How the U.S. Lost the Corruption Battle in Afghanistan

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Acronyms

AG     Attorney General
AGO    Attorney General’s Office
CJTF   Criminal Justice Task Force
ECC    Electoral Complaints Commission
IEC    Independent Elections Commission
MCTF   Major Crimes Task Force
MoI    Ministry of Interior
NDS    National Directorate of Security
SIU    Sensitive Investigative Unit
To say that the United States launched a war against corruption in Afghanistan is an overstatement. It is not the job of any government but the Afghan government to clean up its own corruption. That said, in 2009 and 2010, the administration of President Barak Obama did in fact make a concerted effort to push Afghan President Hamid Karzai to clean up the rampant corruption within his government.

The battle was over by September 2010. President Karzai had crushed the Major Crimes Task Force and fired the most outspoken anti-corruption critic at the Afghan Attorney General’s Office, Deputy Attorney General Fazel Ahmed Faqiryar. The Kabul Bank scandal hit at the end of August just as Karzai was breathing a sigh of relief for his victories over Afghanistan’s anti-corruption forces.

This paper offers political insights into Afghanistan’s high corruption problem. The paper is brief and should be considered as an introduction on the subject.

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Corruption is defined as “the abuse of public position for private gain.”\(^1\) High corruption in Afghanistan, or the corruption committed by senior government officials such as Cabinet ministers, governors, members of Parliament, military commanders, police chiefs and the like, can be more than just isolated and unconnected cases of bribery. In Afghanistan, corruption among the Afghan elite often works through networks that connect government and private actors across the country.\(^2\)

Former Afghan Foreign Minister and current National Security Advisor Rangin Dadfar Spanta described Afghanistan’s high corruption in this way: “In this government, we have mafia networks…” and they “…begin with the financial banking system, with corruption networks, with reconstruction and security firms and also with drugs and with the Taliban; they are in parliament and they are in government.”\(^3\)

While the U.S. government has known that many Afghan officials are corrupt, it only learned the actual extent of the corruption a couple of years ago “when a powerful wiretapping system came Online as part of efforts to disrupt Taliban financing networks.”\(^4\) The wiretaps intercepted cell phone calls from the Afghan elite and Taliban insurgents. A U.S. official describing what the wiretaps revealed, stated, “All these people talking about bribes and pretty much any kind of corruption you can imagine started coming up…. It was all connected.”\(^5\) Another U.S. official said, “We looked around and realized how deep all this ran. The corruption went from the top [of the government] to the bottom…. It ran sideways to the Taliban. It went in every direction.”\(^6\)

From the wiretaps, the U.S. government drew up charts and made PowerPoint slides to physically map out the corruption networks. Confirming Spanta’s description of “mafia networks” within the Karzai government, the charts and slides vividly illustrated “webs of connections between members of President Hamid Karzai’s family, businessmen, corrupt officials, drug traffickers and Taliban commanders.”\(^7\) The Kabul Bank scandal is an example of one of these corruption networks. It connected over a hundred political leaders and other members of the Afghan elite in a vast corruption scandal.

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2. In this paper, the Afghan elite refers to both high-ranking government officials and powerful non-government figures.
5. Ibid.
6. Ibid. Words in brackets added by the Wall Street Journal.
7. Ibid.
In 2009, Afghanistan was named the second most corrupt country in the world, behind only anarchic Somalia. In the same year, the international community had for the first time a slight whisper of success (though short-lived) in prodding the Karzai administration to take law enforcement action against senior corrupt government officials and other members of the Afghan elite linked to corruption. The momentum for this initiative was in part a result of the enormous international political pressure mounting on President Karzai because of the incessant media reporting about his government’s corruption problem.

In January 2009, Barak Obama began his presidency and immediately called on President Karzai to clean up his government. In fact, throughout 2009, Obama officials frequently criticized Karzai for turning a blind eye to corruption. The Obama administration’s non-stop emasculation of President Karzai on the corruption issue, along with Afghan civilian casualties and the so-called night raids, caused U.S.-Karzai relations to tumble.

U.S. Central Command commander General David Petraeus also was concerned with Afghanistan’s corruption problem. Petraeus believed that it was working against the military’s goal of bringing an end to the insurgency; consequently, he wanted an FBI-like agency established in Afghanistan to challenge high corruption and organized crime in Afghanistan much as the FBI did (and does) in the U.S.

In May 2009, following a videoconference between General Petraeus and Federal Bureau of Investigations (FBI) Director Robert Mueller, the U.S. and Great Britain helped to establish the Major Crimes Task Force (MCTF) under the authority of the Afghan Ministry of Interior (MoI), which is responsible for the Afghan National Police. The

10 Zalmay Khalilzad, the former U.S. ambassador to Afghanistan, believes that publically “hectoring” Karzai was huge mistake and contributed to a breakdown in trust between the Obama and Karzai administrations. See: Reena Ninan, “Khalizad Speaks on Obama’s Afghan Plan,” Liveshots Live, Fox News, November 24, 2009.
12 Many news networks have erroneously identified November 2010 as the MCTF’s founding. The reason is because the Afghan government first publicized the MCTF in November even though it was established almost six months earlier. See: Vadim Thomas, “The G-Men in Kabul: The FBI Combating Public Corruption in Afghanistan,” October 27, 2010, Joint Military Operations Department, Naval War College, pp. 6-7, 11. Mr. Thomas was an FBI mentor to the MCTF from February to June 2010. See also: Special Inspector General for Afghanistan Reconstruction, “U.S. Agencies Have Provided Training and Support to Afghanistan’s Major Crimes Task Force, but Reporting and Reimbursement Issues Need to be Addressed,” SIGAR-Audit 11-15, July 28, 2011.
Department of Defense and the FBI signed a Memorandum of Agreement in August 2009 to fund the MCTF, which made its first arrest in October.\textsuperscript{13}

