

CASHING IN ON KARZAI & CO.

Arthur Kent

A web of political influence in Kabul determines not only policy outcomes in Afghanistan, but the recipients of building contracts and other infrastructure projects financed by donor countries, including Canada. The largest donor by far is the United States, and money talks, as Arthur Kent writes in the latest instalment of our *Mission Afghanistan* series. From bungling in Washington to cronyism in Kabul, the Karzai regime has been hobbled by corruption that has undermined its standing in the provinces. Nor have Kabul or Washington been able to deal with the question of the Taliban hideouts in the wilds of western Pakistan. He writes that the Harper government is “absent without leave” in “pressuring the Taliban leadership in their safe havens in Pakistan and rehabilitating the Karzai regime in Kabul.”

Kaboul est traversée par un réseau d'influences qui déterminent non seulement la situation politique de l'Afghanistan mais aussi les bénéficiaires des contrats de construction et projets d'infrastructure financés par les pays donateurs. Le Canada compte parmi ces donateurs, mais ce sont les États-Unis qui sont de loin le pays le plus généreux, et ils en ont évidemment pour leur argent, observe Arthur Kent. Entre la pagaille qui règne à Washington et le copinage qui sévit à Kaboul, le régime Karzai croule entre-temps sous le poids d'une corruption qui sape toute son autorité dans les provinces du pays. Quant aux repaires talibans du Pakistan occidental, Kaboul et Washington se révèlent tous deux incapables d'en chasser les occupants, alors que le gouvernement Harper joue pour ainsi dire les filles de l'air en ce qui concerne les pressions exercées contre les chefs talibans et les efforts pour réhabiliter le régime Karzai.



The Canadian Forces in Afghanistan have been left exposed at a critical point of their mission, but not due to a lack of public support — it's the Harper government that's absent without leave. While the Forces can point to significant, if painful, gains in flashpoints such as Panjwai and Zhari districts, as well as Kandahar City, the Prime Minister and his team can boast of not a single clear policy gain, especially not where diplomatic intervention is needed most: pressuring the Taliban leadership in their safe havens in Pakistan, and rehabilitating the Karzai regime in Kabul.

The Harper government continues to acquiesce to the Bush administration's results-barren command of an aid and security mission that is international in name only. Washington's blunders have compromised a force whose success is crucial to Canada's hopes for an eventual end to its combat obligations: the Afghan National Army, or ANA.

At issue is a web of political influence, backed by enormous sums of US military and humanitarian aid dollars, extending from the White House through an array of government officials, neoconservative outriders and avaricious Afghan-American businessmen. Afghans and foreign observers who've witnessed the web's growth describe it as a network of aggressive political adventurers, hungry for influence and lucrative development contracts.

“These people have hijacked a weak system,” says a senior member of President Hamid Karzai's staff, who spoke on condition of anonymity. “People here initially welcomed diaspora Afghans with open arms and looked to them for guidance. But that's changed. It's clear that too many Afghan-Americans paraded their patriotism only to promote their careers, or to advance ethnic agendas, or just to fill their pockets. On top of that, their scheming has distorted policy in Washington, a lot like Chalabi and the Iraqi National Congress at the start of the Iraq war.

“It doesn't matter who Karzai appoints as interior minister or attorney general,” the source continues. “That's just the visible surface. What really matters is who's making deals behind the scenes, at the US Embassy or over a cozy meal at the Presidential Palace.” Member of Parliament Ramazan Bashar Dost says: “The United States and other Western countries are not following their own laws. It is obvious to everyone that the contracts go to a minister's son or brother. You cannot get a contract unless you have connections.”

Across town from Parliament stands an institution that attests to that charge: the Karzai regime's Ministry of Defence. Ask to meet the minister, Rahim Wardak, and you'll be referred to a public affairs desk at the American Embassy. Ask to meet the beneficiaries of the Afghan army building

boom, and you'll be invited to leave. But regime insiders will happily recite the names — with Minister Wardak's son, Hamed, at the top of the list.

