**

I remember when they held that seminar.

**MAN:**

– two days. Department of Treasury. Harper –

**CHRISTOPHER HOLTON:**

And they had Sheik DeLorenzo was, you know, one of the big guys there. Now, let me tell you a little bit about Sheik DeLorenzo. Sheik DeLorenzo was – he graduated from a prep school in Massachusetts at eighteen and went to Cornell for a year and dropped out of Cornell, like everybody moved to Pakistan. [LAUGHTER] And went to a madrassa which was, lo and behold, the same madrassa that was giving birth to all kinds of jihadi organizations in Pakistan. He excelled there and he became an adviser to Zia ul-Haq, who was the general who took over Pakistan in the 1970s and essentially imposed shariah law on their legal system, the Islamization of Pakistan was extensively written about in those days. And this guy DeLorenzo from Massachusetts, born a Catholic, converted to Islam, became a shariah scholar, was an adviser to him for many years, came back to the United States. He was the dean of the curriculum at the Islamic Saudi Academy right across the way here. Which we know that they were – they had textbooks that were telling children that apostates from Islam need to be killed and all this other kind of stuff and Christians and Jews are descendants from apes and pigs and all that stuff. And this guy was in charge of that curriculum at the Islamic Saudi Academy. And this is the guy who was the keynote speaker, so to speak, the big shariah adviser at the Department of Treasury's event promoting Islamic finance in December of 2008. I could go on and on about the guy. I mean, he's got all kinds of connections that are like – make you scratch your head. And they all do. I mean, this is like –

**WOMAN:**

Who's the Harvard connection?

**CHRISTOPHER HOLTON:**

Yeah, the Harvard. [OVERLAPPING VOICES] Yeah, I went to [OVERLAPPING VOICES] you're catching me flatfooted here. The name of the – there's two professors at Harvard, his name starts with a V – Vogel. One of them is Professor Vogel at Harvard –

**FRED GRANDY:**

Frank Vogel.

**CHRISTOPHER HOLTON:**

Frank Vogel, yeah. And there's another guy there who's into it. And I actually attended a seminar at Harvard Law School on shariah finance a few years ago. And let me tell you, I felt like I was on another planet. I mean, the way they were talking in there – first of all, they – I didn't bring it with me, but they handed out a magazine from the banker in England, okay? And it was free to anyone that attended this seminar. And this was a big seminar. It was a big auditorium at Harvard Law School and everybody got one of these magazines. And it, you know, cover story, Iran dominates the world of shariah finance. I mean, they're promoting and celebrating this and the world's foremost sponsor of terrorism, who has a nuclear weapons program, and essentially has been waging a proxy war against the United States for a generation is the subject of the cover story of the magazine that they hand out at the seminar at Harvard Law School. Now, I looked at it and I was like, gee whiz, I mean, does anybody see anything wrong with this?

**MAN:**

Harvard Law School or Harvard Business School?

**CHRISTOPHER HOLTON:**

Harvard Law School. The shariah finance division is at Harvard Law School.

**MAN:**

Was Kagan dean at the time?

**CHRISTINE BRIM:**

Yes she was. Yes she was. [LAUGHTER] There are three posts over at Big Peace that discuss Dean Kagan's facilitation of shariah.

**CHRISTOPHER HOLTON:**

Yes, she was. [OVERLAPPING VOICES] I didn't see her. I'd have noticed her. [OVERLAPPING VOICES] [LAUGHTER] But I took a lot of notes. That was a few years ago, but, you know, that was the first clue that I had that many people on the left in this country thought the Muslim Brotherhood was just peachy. I mean, they were talking about the Muslim Brotherhood like Palmolive or something.