Afghanistan already had a similar task force for fighting the illicit drug trade, called the Criminal Justice Task Force (CJTF), which was established in January 2005.\textsuperscript{14} Many of the MCTF’s operations in 2009 and 2010 were joint operations with the CJTF, presumably because the CJTF had greater experience and could assist the MCTF particularly where their work overlapped, as drugs and corruption often do in Afghanistan. It should be noted that media reports often refer to joint “MCTF-SIU” operations. The SIU, or the Sensitive Investigative Unit, is actually just a department within the CJTF, not a stand-alone agency.

The MCTF is composed of mainly American and British mentors and Afghan investigators, prosecutors, and judges within one secured facility outside of Kabul.\textsuperscript{15} MCTF investigators are drawn from the MoI and Afghanistan’s intelligence agency, the National Directorate of Security (NDS).\textsuperscript{16} Through July 2010, new recruits were vetted, which included a polygraph test, trained, and given high salaries (“top up” salaries) “to discourage corruption.”\textsuperscript{17} After completing their training, MCTF investigators are assigned to one of three MCTF investigative units: the Corruption Investigation Unit (CIU), the Organized Crime Unit (OCU), or the Kidnapping Investigation Unit (KIU).\textsuperscript{18} The MCTF made several high profile arrests from October 2009 to July 2010.\textsuperscript{19}

The August 20, 2009, Afghan presidential election was the dominant political event of the year. The election was a disaster from a corruption standpoint.\textsuperscript{20} President Karzai agreed to a runoff election two months later since no candidate won the election with at least 50% of the popular vote. However, Karzai’s only challenger in the runoff, Dr. Abdullah Abdullah, pulled out of the runoff on November 1 because the structural factors that let vote rigging run wild in the initial August 20 election were not going to be addressed in the runoff.\textsuperscript{21}

On November 2, President Obama called from the Oval Office to congratulate President Karzai on his re-election. However, according to senior Afghan officials, as reported in the Times of London, President Obama, also issued Karzai a six-month ultimatum to


\textsuperscript{14} “\textit{Afghanistan: Counter Narcotics Criminal Justice Task Force Becomes Operational},” UNODC, Relief Web, July 28, 2005. The CJTF has been plagued by political interference.

\textsuperscript{15} The MCTF’s new facility was inaugurated on February 25, 2010. See: Tamara Gonzales, “\textit{Fighting Crime in Afghanistan},” NATO Training Mission Afghanistan, February 25, 2010.


\textsuperscript{17} Ibid, p. 12.

\textsuperscript{18} Ibid, p. 13.


\textsuperscript{21} Golnar Motevalli and Sayed Salahuddin, “\textit{Karzai Rival Abdullah Quits Afghan Run-Off},” Reuters, November 1, 2009.
clean up corruption in his government or the U.S. would pull out of Afghanistan. Obama told Karzai that the evidence of his commitment to clean up the Afghan government would be to appoint “reform-minded ministers” in his new term of office, and to target some “high profile scalps.”

The six-month ultimatum meant that Karai had until May 2, 2010, to clean house. An Afghan official explained: “Obama said they don’t want their soldiers’ lives wasted for nothing. They want changes in Cabinet, and changes in his personal staff.” Separately, the U.S. Embassy in Kabul also reportedly warned President Karzai to remove his brother, Ahmad Wali Karzai, from his government post in the key southern city of Kandahar due to the latter’s involvement in drug trafficking.

The next day during his re-election speech President Karzai promised to launch “a campaign to clean the government of corruption.” However, asked after his speech if cleaning up corruption “might involve changing important ministers and officials,” Karzai replied, “These problems cannot be solved by changing high-ranking officials. We’ll review the laws and see what problems are in the law, and we will draft some new laws.”

In fact, in December Karzai nominated a number of shady individuals to his new Cabinet and this led to a protracted fight with Parliament. While Afghanistan could use “some new laws,” such as an updated penal code and a reworked criminal procedural code, such laws are already present. The problem, to be discussed shortly, is that President Karzai prevents the Afghan Attorney General from arresting high profile suspects. Kai Eide, the former U.N. Special Envoy to Afghanistan explained:

The decisive element in order to fight corruption in Afghanistan is not the constant discussion of new mechanisms and new structures and new commissions. …We may need that. But structures do exist. A legal system does exist that is able, to a large extent, to address corruption.

Nevertheless, November was a month of some optimism for fighting corruption. Karzai promised repeatedly to clean up his government and there was even a three-day anti-
corruption conference held in Kabul in the middle of the month. During the anti-corruption conference Karzai criticized corrupt ministers who “after one or two years work for the government, get rich and buy houses in Dubai.”

Around the time of the conference, Interior Minister Hanif Atmar and Attorney General Mohammad Ishaq Aloko were emboldened to speak publically about anti-corruption efforts. Atmar spoke confidently about the MCTF and stated emphatically that “the age of impunity is gone” and that everyone would now be “held accountable for the authority invested in them.” Aloko reported that his office had a list of senior officials suspected of taking bribes and had already sent five indictments to President Karzai and was waiting only for his approval in order to make the arrests.