For Canada and Canadians, the raising of a capable Afghan army is not only vital to stability in southwest Asia. Until the ANA can stand its own ground, Canada and its NATO partners will be forced to maintain combat forces to hold off the Taliban. Yet successive Canadian governments have

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Since 2001, the Bush administration has committed \$12 billion to Afghanistan's security forces. A 70,000-man army was called for, but only 25,000 soldiers can be proven to exist today. Of these, perhaps 18,000 are combat-ready. Meanwhile, the Pentagon has admitted to Congress that its investigators are probing criminal misconduct related to \$6 billion worth of equipment and service contracts for Iraq and Afghanistan. Keeping track of dollars and troops can't have been easy, given the proclivity of Washington's generals to massage the numbers.

By the end of 2003, only 9,000 army recruits had gone through basic training. Half of these promptly deserted. At the time, US General Peter Pace brushed criticism aside, claiming that the ANA would have 12,500 men in arms by the summer of 2004. That

seemed laughable by the Berlin Conference in April 2004, where the record revealed only 5,721 trained men, with 3,056 recruits in the system. Yet only four months later, Defense Secretary Donald Rumsfeld insisted that the ANA was up to 13,000 troops. In January of 2005, US officials claimed 17,800 Afghan soldiers trained, with 3,400 more in the works. In January of 2007, Major General Robert Durbin declared: "Currently 36,000 strong, the ANA is on its way to

an end state of 70,000 combat and combat support soldiers skilled in counterinsurgency operations."

Which was plainly nonsensical: in February 2007, it was widely agreed that the Afghan National Army numbered at most 22,000 men. Six years on, Hamid Karzai has less than a third of the force he and his allies regard as minimally capable of defending his regime. An Afghan official familiar with problems at the Defence Ministry says: "It remains a token army. It doesn't reflect the ethnic reality of the country, or even all regions. Finances go to battalions said to be 600 men strong, but in reality there's not a single full-strength battalion in all of Afghanistan. Unfortunately it is still the case that the best Afghan militias are private ones."

Some 2,000 private militias still exist, totalling 120,000 gunmen, according to the joint UN-Afghan disarmament agency. At least 500 of the groups are controlled by regime insiders — ministers, MPs and commanders. Many militias enforce goods smuggling, land grabs and drug trafficking. None battle the Taliban and al-Qaeda.

That job goes to the "internationals," who have been left by the Bush administration with only one way out of Afghanistan: build up the ANA's combat forces to replace their own.

According to eyewitnesses, one piece of diplomatic theatre from 2005 typifies how global diplomacy has been conducted in Afghanistan since the collapse of the Taliban regime. Though the event focused on governance, not the army, the same unilateralist strong-arming that ensued has undermined the program to build up the ANA.

The setting was the residence of Jean Arnaud, the UN's special representative. Arnaud had invited the heavyweights of Kabul's foreign diplomatic corps to debate voting systems for Afghanistan's first parliamentary elections. Among European and Asian embassies, there was unease about the option advocated by the biggest foreign aid donor on the scene, the Bush administration. The single nontransferable vote, or SNTV, would render political parties irrelevant. Because President Karzai had failed to forge his own party, American officials wanted to prevent the emergence of a parliamentary group that might challenge him. But SNTV had a downside: the stifling of parties might well compress the powder keg of Afghan politics to critical mass.

The discussion was interrupted by a late arrival: Zalmay Khalilzad, the American ambassador. "I've just spoken with President Bush," Khalilzad announced. "He said that SNTV is the choice. SNTV is going to happen." Then he turned and walked out.

This was not the first time Khalilzad (known as "King Zal" or "the Viceroy") had cold-shouldered foreign policy professionals espousing views different from his own. According to an Afghan legal aide who has worked closely with Karzai: "Frequently the European ambassadors would be angry with Khalilzad. They knew it didn't matter what agreements were made at

their meetings with ministers. The key decisions were made over private dinners at the palace, with Khalilzad and his Afghan-American circle from the US Embassy dictating policy. The Europeans said, ‘Why should we contribute to a policy if we have no say in the decision-making process?’”