**WOMAN:**

Well, I guess my question, how are they aiming it on the other side? What are they like a peace loving organization like a bunch of hippies from the 60s? I mean, what are they saying on the other side –

**CHRISTOPHER HOLTON:**

When you say the other side –

**WOMAN:**

The left or –

**CHRISTOPHER HOLTON:**

[OVERLAP] Well, the left hasn't really chimed in on shariah finance. Now, on shariah, you know, they basically bought into the line that shariah is just something for pious Muslims and doesn't have any implications beyond, you know, washing your feet before you pray. I mean, that's their view of shariah. But the fact of the matter is, shariah is the enemy threat doctrine. And the way that they envision it and the fantasy that they have about it, shariah is not practiced that way anywhere in the world. You go anywhere in the world where shariah is practiced and you can pretty much find, you know, oppression of women and minorities, you can find sponsorship of jihad, you can find, in many cases, genocide. Which is usually an outgrowth of jihad. I mean, just – it just happens. It's a totalitarian system. And totalitarian systems tend to be aggressive and violent. Shariah is, inherently. Yes, sir.

**FRED GRANDY:**

Could you just quickly tie in sukuk and sovereign wealth funds into how they fit under the arc of shariah finance?

**CHRISTOPHER HOLTON:**

That's another good question. All right. Sukuk is something called Islamic bond. The shariah finance community wanted to tap into the debt markets, but they can't because they can't either give or receive interest. So they've invented something that they call, it's called Islamic bond, which is – the proper name for it is a sukuk. It's not a bond at all. It's a partnership system in which, frankly, it's convoluted. They created this financial instrument which, you know, pays out money, but they don't call it interest. They call it something else. And it's – you're starting to see many Islamic nations, especially from the Persian Gulf region, issue sukuk. And you're also starting to see them to pressure Western nations and non-Islamic nations to issue sukuk as their sovereign wealth. And this plays both ways. Number one, when they offer money to a country like Korea or the Philippines, and this has happened in both cases, what they've basically said is, you know, we've got all this money and we would be happy to invest in your national debt interests, but it has to be shariah compliant. So it is a form of Islamic imperialism. You can go ahead and issue, you know, national bonds, but you're not going to get our wealth unless it's shariah compliant. So you must comply with our law in order to do it. And you're starting to see, I mean, Russia has issued a sukuk. Korea is probably reluctantly going to issue a sukuk. Philippines have issued a sukuk. You're starting to see it more and more around the world. You're going to see it in Western Europe very soon. You're going to see these nations issue sukuk. It's all about getting us to play by their rules. Remember, the purpose of shariah compliant finance is to promote shariah. Several years ago, the Archbishop of Canterbury mentioned that the incorporation of shariah law into some of British common law was inevitable. And then the prime minister of Britain, right after he said that, said, yeah, we've already accommodated shariah finance, after all, and it hasn't done us any harm. This is a Trojan horse. It's a means of getting us to play by their rules. And getting us comfortable with shariah so that next thing they can do is move in with family law. And then, little by little over time, get us to where we're desensitized to where it's where we don't even care anymore. Yes, sir.

**MAN:**

Is there any debt held by the Americans under sukuk?

**CHRISTOPHER HOLTON:**

[OVERLAP] Yeah, General Electric Capital Corporation has issued a sukuk. There are several sukuk that have been issued from the United States. Not the US Treasury yet. Thankfully. I say yet. But you can be sure that we will be under pressure to issue a US Treasury sukuk because our counterparts in the Persian Gulf region will pressure us to make sure that our debt is shariah compliant. And, you know, the whole issue of sovereign wealth funds. The emir of Qatar is probably the biggest one when it comes to this. He's got a huge amount of wealth that he's, you know, garnered from oil and natural gas in Qatar. And, you know, he goes around and invests that sovereign wealth. But in the process of investing, they put conditions on him. And usually those conditions have to do with shariah. So it is a foil with which they are able to impose shariah on the rest of the world. In a way – if you want our money, if you want us to invest with you, just make sure that you're shariah compliant and then – [TAPE BREAKS]

I have not seen any reports on that, but that doesn't mean it's not happening. I would imagine, given the close ties between Venezuela and Iran, that it's probably happening there at some point. And Brazil has

ties to the Middle East. I wouldn't doubt that it would happen there. Just off the top of my head. I don't know if any of these countries have issued a sukuk or anything like that. I don't [OVERLAPPING VOICES] but the tri-border region of South America, where there's a heavy Middle Eastern expatriate population, my guess is, is that there probably is a presence for shariah financial institutions down there. Yes, sir?