In mid-December, Deputy Attorney General Fazel Ahmed Faqiryar gave Parliament a list of 25 names of Cabinet ministers and governors accused of corruption. As time would tell, however, not too much would become of this list as Karzai refused to let Aloko indict the suspects -with the exception of one who was permitted to flee the country before he could be arrested. Time would prove that Karzai’s promise to clean up his administration was an empty one.

On January 14, 2010, the MCTF and the CJTF (called the SIU in the reporting) conducted a joint raid on a prominent hawala (a money exchange business) called the New Ansari Exchange. Investigators carried away New Ansari’s computers and 42,000 documents, and then combed through them over the following months. New Ansari’s financial transaction information showed the movement of legitimate business capital, but also drug trafficking and extortion money from the Taliban and “diverted Western aid and logistics money.”

The raid set off a panic in the Karzai administration. Neither the president nor the Minister of Interior, Hanif Atmar, knew about the raid before it happened. Karzai “criticized” Atmar for not stopping the raid and, afterwards, held an emergency Cabinet meeting. Later, Karzai officials and some MPs “held subsequent meetings with Aloko” to pressure

30 Ibid.
33 Abasin Zaheer, “MPS Get List of Graft-Tainted Officials,” Pajhwok, December 16, 2009. The article actually says 17 names but it was actually 25: 17 current and former ministers, 5 governors, and 3 ambassadors.
34 Minister of Islamic Affairs and Hajj, Chakari, was allowed to leave Afghanistan after he presented a letter signed by Attorney General Aloko stating that he was complying with the AGO. See: Greg Miller and Ernesto Londoño, “U.S. Officials Say Karzai Aides are Derailing Corruption Cases Involving Elite,” Washington Post, June 28, 2010.
37 Ibid.
38 Ibid.
39 Ibid.
him not to prosecute New Ansari’s executives.\textsuperscript{40} The political interference at the AGO was effective because Aloko refused to bring charges against any of New Ansari’s executives.

By March 2010, the U.S.-Karzai relationship was in freefall. Western officials feared that Karzai “was slipping away from the West” and aligning Afghanistan with Iran.\textsuperscript{41} On March 10, Iranian President Mahmoud Ahmadinejad visited Kabul and made numerous anti-American remarks at the presidential palace during a joint press conference with President Karzai.\textsuperscript{42} Karzai had invited Ahmadinejad to Afghanistan to “spite” the Obama administration after the latter cancelled Karzai’s visit to the U.S. in retaliation for Karzai’s kicking out the UN-appointed members of the Afghan Election Complaints Commission (ECC) in February.\textsuperscript{43} Previously, the UN appointed three of the ECC’s five members, but now Karzai would appoint all five, effectively making the ECC a Karzai rubber stamp.

(The ECC was the election body which ruled that about a million Karzai votes in the 2009 presidential election were fraudulent, and this decision forced the Afghan Independent Election Commission (IEC), whose members are all appointed by the president, to subtract these fraudulent votes from the final vote tally, triggering the runoff election since it brought Karzai’s final vote to under 50%. The fear was that Karzai’s seizure of the ECC would prevent that body from blocking corruption in the Parliamentary elections later in the year.)

On March 28, President Obama visited Afghanistan for six-hours, arriving after sunset and leaving before dawn.\textsuperscript{44} It was Obama’s first visit to Afghanistan as president.\textsuperscript{45} Karzai himself had just returned home hours before from his visit to Iran. The Obama-Karzai meeting at the palace lasted just 40 minutes and was a fiasco from a relation’s standpoint.\textsuperscript{46} James Jones, Obama’s national security advisor, suggested to reporters before the meeting that Obama wanted to communicate to Karzai that “in his second term, there are certain things that have not been paid attention to, almost since Day 1. …[and Karzai] needs to be seized with how important” the U.S. views corruption.\textsuperscript{47}

During the meeting, Obama raised the issues of corruption and governance. Karzai talked about private security companies, which he referred to as “parallel structures of government, and his desire that international aid be given directly to the Afghan

\textsuperscript{40} Greg Miller and Ernesto Londoño, “U.S. Officials Say Karzai Aides are Derailing Corruption Cases Involving Elite,” Washington Post, June 28, 2010.


\textsuperscript{42} Mahmoud Ahmadinejad Attacks US for Afghan ‘Double Game’,” BBC, March 10, 2010.


government, which he argued would stop most of the corruption occurring with the approximately 80% of foreign aid that entered Afghanistan outside the Afghan government’s control.48

Obama bluntly communicated his disappointment in Karzai’s promised anti-corruption efforts that never materialized, namely that high-level prosecutions were lacking. Karzai countered that he did deliver since he issued a decree on March 18, which strengthened another anti-corruption body called the High Office of Oversight and Anti-Corruption.49

The difference in views on anti-corruption represented different interests. Karzai viewed corruption in his country as primarily a legal problem, which could be addressed by making new laws. However, Obama correctly understood that Afghanistan’s corruption problem was a lack of political will to arrest and prosecute criminals among the elite. Karzai’s position guaranteed the political support of those guilty of corruption. Obama wanted high-level prosecutions (“scalps”) in order to reduce corruption and add legitimacy to the Afghan government so that Afghans would choose it instead of the Taliban.50

At the joint press conference that followed their meeting, Obama’s tone was “solemn” and he was careful not to praise Karzai.51 An Afghan businessman later recalled that President Karzai was “insulted” by President Obama’s March 28 “comments” and he left the meeting “with even greater doubts about the American commitment to Afghanistan,” suggesting that Obama may have repeated his threat to withdraw U.S. troops from Afghanistan if Karzai did not step up the fight against corruption.52

Three days after Obama’s visit, the Wolesi Jirga, or the lower house of the Afghan Parliament, rejected President Karzai’s February ECC decree.53 Karzai snapped. His interpretation of the Obama administration’s constant criticism of his government, the U.S. and other Western governments’ actions during the 2009 presidential election, Obama’s six-month ultimatum, and the disastrous March 28 face-to-face meeting with Obama, all pointed to one thing: the U.S. and its allies desired to unseat him.