This discord belies the multilateral intent of the Afghan project: some 70 nations and organizations back the current aid protocol, the Afghanistan Compact. Militarily, 37 nations contribute to the NATO-run International Security and Assistance Force. But one government — the Bush administration — has provided as much financial aid as all others combined. And as people like Zalmay Khalilzad are quick to point out, money not only talks, it shouts out loud for ultimate control.

For an activist envoy who has left gorilla-sized footprints all over Asia for more than two decades, Khalilzad might be assumed to have earned his way by making the right calls at the right times. Instead, his career path reveals two constants: a genius for advancing himself by way of influential connections, and a penchant for policies that sooner or later reveal their author’s knack for blowback.

When Khalilzad served the Reagan administration in the 1980s, he backed anti-Soviet Afghan resistance figures of his own Pashtun ethnicity — despite their extremist views. He favoured fundamentalists like Gulbuddin Hekmatyar, and allied himself to Pakistan’s campaign against the Afghan nationalist leader Ahmed Shah Massoud, an ethnic Tajik. Today, Hekmatyar is among America’s most-wanted Afghan terrorists. Massoud is revered as a hero who prevented the Taliban from seizing all of Afghanistan, but whose warnings about al-Qaeda went unheeded by the US.

By the time the Taliban seized Kabul in 1996, Khalilzad’s geopolitical aim had not improved. As a

director of the Rand Corporation, he lobbied the Clinton administration to recognize the Taliban regime. At the time, he was a paid consultant for the proposed Unocal trans-Afghanistan gas pipeline. In the March 30, 1999 edition of the *Washington Post*, Khalilzad was quoted as saying: “In the rural areas, what the Taliban is seeking to impose is not very different than what the norm has been.”

Today, Khalilzad’s “norm” is almost as evident as the Taliban’s, as befits a hard-charging neoconservative loyalist. A one-time protégé of Paul Wolfowitz, Khalilzad headed the Bush-Cheney transition team in 2000. Later,

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he was a counsellor to Defense Secretary Donald Rumsfeld. Then came a chance to shape post-Taliban Afghanistan, first as President Bush’s special representative and later as ambassador to Kabul. Says a source close to the Presidential Palace: “He encouraged Karzai to rid his government of Tajiks, and except for a few positions, he has succeeded.”

Khalilzad’s plan was to weaken the Taliban by co-opting the Pashtun tribes that the movement feeds on for recruits and support. Stack Karzai’s ruling elite with Pashtuns, the reasoning went, and the Taliban movement would fade away. “But in many cases, Zal’s Pashtuns were the wrong

Pashtuns,” says a member of Europe’s diplomatic corps in Kabul. “Advancing ministers on the basis of ethnicity was a mistake.” Figures like Information Minister Khorram and Attorney General Sabet bear that out. Both are unabashed fundamentalists, and long-time aides to the fugitive warlord Hekmatyar. While they were empowered, respected Tajiks, notably former foreign minister Dr. Abdullah Abdullah, were pushed aside.

This strategy has borne bitter fruit: the Taliban have stepped up their insurgency, not eased it, and the regime’s ineptitude and corruption have run rampant. “The role of Khalilzad in Afghanistan is like a poison that has no treatment,” says MP Ramazan Bashar Dost. “As US ambassador, he was supposed to act according to the goodwill of Americans. But even though he is an American citizen and has studied in America, his way of thinking about Afghanistan is according to old Afghan standards. It’s more about a tribal system than democracy.”

If Khalilzad’s concepts of tribalism reveal one Western tendency, it is a passion for promoting Afghan-Americans friendly to the Bush White House. In the 1990s, a new generation of displaced Afghans, the sons and daughters of diplomats and businessmen — and former guerrilla commanders — took root in their parents’ adopted homeland. It was within this diaspora that Hamed Wardak came of age.

