

Center for Strategic & Regional Studies

Kabul

Weekly Analysis-Issue Number 132 (August 29-Sep 5, 2015)

Weekly Analysis is one of CSRS' publications, which significantly analyses weekly economic and political events in Afghanistan and the region. The prime motive behind this is to provide strategic insights and policy solutions to decision-making institutions and individuals in order to help them to design best policies. Weekly Analysis is published in local languages (Pashto and Dari) and international languages (English and Arabic).

In this issue:

Preface
Peace negotiation without Pakistan
Suspension of negotiations4
The Anti-Pakistan Propaganda4
Regional rivalries
Susan Rice's visit to Pakistan 5
After Pakistan: What next?6
Corruption: A big Challenge to Afghan Government
Afghanistan and Corruption9
Latest Struggles against Corruption
Roots of Corruption in Afghanistan 10
• The Kabul Bank and Ministry of Urban development and Housing Scandal11
Solutions and Recommendation11

Preface

After the Pak-Afghan relations got worsen, discussions on Pakistan's intercession in the peace talks between the Afghan government and Pakistan raised. Some members of the High Peace Council (HPC) and the delegation appointed for negotiation with the Taliban say that peace talks with the Taliban are impossible without the intercession of Pakistan; but senior governmental officials accuse Pakistan with dishonesty and say that the peace talks would not take place as a result of Pakistan's intercession anymore.

There are a lot of reasons behind worsening relations of the two countries from several months; however, efforts on normalizing these relations are going on, also. Whether the Afghan government really does not want to head peace talks with the Taliban through Pakistan? If yes, what would be the other option for intermediation in the peace talks?

You are going to read about the latest efforts of the Afghan government on tackling corruption and its latest situation in the second part of the Analysis. In the case, two important international meetings on economic cooperation and the assistance of the International Community to Afghanistan were held in Kabul, however, the government of Afghanistan does not have any significant achievement regarding struggle against corruption yet.

These are the issues which will be discussed in details in this issue of weekly analysis.

Peace Negotiations without Pakistan!



With the establishment of the Unity Government in Afghanistan, the most important diplomatic step taken after signing security agreement with America and NATO was, reviewing ties between Afghanistan and Pakistan.

Ashraf Ghani had experience of his predecessor; Hamid Karzai, during his Presidency, had 15 visits to Islamabad, however, he did not become succeeded in convincing Pakistan in order to stop supporting the Taliban. And, the relations with Pakistan remained chilly as well in last days of his government.

Although, the new government is not united and its officials have to have an understanding in every matter; however, it looks like that both of the teams (President Ghani and CEO Abdullah's) were agreed upon establishing close relations with Pakistan, and this agreement was originated from the recommendation of the United States that Afghanistan should solve its problems with Pakistan through negotiations.

It was expected that the policy on having close ties with Pakistan would resulted soon after the visits of President Ghani and Pakistani officials to each other's countries. The first meeting on ending the long war in Afghanistan was held in China's Urumqi as result of Pakistan's intercession; these negotiations were held between the representatives of Afghanistan and the Taliban in Islamabad.

Suspension of Negotiations

Whereas, the next round of negotiations between Afghanistan and the Taliban were expected to have significant results and especially the "ceasefire" request was going to be made by Afghanistan to the Taliban, however, revealing the news on death of Mullah Mohammad Omar sabotaged these negotiations. The gathering of Taliban, near the Quetta City of Pakistan, in order to pledge their allegiance to Mullah Akhtar Mohammad Mansour, once again, made the Kabul government to accuse Pakistan with supporting the Taliban.

Heavy explosions in Kabul and seize of Musa Qala District of Helmand province by Taliban show that Taliban, despite having inner disputes, have not brought change in their thoughts regarding war. Herewith, Pakistan, once again, became accused of having hand in insecurities in Afghanistan and the relations went caliginous, then.

The Anti-Pakistan Propaganda

Gen. Dostum arrived in the North of the country in order to fight against the Taliban who made Faryab province insecure; he, in his every speech to the people and in front of media, claimed that his war is not against Taliban, but, his war is against Pakistan and ISI. Even he claimed that the war against him in Faryab was leaded by a Pakistani general.¹

Start of filling of Salma Dam reservoir in Western Heart province in such a critical stage caused wide propaganda in benefit of India in social media, and burning of Pakistani flag in Kabul and some province and upraising of Indian flag made Pakistan angry more than ever.

A camping against importing Pakistani products started in social media which affected the government, also. Even, some groups got admission for fighting against Pakistan and by this, close ties between two countries that were expected to be lasting forever, suddenly, gone worse than Hamid Karzai's era.²

http://www.1tvnews.af/fa/news/afghanistan/18186-2015-08-20-13-22-25

http://jomhornews.com/doc/news/fa/69560/

¹ See online:

² see online:

However, it looks like that relations between both countries, despite tensions, have opportunities to become improved. Sartaj Aziz, advisor to Prime Minister Nawaz Sharif on National Security and Foreign Affairs had participated in RECCA Conference in Kabul and had meetings on improving relations between both countries with Afghan officials in sidelines of this meeting.

Regional rivalries

During Urumqi and Islamabad meetings, the representative of China was sitting alongside with the US onlooker representative, and it itself shows that America gives importance to the role of China in these negotiations. Recently, Chinese ambassador to Kabul, in a press conference held in Kandahar, said that China will try to make Pakistan to have a joint cooperation with Afghanistan and China in struggle against terrorism.

On other side, however, the rivalry between India and China is shown inconspicuous, but, India is not satisfied with role of Pakistan and China in issues of Afghanistan and it thinks that it is losing the ground of Afghanistan to Pakistan. The Indian Foreign Minister announced that he is going to participate in the RECCA meeting in Kabul; this is not unrelated with concerns of New Delhi ever.