On April 1, President Karzai held a press conference in which he angrily accused “some embassies” of trying to bribe IEC officials.54 Karzai said that “foreigners,” a term he used repeatedly during the press conference, interfered in the 2009 presidential election to

48 Ibid. Note that Karzai’s spokesman, Wahid Omar, described the Obama-Karzai meeting in positive terms.
weaken Afghanistan, its Parliament, and president. He acknowledged that there was
election fraud, but it was not committed by Afghans but by foreigners.

U.S. officials reacted swiftly to Karzai’s accusations.\textsuperscript{55} White House spokesman Robert
Gibbs found Karzai’s remarks “troubling,” and U.S. Ambassador Karl Eikenberry visited
the presidential palace for clarification. However, President Karzai telephoned Secretary
of State Hillary Clinton and downplayed the incident, expressing surprise that his words
“caused a stir.”

Less than 24 hours after speaking with Clinton, Karzai bashed the West again saying that
if it did not stop interfering in Afghanistan’s affairs, he himself might join the Taliban.\textsuperscript{56} Ignoring the political concept of separation of powers, Karzai had called about 60 to 70
Members of Parliament to a meeting at the palace on April 3, and berated them for two
and a half hours for their refusal to back his ECC decree. He said the West was using
Parliament to install a “puppet government.”

In response to Karzai’s second outburst, the Obama administration stated that it might
cancel Karzai’s recently scheduled May 12 visit to the U.S.\textsuperscript{57} Notably, Robert Gibbs
refused to call President Karzai a U.S. ally at a press conference. Gibbs only
acknowledged that Karzai was the democratically elected leader of Afghanistan.\textsuperscript{58}

In the first week of April, the Obama administration was in a veritable Catch 22. It was
dammed if it stayed the course, prodding and poking Karzai to change tack and clean up
his government, but it was equally doomed if it retreated and let Karzai continue to block
law enforcement action against the politically connected.

What to do? Expediency offered the easiest solution: back off from trying to change
Karzai’s behavior in order to permit America’s immediate goals of fighting the
insurgency and “reconstructing” Afghanistan to continue. Unfortunately, the long-term
goal of Afghanistan’s stability would be sacrificed since internal support for the Karzai
administration would remain low, and this in the context of a full-blown insurgency.

The policy shift was almost instantaneous. A week after Karzai’s second outburst,
Secretary Clinton and Secretary of Defense Robert Gates “blitzed” Sunday talk shows on
April 11 and called President Karzai a “reliable partner.”\textsuperscript{59} Richard Holbrooke, the U.S.
Special Envoy to Afghanistan, and General Petraeus, “echoed” the same sentiment on the
same day in Kabul. A month later, the Wall Street Journal explained the rational for the
new policy:

“The Obama administration, after 16 months of treating President Hamid Karzai
with what some U.S. officials called “tough love,” will welcome the Afghan
leader Monday with all the trappings of a head of state, in what officials said is

\textsuperscript{55} “Karzai Calls Clinton After Anti-West Speech Draws Administration Rebuke.” Fox News, April 2, 2010.
\textsuperscript{56} Matthew Rosenberg and Habib Zahori, “Karzai Slams the West Again,” Wall Street Journal, April 4, 2010.
\textsuperscript{58} Ibid.
the start of a new, more pragmatic approach. The shift, backed by the Pentagon and Secretary of State Hillary Clinton, follows concerns that repeated public criticism of Mr. Karzai, particularly of his commitment to anticorruption efforts, was backfiring, leading the mercurial leader to lash out and undermining U.S. public support for the war. … ‘I think we all realized we had gotten ourselves right to the edge of the cliff about a month and a half ago, and there was nowhere to go but jump off the cliff, and that was too scary for everybody,’ said a former senior U.S. official.”

While the Obama administration decided to back off from its public criticisms of President Karzai, it had not yet given up its efforts to help reign in corruption in the Karzai government. However, with President Obama’s realization that he could not win the anti-corruption battle so long as Karzai was not in agreement, the stage had been set for Karzai to drop his anti-corruption pretensions and brazenly squash all attempts to arrest senior corrupt officials and other influential members of the elite. In Karzai’s mind, the MCTF had to be stopped.

The summer of 2010 was a terrible month for Afghanistan’s anti-corruption proponents. It was the period in which America and the international community decisively lost the battle against high corruption in Afghanistan. By late August, Karzai had crushed the MCTF and fired the AGO’s most outspoken anti-corruption critic, Deputy Attorney General Faqiryar. The Kabul Bank scandal hit at the end of August just as Karzai was breathing a sigh of relief for his victories over Afghanistan’s anti-corruption forces.