**MAN:**

A shariah compliant mortgage for a Muslim in this country, if he wants to get a shariah compliant mortgage, how does that differ specifically from a conventional mortgage?

**CHRISTOPHER HOLTON:**

That's a real good question. It's called murabaha, okay. And, you know, how does it differ? Well, I could tell you the convoluted way, but basically what it is – [OVERLAPPING VOICES] Basically what it is, it's this. You know, they will advertise that as interest free mortgages. And that is incredibly unethical, because it's not interest free. It's just you don't pay interest. You pay fees and charges. Which, coincidentally enough, fluctuate almost in lockstep with prevailing interest rates. Except the other difference between the shariah compliant mortgage and a conventional mortgage is that almost across the board, the charges and fees associated with a shariah compliant mortgage are greater than the interest charge would be on a conventional mortgage. And then they advertise them as interest free. And they do that, make no mistake about it, they advertise them as interest free to try to get non-Muslims to buy – to sign up for them.

**MAN:**

Is it difficult, if I want to go buy that house over there and it had a mortgage on it and it was a Muslim-owned shariah compliant finance – financial institution, would it be easy for me to buy that house or would it be easier for a Muslim to buy that house? I mean, are there restrictions? Do they try and keep that –

**CHRISTOPHER HOLTON:**

I think you can probably do it. If you approach them and say, I want to have one of these –

**MAN:**

They don't care?

**CHRISTOPHER HOLTON:**

They – one of their goals is to have non-Muslims abide by shariah law. And the purpose of this is to promote shariah. So if you want to have a mortgage according to shariah law, they're happy for you to do that.

**MAN:**

Are they more sympathetic or more willing to deal with people who are going to buy their mortgage? I think you would say – I see what you're saying, but –

**CHRISTOPHER HOLTON:**

[OVERLAP] I don't know. I don't know. I have never been in that position. I don't know. I don't know if you'd be treated nice or not. I would imagine you would be, though. If you just went in there and say, I heard this is a much better way of –

**MAN:**

[OVERLAP] – discriminate against those people who are non-Muslims and –

**CHRISTOPHER HOLTON:**

I think probably, unfortunately, just the opposite. [OVERLAPPING VOICES] Yes, ma'am?

**WOMAN:**

Getting back to the General Electric sukuk bond, can you say that a portion of that money, then, through General Electric, [UNCLEAR] General Electric, goes to further the cause of –

**CHRISTOPHER HOLTON:**

[OVERLAP] No question. This is one of the cases where it – something is disclosed in the prospectus. I have a copy of the prospectus and they do actually acknowledge in the prospectus that a portion of the proceeds do – does get donated to Islamic charities. They leave it at that. That's the extent of the disclosure. And to me, that amount of disclosure right there is enough to draw my interest, okay? Cause it's like, all right, which Islamic charities? And what do you know about these Islamic charities? Because if you ask the folks at GE, my guess is they don't know anything. Yes, sir?

**MAN:**

Do you have a copy of that prospectus –

**CHRISTOPHER HOLTON:**

I do have a copy of that prospectus, I'd be happy to share it with you. If you get my card, I will be happy to send it to you. Yes, sir?

**MAN:**

Would it be fair to actually say that these are different forms of fundraising for jihad?

**CHRISTOPHER HOLTON:**

Well, yeah. Incidentally, sir, that sukuk is not offered for sale in the United States, all right? It's a General Electric Capital Corporation offering, but it's not something that they're offering here in the United States. It's not regulated by the SEC. Okay? So I guess they realize that they may have a problem offering that here in the United States and they chose not to. [BACKGROUND VOICE] I'm sorry, say that –

**WOMAN:**

It's called material support.

**CHRISTOPHER HOLTON:**

Material support for terrorism. No question. Any other questions? Thank you very much for coming. I appreciate it. [APPLAUSE]

**[END OF FILE]**