A somewhat chubby, intensely studious young man, Hamed was destined to emulate, if not exceed, Zalmay Khalilzad’s gifts for political networking and hyper-drive careerism. Hamed’s father, Rahim Wardak, brought his family to the US from Pakistan. There, in the 1980s, he had garnered a reputation as one of the least accomplished commanders of the American-backed mujahedeen resistance to Soviet occupation forces.

By the time of the 1990s civil war, Rahim Wardak had vanished from the Afghan scene.

Bizarrely, his young son, Hamed, would help ignite Rahim Wardak's unlikely comeback. At Georgetown University, Hamed wrote his senior thesis under the mentorship of Jeane Kirkpatrick, formerly Ronald Reagan's ambassador to the UN, and the godmother of the neoconservative movement. Graduating in 1997, Hamed won a Rhodes Scholarship to Oxford. During this period, he flirted with pro-Taliban sympathies, due to both his ethnic Pashtun fervour and peer pressure from young DC-area extremists.

Gradually, however, Hamed came under the influence of Kirkpatrick's philosophical soulmates, notably Marin Strmecki, a Republican essayist and political facilitator with the Smith Richardson Foundation. Strmecki worked at the Pentagon under Dick Cheney in the first Bush administration, along with Lewis "Scooter" Libby — and Zalmay Khalilzad. It was during Hamed Wardak's reappraisal of the world, via these American political heavyweights, that he came into contact with a group of upwardly mobile players on Washington's Afghan-American scene: the Karzais; specifically, two of the six Karzai boys — Qayum and Mahmood. Unlike their younger brother Hamid, who had spent much of his life in Pakistan, Mahmood and Qayum were accomplished US-based businessmen.

The brothers recognized a bright prospect in the young Rhodes Scholar. In turn, Wardak saw the benefits of aligning himself with the Karzais' dazzling circle of friends. This paid enormous dividends. By the time war drums sounded in the aftermath of the September 11, 2001, terror attacks, Hamed Wardak had toned down his pro-Taliban sympathies and was on his way to becoming vice-president of the Afghan-American Chamber of Commerce, founded by Mahmood Karzai. He also nabbed an adviser's post with Karzai's first finance minister, Ashraf Ghani. But his real



Jason Ransom, PMO

Prime Minister Harper and President Karzai arriving at a news conference on Parliament Hill in the fall of 2006. Corruption in Karzai's government in Kabul remains a serious obstacle to building support in the provinces for the security and reconstruction mission, in which Canada is playing a leading role in Kandahar.

breakthrough was joining a Virginia-based contracting firm, Technologists Inc., founded by Aziz Azimi, a close friend of Qayum Karzai.

Hamed Wardak's new alliances proved extraordinarily advantageous as George W. Bush launched his "war on terror," particularly with Khalilzad and Strmecki enjoying direct access to Vice-President Dick Cheney's office.

The melding of the Wardaks' business and political connections had catapulted them into the front ranks of an advancing legion of state-building, doctrine-spouting capitalists. Along with the leading lights of the Afghan-American business community, they returned to their ancestral homeland, which had become a cradle of treasure and influence few Afghans could have

dreamed of after the displacement and loss of the Soviet and Taliban eras.

On the policy front, members of Khalilzad's coterie, notably Marin Strmecki and Martin Hoffman, a former college roommate of Donald Rumsfeld, stepped up their efforts to Pashtunize the Karzai regime. Strmecki had already taken the campaign to the op-ed pages of American newspapers, alleging that the Tajik-led Northern Alliance was plotting

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against both the Karzai government and former king Zahir Shah. By the time Khalilzad took up his ambassadorship to Kabul in December 2004, Strmecki had been appointed Rumsfeld's "Afghanistan policy co-ordinator." That same month, Karzai removed his minister of defence, the Northern Alliance's Mohammed Fahim, a Tajik. Fahim's replacement: Rahim Wardak.