On June 25, 2010, the Wall Street Journal published a follow up article to a February Washington Post story about the billions of dollars leaving Afghanistan each year via Kabul International Airport. Within days of the article, U.S. Congresswoman Nita Lowey temporarily froze $3.9 billion in aid to Afghanistan until, as Lowey put it, “…I have confidence that U.S. taxpayer money is not being abused to line the pockets of corrupt Afghan government officials, drug lords, and terrorists.”

On June 28, the Washington Post published an incredulous article where US officials, likely the Justice Department and FBI agents attached to the MCTF and the CJTF, were complaining that senior Karzai administration officials and Attorney General Aloko were preventing corruption cases from advancing through the criminal justice system – investigations, arrests, indictments, etc. The article stated:

62 At the time, Lowey was the Chairwoman of the Subcommittee on State, Foreign Operations, and Related Programs, which is part of the House Committee on Appropriations. See: Peter Spiegel and Matthew Rosenberg, “Afghan Aid on Hold as Corruption is Probed,” Wall Street Journal, June 28, 2010.
In recent months, the U.S. officials said, Afghan prosecutors and investigators have been ordered to cross names off case files, prevent senior officials from being placed under arrest and disregard evidence against executives of a major financial firm suspected of helping the nation’s elite move millions of dollars overseas. As a result, U.S. advisers sent to Kabul by the Justice Department, the FBI and the Drug Enforcement Administration have come to see Afghanistan’s corruption problem in increasingly stark terms. “Above a certain level, people are being very well protected,” said a senior U.S. official involved in the investigations. …Over the past year, U.S. officials said, Afghan investigators have assembled evidence against three Karzai-appointed provincial governors accused of embezzlement or bribery. All three cases have been blocked. The interference has persisted, officials said, despite Karzai’s pledge in November during his second inaugural address to make fighting corruption a focus of his new term.63

About Attorney General Aloko, the article reported:

Afghanistan’s attorney general, Mohammed Ishaq Aloko, was seen as a potential ally against corruption when he took the job two years ago. Some investigations have ended in convictions. But U.S. officials said that Aloko, a native of Kandahar province who studied law in Germany, has repeatedly impeded prosecutions of suspects with political ties. In meetings with U.S. Justice Department officials, Aloko has seemed almost apologetic and acknowledged coming under pressure from Karzai as well as members of parliament, officials said. On one occasion, according to a U.S. official, Aloko told his American counterparts, “I’m doing this because that is what the president tells me I have to do.” …Aloko recently created a three-member commission to “review” the units’ [MCTF and CJTF] cases and … it has removed names of politically connected Afghans from prosecutors’ files.”64

Both President Karzai’s spokesman and the AGO’s spokesman denied the above allegations that political interference was shutting down corruption cases at the AGO. The next day Aloko himself held a news conference to give an “almost point-by-point rebuttal” to the Washington Post article.65 In what appeared to be an attempt to show foreign infringement on Afghan sovereignty, Aloko alleged that the U.S. Ambassador to Afghanistan, Karl Eikenberry, had pressed him over the two previous weeks to prosecute two individuals: the minister of Hajj and Islamic Affairs, Mohammed Sediq Chakari, and the deputy chairman of Afghan United Bank, Muhammad Rafi Azimi.66 Chakari was

64 Ibid. Words in brackets added.
66 Ibid.
involved in bribery in his ministerial duties, and Azimi’s case was connected to the New Ansari Exchange investigation, which followed the January 14 raid as noted earlier.

On June 30, the day after Aloko’s press conference, Eric Holder became the first U.S. Attorney General to visit Afghanistan, and the timing of his first visit was not a coincidence. He came to speak to Aloko directly -AG to AG- to break the impasse at the Afghan AGO. Holder and Eikenberry together visited Aloko and unsuccessfely tried to convince him to arrest a top Karzai aide, Mohamed Zia Salehi, the head of administration of Afghanistan’s National Security Council. Aside from his national security duties, Salehi was also a middleman for President Karzai who delivered luxury vehicles and money from a “palace fund” to the president’s allies. Presumably, the gifts were bribes for Parliament votes.

Salehi was recorded through a wiretap soliciting a bribe from Afghan United Bank’s Azimi. Salehi wanted a car valued at $10,000 for his son and, in exchange, Salehi would use his influence to shut down the New Ansari Investigation. Azimi’s connection to New Ansari Exchange is that Afghan United Bank is a subsidiary of New Ansari Exchange. Salehi understood this relationship and, seeing an opportunity to enrich himself, pimped out his services to Azimi.

In late-June and early-July, there was a U.S. military leadership change in Afghanistan. General Petraeus replaced General Stanley McChrystal as the head of the U.S. military in Afghanistan. It was reported that Petraeus was determined to aggressively confront Afghanistan’s high corruption problem more than his predecessor, even if it risked causing friction with President Karzai. In his first three weeks on the job, Petraeus held over 20 meetings with President Karzai and corruption was a “regular topic.” At least one of those meetings involved Petraeus advising Karzai to take action against Kabul Bank.

On July 20-21, President Karzai and UN Secretary General Ban Moon-Kim hosted the two-day Kabul Conference. It was the first international conference held in Kabul in

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74 For the diplomatic perspective on the Kabul Conference by the late-Richard Holbrooke, see: Special Briefing on Upcoming Kabul Conference.” U.S. Department of State, July 13, 2010. For a deeper analysis of the Kabul Conference that illustrates the disconnect between the diplomatic perspective and the realities on the ground, see the following articles from the Afghanistan Analysts Network: Martine Van Bijlert, “Kabul Conference (1) Outsmarted and Made to Pay.” July 19, 2010; Kate Clark, “Kabul Conference (2): How to Spend Three Quarters of a Billion Dollars.” July 19, 2010; Wazhma
three decades. The conference addressed security, governance, development, and reconciliation and reintegrations with the insurgents. Of special note, the development goal aimed to permit 50% (up from 20%) of the $13 billion in foreign aid committed to Afghanistan by the international community over the next five years to pass through the Afghan government. The development goal was contingent on the Karzai administration meeting certain financial management and anti-corruption commitments that the international community wanted.

Days after the Kabul Conference ended, Attorney General Aloko finally yielded to Western pressure and signed the arrest warrant for President Karzai’s aide, Mohamed Zia Salehi, for soliciting a bribe in exchange for using his influence to help shut down the New Ansari Exchange investigation. At about 5am on July 25, a joint MCTF-CJTF raid (referred to as an MCTF-SIU raid in the media) arrested Salehi at his home. The arresting forces wore black masks and were heavily armed. Perhaps an hour or a couple of hours later, Salehi telephoned President Karzai from his detention cell, then Karzai called Aloko, and Aloko ordered Salehi’s release. Salehi spent about six hours in detention.

Karzai alleged that Salehi’s arrest was an “affront to Afghanistan’s sovereignty and to his authority” and accused the MCTF of violating Salehi’s human rights by the manner in which he was arrested -by men wearing black masks and bursting into Salehi’s home early in the morning. Karzai’s sovereignty accusation was characteristically “Karzai,” since Karzai frequently plays the sovereignty card whenever the international community tries to hold him accountable.

However, it was in fact reported that people close to President Karzai viewed the MCTF “as essentially run by the foreigners.” A senior Afghan official explained: “Our assessments show that the M.C.T.F. purports to be an Afghan institution, but is run by others,” a reference to “Americans.” FBI agent and former MCTF mentor in Afghanistan, Vadim Thomas, agrees. In a paper he prepared for the U.S. Naval War College, Thomas noted, “With FBI Agents leading, mentoring, and advising local task force investigators success came quickly…. The hope was to eventually turn over the

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78 Ibid.


81 Ibid.

MCTF-A to independent Afghan control when the necessary investigative skill levels were reached."

That the MCTF was foreign-led should not be a surprise since Afghanistan did not have an FBI-like agency and, consequently, it fully relied on U.S. and U.K mentors to train and lead the MCTF’s Afghan recruits. As the task force matured, the mentors intended to withdraw in tandem. Karzai’s real problem with the MCTF was that it was beginning to disrupt corruption networks, so he played the sovereignty card. Thomas notes elsewhere, “As the corruption cases made inroads into the highest levels of the Afghan government, MCTF-A found itself in a precarious position. President Karzai attempted to block its work."

Karzai’s spokesman, Waheed Omar, explained that Salehi was arrested using “harassment, force and violence.” Karzai complained to Secretary Clinton that the task forces were “acting like the Russians.” At first Karzai officials denied that the president interfered with Salehi’s arrest, but eventually, Karzai admitted to it:

“I intervened very, very strongly. This man was taken out of his house in the middle of the night by 30 Kalashnikov-toting masked men in the name of Afghan law enforcement. This is exactly reminiscent of the days of the Soviet Union where people were taken away from their homes by armed people in the name of the state and thrown into obscure prisons and in some sort of kangaroo courts.”

Karzai also questioned the legitimacy of Salehi’s warrant, alleging that the proper steps were not taken to authorize it. However, a U.S. defense official had a different take on Karzai’s panic over the MCTF and CJTF’s arrests:

“If I were in [Karzai’s] shoes…I would also be concerned about it. Those high-profile arrests were done by Afghans, reviewed by Afghan judges. …They’re finding things, and becoming more aggressive. There are people who are corrupt throughout the government who are upset about it. I think [Karzai’s] feeling the pressure.”

President Karzai promptly set up a commission to investigate the two task forces. As if the Salehi episode could not get any sillier, the commission was led by Attorney General


\[84\] Ibid, p. 11.


Aloko, the very man that signed Salehi’s arrest warrant. On August 4, the commission held a press conference and reported that the MCTF and the CJTF were guilty of repeated human rights’ violations and that the commission was taking control of the two task forces until President Karzai could issue a decree to regulate them. The commission was also going to investigate each one of the MCTF’s investigations.

President Karzai’s interference in Salehi’s arrest and the subsequent MCTF crackdown “startled” U.S. officials and sparked a “series of emergency, high-level meetings” within the Obama administration. There was concern that the MCTF crisis would be as big of a political debacle as the 2009 Afghan presidential election, and could result in U.S. Congressional action. U.S. officials were worried for the safety of the MCTF and CJTF staff and tried to protect them as best they could.

Secretary Clinton communicated to President Karzai that the task forces represented “important progress” and that it would be a “step backwards” to reduce their authority. Senator John Kerry, who helped convince President Karzai to accept the runoff election in 2009, again visited Afghanistan to persuade Karzai to permit the task forces to continue their work without political interference. Kerry’s visit appeared to be a success because Karzai released a statement promising that the task forces “would always operate as independent sovereign Afghan entities, run by Afghans, allowed to pursue their mission of enhancing transparency and combating corruption free from foreign interference or political influence.”