Meanwhile, Khalilzad assembled a team of Afghan-American consultants, technocrats and publicists within the bunker-like precincts of the US Embassy. This group had direct links with Washington, where they enjoyed an additional back-channel fixer and communicator, the Karzai regime's Afghan-American ambassador, Said Jawad. Within Khalilzad's makeshift provisional authority in Kabul, he championed a creation called the Afghanistan Reconstruction Group. ARG achieved two cherished goals for the administration: putting a select group of loyal American and Afghan-American business hawks in charge of US-funded development projects; and doing so while completely bypassing the State Department.

ARG reported directly to the Department of Defense, specifically to Rumsfeld's office. State Department officials bristled at being cut out of decision-making on ARG's high-cost projects, but could do little other than watch this feverish new phase of the

gold rush in Afghan aid. Marin Strmecki joined ARG's board, while Louis Hughes, a former president of the Lockheed Martin Corporation, took the helm. According to officials close to Karzai's office, Khalilzad pressed USAID, the government's main overseas aid agency, to grant contracts to the administration's approved list of Afghan-Americans. Several USAID officers who resisted Khalilzad were replaced.

The ARG brain trust proudly boasted its intent to "apply its private-sector experience and expertise" in rebuilding Afghanistan, "given current US advocacy of market economy, citizen self-determination, and democracy."

In practice, the group was more about self-service than self-determination, according to one former USAID official, who requested transfer from Kabul after several bruising encounters with Khalilzad and his ARG clients. "We had all these people shuttling in from DC, lecturing everyone about their Afghan-American credentials. They used all the buzzwords — democracy, helping the Afghan people. But it was more about them monopolizing the flow of information from Kabul to Washington, and landing contracts."

According to another US official who fought in vain to prevent the shift: "The justification was streamlining, because so many construction projects were for the Afghan military, and they were ultimately the Pentagon's babies. But there was an immediate loss of transparency and accountability. That's just how the Department of Defense does business."

During this period, Hamed Wardak's firm, Technologists Inc. (TI), benefited from several large contracts, some arranged directly with the US Defense Department, others via the Afghan Ministry of Defence. TI's website boasts that

it was the first Afghan-American firm to be awarded a prime contract by the US government. Its portfolio has been fattened by a cornucopia of construction projects, including border crossing stations and the ANA's Logistics and Command Headquarters, a counter-narcotics "campus" where the US Drug Enforcement Agency and its Afghan counterparts will be based, cellblock renovations to Kabul's huge Pul-i-Charkhi prison and three industrial parks.

TI's president, Aziz Azimi, allows that the projects have brought at least \$100 million in contracts to his firm. He admits to meeting Khalilzad twice in Kabul,

but says that his projects were not obtained through ARG. As for Hamed Wardak, he left the company in 2006. Currently, Azimi says, "I don't have any kind of dealings with him." Regarding past deals: "I have not gained any of my contracts from Mr. Wardak's father, because he was not the minister when I got there [Afghanistan]."

"You're welcome to take any company out there, and put their numbers against mine," Azimi says. "In terms of value and return, I have a very clear conscience. I welcome anyone to come in and look at my books. I have nothing to hide, nothing to be afraid of."

Hamed Wardak could not be located for his response to this story. Azimi says he does not know the whereabouts of his former "managing director of international operations," and Wardak's name has been removed from TI's website. Wardak reportedly has set up his own company, NCL, in Kabul, along with a foundation called Sacrificers for Peace, described as a "multi-ethnic movement" seeking "governmental reform."

The name prompts a wry smile from the source in President Karzai's office. "The Afghan people know who has made genuine sacrifices — their own families, their villages, their country. Afghans know the meaning of the word sacrifice. And they know too well about those who only pretend to be concerned, while getting rich on foreign aid."

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As Afghanistan slumps toward the 30th anniversary of the Communist coup that triggered the civil war, Rahim Wardak, a relic of the early years of the conflict, hangs on as minister of defence. He does so despite clashes with both Karzai and US General Karl Eikenberry, the former commander of American and coalition forces. General Eikenberry, according to an official who witnessed one of his confrontations with Wardak in Karzai's presence, lost patience with the Defence Minister's failure to meet recruiting targets.