As the MCTF crisis unfolded, there was debate in the Obama administration about fighting corruption in Afghanistan. Should it be done? Some argued against it claiming that it was “mission creep” and would weaken Karzai politically and destabilize his government since much of his support was among shady powerbrokers anyway. According to this argument, instead of arresting such people, why not use them to further American military and intelligence goals in Afghanistan? One U.S. official, remarked, “If you want intelligence in a war zone, you’re not going to get it from Mother Teresa or Mary Poppins.”

92 Ibid.
In fact, in late August, the Salehi incident reached a new level of absurdity. It was reported that Salehi was on the CIA payroll, presumably either to inform on the Karzai administration and/or to promote American interests within his administration.\textsuperscript{98} When Senator Kerry was asked about Salehi being on the CIA payroll, he replied, “We are going to have to examine that relationship. …We are going to have to look at that very carefully.”\textsuperscript{99}

Salehi was not the only corrupt power broker in Afghanistan who had CIA ties. Ahmad Wali Karzai, who was murdered in July 2011, also was linked to the CIA and the U.S. Special Forces.\textsuperscript{100} Likewise, a major drug kingpin, Hajji Juma Khan, who was arrested in 2008 for drug trafficking was a CIA and DEA (Drug Enforcement Administration) informant.\textsuperscript{101} The New York Times reported about Khan:

At the height of his power, Mr. Juma Khan was secretly flown to Washington for a series of clandestine meetings with C.I.A. and D.E.A. officials in 2006. Even then, the United States was receiving reports that he was on his way to becoming Afghanistan’s most important narcotics trafficker by taking over the drug operations of his rivals and paying off Taliban leaders and corrupt politicians in President Hamid Karzai’s government.\textsuperscript{102}

Others, such as General Petraeus, argued that it is the corruption itself, which destabilizes the Karzai government, but not by arresting the corrupt officials but from a loss of legitimacy in the public’s eye. A corrupt government can lose public support and be overthrown. Examples of the later include Iran under the Shah, the South Vietnamese government during the Vietnam War, and more recently, Egypt’s Mubarak government. All three were America’s allies.

Whichever side one falls on, whether it is the “fight fire with fire” approach or the “Mary Poppins” point of view, let the implications of each be made clear. If it is the former, which ignores the corruption problem, then what is the implication? Is America really in Afghanistan to set up an Afghan democracy or an Afghan government for the people? Or, is America in Afghanistan for “U.S. interests” and “U.S. national security”? One might argue that there is no contradiction in these goals but clearly, as U.S. policy is unfolding in Afghanistan, the first set of goals is supplanted by the latter. Conversely, if one’s view is the Mary Poppins’s approach then conflict with Karzai is inevitable, and a hostile Karzai will work against U.S. efforts to make a difference in Afghanistan.

On August 25, Deputy Attorney General Faqiryar was fired.\textsuperscript{103} His deputy, Amrodin Wafa, was fired the following day. Officially, both men were forced into retirement.

\textsuperscript{98} Ibid. As a side issue, the Salehi incident may suggest that there was a communication breakdown at the highest levels of the Obama administration. One would have thought that the CIA director or the DNI (Director of National Intelligence) would have communicated that Salehi was working with the CIA and that information would have stopped Holder, Eikenberry and the FBI from pushing the Salehi arrest.
\textsuperscript{99} Ibid.
\textsuperscript{101} James Risen, ”Propping up a Drug Lord, then Arresting Him,” New York Times, September 11, 2010.
\textsuperscript{102} Ibid.
\textsuperscript{103} Alan Cullison, “Afghan Prosecutor Says He was Forced to Retire,” Wall Street Journal, August 29, 2010.
Afghan judicial law says that judges cannot serve past their 65\textsuperscript{th} birthday, unless they get special approval from the Supreme Court annually, for each additional year of service up to 10 years, or until their 75\textsuperscript{th} birthday.\footnote{Law on Organization and Jurisdiction of Courts of the Islamic Republic of Afghanistan, Article 62.} Faqiryar was 72 and Wafa was 65.

New York Times reporter, Dexter Filkins, interviewed Faqiryar at the latter’s home following his dismissal.\footnote{Jon Boone, “Karzai ‘Fired’ Anti-Corruption Lawyer after Top Official Stung,” Guardian, August 29, 2010.} Faqiryar said that his problems started when he visited Parliament in December 2009, as noted earlier, and shared the list of 25 names of senior officials who were under investigation. According to Faqiryar, Aloko had advised him not to reveal the list to Parliament. Faqiryar did anyway, and afterwards, Aloko told him that the president was angry about it: “He (Aloko) told me the president was not happy about this.”\footnote{Ibid.}

Faqiryar said that a schism had developed at the AGO. On one side was Aloko, who was backed by President Karzai, and on the other side were Faqiryar and the other prosecutors.\footnote{Ibid.} The latter group would start investigations of senior officials suspected of criminal activity, and Aloko would block the investigations under Karzai’s orders. Faqiryar explained, “We propose investigations, detentions and prosecutions of high government officials, but we cannot resist him (President Karzai).”\footnote{Ibid.} Speaking about Aloko to another reporter, Faqiryar said, “He was always asking us to delay that case on that governor or that minister. Or he would say we can’t send that high-profile case to court.”\footnote{Ibid.}

About a month before Faqiryar was fired, Aloko had given paperwork to President Karzai requesting that Faqiryar be forced into retirement.\footnote{Ibid.} Karzai did not sign the papers until Faqiryar sent Wafa to do an interview about corruption with a local Afghan television network on August 24. During the interview, Wafa stated that numerous ministers were under investigation and that Salehi ignored three separate AGO summons to discuss the case against him.\footnote{Ibid.} Salehi’s defiance was significant because under Afghan law, a person who refuses a summons three times is supposed to be arrested.\footnote{Ibid.}

In mid-September, President Karzai reneged on his promise that he made to Senator John Kerry that the MCTF would retain its independence. It was reported that the MCTF mentors were “paused,” or banned from the MCTF, the top-up salaries given to the Afghan MCTF investigators (to insulate them from corruption) were removed, and MCTF arrests were frozen.\footnote{Rod Nordland and Alissa J. Rubin, “New Afghan Corruption Inquiries Frozen,” New York Times, September 14, 2010.} As predicted, Aloko insisted that the MCTF and the CJTF were “working properly and normally on a daily basis.”\footnote{Ibid.}

\begin{thebibliography}{10}
\item{Law on Organization and Jurisdiction of Courts of the Islamic Republic of Afghanistan, Article 62.}
\item{Ibid.}
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On September 13, President Obama held a two-hour meeting at the White House with “senior aides,” and they agreed “that efforts to tackle corruption should be balanced against the need to maintain ties with the Afghan government.” A senior Obama official explained, “The discussion on corruption, in essence, is really a discussion about our relationship with Karzai.” A second Obama official explained, “The corruption we need to combat is the corruption that undermines the fight against the Taliban…. That means going after officials who abuse ordinary Afghans and drive them to the other side - a plundering landlord or a brutal, thieving cop.”

At the meeting, President Obama “directed government agencies - including the Pentagon, the State Department, the Justice Department and the C.I.A.- to develop guidelines that could isolate the corruption that fuels anger among Afghans and drives many into the ranks of the insurgency, as opposed to the more routine kickbacks and bribes that grease the Afghan political system.” In reality, the U.S. was already engaged in preventing low-level corruption, and had been for several years.

Simply put, on September 13, the new U.S. corruption policy in Afghanistan was shifted from high corruption, or that committed by senior officials and other members of the Afghan elite, to low corruption, or that committed by lower functionaries. The U.S. battle against high corruption was over. It would try to revive itself indirectly through the IMF during the Kabul Bank crisis, but that effort failed too.

The Obama administration was correct in trying to push President Karzai to do something about the rampant corruption in his administration. However, publically criticizing Karzai as a means to persuade him to action was a disastrous foreign policy that backfired. In America, dragging a government official’s name in the media for a poor decision is a routine occurrence that often results in the ridiculed official changing course. However, in Afghanistan, public criticism is taken as a humiliation and may trigger defiance and hostility. This was certainly the case with President Karzai.

At the end of the day, however, it is not clear whether the private approach would have persuaded Karzai to crack down on corruption. The MCTF was threatening the political order of Karzai’s administration. The corruption networks were being exposed, but Karzai believed that to stay in power he needed these crooks.

116 Ibid.
117 Ibid.
118 Ibid.
119 The approach for addressing low-level corruption is to eliminate or to reduce those variables that make low-level corruption possible. For example, rather than paying Afghan civil servant salaries with cash, where a supervisor can siphon off 10% to 20%, set up an electronic payment system where the employee’s pay is deposited into his or her bank account.
Such political thinking may seem alien to some Western observers but the dynamic is evident even in American politics. Both major U.S. political parties often push parochial policies that suggest pandering to a particular constituency, even to the country’s detriment. In the same way, Karzai believes that to stay in power, he needs to aggressively protect corrupt officials and other corrupt power brokers linked to his administration, even if it promotes injustice and leads to long-term instability.

America cannot fix this type of a political problem in Afghanistan or anywhere else. Only Afghans can, and currently, with their system of patronage, the millions of masses on the bottom of the proverbial totem pole refuse to buck the system. Those who resist the corrupt are targeted. Former Deputy Attorney General Faqiryar is a good example.

Sometime after Faqiryar’s firing, Dexter Filkins decided to pay the “stout, energetic man of seventy-two” another visit. This time Filkins found a quite different Faqiryar. The terrified man would not even open his front door. Faqiryar’s old boss, Attorney General Aloko, had opened an investigation against him for allegedly libeling “Karzai’s ministers by accusing them of corrupt activities.” Filkins wrote:

When I visited him recently, Faqiryar, normally a hospitable man, refused to answer his door. On another occasion, after three knocks, he finally spoke, but the door stayed shut. “I have a lot of things to say, but I am not allowed to say them,” Faqiryar said through the door. “This government is so corrupt, and it is run by a small number of individuals who are very powerful. They don’t like intruders, and don’t want people putting their noses in their business. These people are very evil.” The last time I saw Faqiryar, he had invited me inside and offered me tea and cookies. Now he refused to come out. “What’s the use of talking?” he said. “The moment I decided to fight corruption, I knew I would run into problems. Not only me, but every single patriotic Afghan who has tried to fight corruption has been pressured and, in the worst cases, has been fired and accused of something. You can’t find a single honest person fighting corruption who is still in his job. “I’m really sorry for not opening the door,” he said, and then shuffled away.\footnote{Dexter Filkins, “The Afghan Bank Heist,” The New Yorker, February 14, 2011.}

\footnote{Ibid.}
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