"Wardak's connections saved him," the source says. "In the end, it came down to a test of which man had closer ties with Rumsfeld's office, Wardak or Eikenberry. Rahim Wardak won out, because of his connections through Khalilzad."

As for Khalilzad, his star continues to rise. From his office at the UN, he's well positioned to become secretary of state, should Republicans win the 2008 election. Khalilzad has never stopped pulling strings in Kabul. When his move to Baghdad in 2005 enabled his successor as Afghan ambassador, Ronald Neumann, to dismantle ARG, returning contract controls to the State Department, Khalilzad retaliated. He persuaded Rumsfeld to dispatch Strmecki to conduct a "political audit" of the US Embassy in Kabul. The result stunned Karzai's staff, who understood that Neumann had been seeking an extension to his posting. Instead, the White House announced Neumann was to be replaced by its former ambassador to Colombia, William Wood — described as "Zal-friendly" by sources in Kabul.

According to a former White House adviser on Afghanistan: "There is no doubt that Khalilzad's approach has been very disruptive. Especially by way of his appointments strategy, he has compromised Karzai's entire administration."

The Karzai brothers, meanwhile, have flourished under the Washington-backed regime. Qayum Karzai has secured election to

Parliament, while Mahmood has become a leading property owner in Kandahar. There, younger brother Ahmed Wali Karzai heads both the regional council and the list of suspects being investigated by Afghan journalists for links to the heroin trade. Hamid remains president, but faces mounting criticism from both legislators and laymen — and, increasingly, from his foreign sponsors.

According to Ramazan Bashar Dost: "The Afghan government is completely corrupted. The internal and external mafia should be totally removed. The authorities should be replaced by those real Afghans who believe in national ben-

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efits, human rights and democracy not only as political philosophy but as a philosophy of life." The firebrand MP's views are echoed by the source at Karzai's palace. "Afghans watch all of this foreign aid money being poured into Kabul, most in control of foreign governments and private contractors. There are complaints of bribery and fraud going on, but look at all the so-called experts — all those US and UN and EU agencies. We've got the world's largest alphabet soup of accounting and transparency in Kabul, yet the system's completely out of control."

MP Shukria Barakzai says: "Why are contracts given to warlords? Why are the provincial reconstruction teams doing their projects under cover of local commanders? Why are they hiding the war economy, instead of cleaning it up?"

One of Karzai's former ministers says US domination of Afghanistan's international sponsors has widened fractures within the regime, tilting the entire process of nation building into a decline from which it may not recover. "There is friction and disenchantment on all lev-

els," he says. "The international community has no shared vision, much less a common strategy. The Afghan government, in turn, is drifting from its international allies, and is paralyzed by individuals and factions within, making short-term tactical deals and alliances."

Where does Stephen Harper stand on the plight of the regime and its army? Neither he nor his people will say. Foreign Affairs, the Afghan Task Force, Canada's embassy in Kabul: all declined comment for this article. (As did Zalmay Khalilzad, Marin Strmecki, and Afghanistan's ambassador to Washington.)

Canadians are left to sort out wildly conflicting claims. First, Harper's statement, during a Quebec swing in August, that Afghanistan's security forces are becoming more and more responsible for their country's security. Next, Karzai in Kabul, telling embedded reporters airlifted in from Kandahar that "Afghanistan will fall back into anarchy" if Canadian troops are pulled from their combat role before the country can stand on its own, which he made clear would not be by February 2009. Far from clearing up the confusion that has afflicted the Afghan mission, the Harper government is blowing more smoke — and hiding behind the fog of war.

Arthur Kent's film reports and articles are available online at www.skyreporter.com. He has reported regularly from Afghanistan since 1980 for networks including the CBC, NBC News, BBC News, PBS and the History Channel, as well as for the Calgary Herald, Britain's The Observer and Canada's Maclean's. This is his second article for Policy Options in our Mission: Afghanistan series.