Susan Rice's Visit to Pakistan

America pressed Pakistan that if it wants the American financial assistance of hundred millions of dollars to be continued to Pakistan, then, it should to take specific and serious measures in war on terrorism. U.S. National Security Adviser Susan Rice in her visit to Pakistan raised the allegations of Afghanistan against Pakistan with its officials and urged Pakistan to take serious steps toward tackling terrorism. She, also, urged Pakistan to take serious action against the Haqqani Network that is held responsible for complex attacks in Afghanistan.

Then, advisor to Prime Minister Nawaz Sharif on National Security and Foreign Affairs, Sartaj Aziz said, Pakistan has eliminated the Haqqani Network inside Pakistan and it is not operated in Pakistan anymore. It is gone to Afghanistan now.

Ms. Rice's visit to Pakistan is sign of America's concern on obscurity in relations between Islamabad and Kabul. Border conflicts between Afghanistan and Pakistan has worsened the situation and, this issue, itself, is one of the reasons behind Susan Rice's visit to Pakistan. From the other hand, America wants to motivate China to play more active role in Afghanistan's peace process.

However, the visit of Ms. Rice should not be considered just as an intermediate mission in order for removing tensions between Islamabad and Kabul but she wants to improve relations between India and Pakistan, also. Tension in relations between Delhi and Islamabad is one of the reasons behind insecurity in South Asia and America wishes both countries having nuclear weapons to solve their problem on the issue of Kashmir.

Moreover, one of Ms. Rice's aims from visit to Pakistan was encouraging its officials to reinitiate peace negotiations between the Afghan government and the Taliban; this is possible only in the case, if relations between both countries normalized. From the other side, disputes in the ranks of the Taliban after the death of Mullah Mohammad Omar are problematic in this process, also.

After Pakistan: What Next?

One of the High Peace Council's members, Qazi Amin Weqad said that peace with the Taliban is impossible without Pakistan's intercession. A member of the Afghan government's delegation for peace talks with the Taliban also said that the Taliban are not a united group and we, definitely, do not know which one of these groups have authority regarding discussion on important issues like ceasefire. Hence, it is needed for Pakistan to contact those Taliban that have close relations with it in order to assure that those who participate in the negotiations, are real representatives of the Taliban.³

From the other hand, CEO Dr. Abdullah Abdullah said that peace negotiations would not be prosecuted as a result of Pakistan's intercession. He accused Pakistan with dishonesty.⁴

http://da.azadiradio.org/content/article/27215571.html

⁴ see online:

http://www.payamerooz.net/NewsDetail.aspx?NsId=4603

³ see online:

The government of Afghanistan does not have specific policy toward peace; if it really does not want peace negotiations to be headed with Taliban without Pakistan, it is supposed to work on another policy, then. For example, it is should work on an inter-Afghan platform and give the authority for an impartial Afghan delegation meanwhile accepted by the Taliban in order to do intermediation in the peace negotiations.

Civil societies and media alongside with disputes among the both teams in the government have impact on the policies of government toward peace. Some people believe that there would not be any improvement until the policies of government on peace with opposition are defined as a result of Facebook's comments.

Corruption: a big Challenge to the Afghan Government



In past few days, Kabul was hosting two important meetings of RECCA and SOM; their area of discussion was regional economic cooperation, the assistance of the international community with Afghanistan and the Afghan government's achievement regarding tackling corruption to be presented to the international community. However, the financial assistance of the international community is related to the tackling corruption; but, there is not any significant achievement observed regarding tackling corruption yet.

Last week, a conference on tackling corruption was held by religious scholars in Kabul in which Ashraf Ghani urged on the role of scholars in tackling corruption and considered start of Jihad on limiting corruption by religious scholars as important. Mr. Ghani said that people and religious scholars in Afghanistan are not corrupt, but there are some officials and smugglers that have defamed Afghans.

A few weeks ago, a research center in Kabul had released a survey and had considered corruption as the third biggest problem of Afghans after insecurity and unemployment.

The Afghan government took some steps against corruption; however, it remains in the slogans only. President Ghani's words against corruption in the conference of donor countries for Afghanistan, to a large extent, were just for attracting assistance.

Afghanistan and Corruption

Not only the people's rights are not taken care, but a lot of Afghans pay millions of dollars as "tribute" to governmental officials as a result of corruption in the country. Besides that, corruption disgrace governments and even causes them to become collapsed or removed/taken by others. Therefore, corruption has played vital role in continuation of the governments; however, Afghanistan is not lonely the country that has faced this problem, but, there are several modern governments facing this problem, also.

According to the annual report of the Integrity Watch, Afghanistan held 4th position among the most corrupted countries in the world in 2014. According to the method of this survey, how much the points of a country decrease, that much the country is more involved in corruption. Afghanistan by receiving 12 points out of 100 points became 172nd among 175 countries after Somalia, North Korea and Sudan.

Latest Struggles against Corruption

Ashraf Ghani, during his Presidential Campaign was decisive in tackling corruption and had considered it as his government's priority; and therefore, he, on the second day of his presidency, opened the biggest case in Afghanistan's banking history. Moreover, he presented his article on Economic Reform in the London Conference; struggles against corruption were mentioned in it, also. Among them, the following three are worth mentioning:

- Formation of an "independent anti-corruption mission with time-bound prosecution powers,"
- The "reform of the Supreme Audit Agency,"
- The formation of a "national procurement board that will manage all large-value contracts," and the "limitation of [the mandate of] ministries to strategy, policy and monitoring" while physical construction will be outsourced "through a national construction agency that uses standard cost register and publicly audited accounts."

⁵ Christine Roehrs, Return of the Goodwill? London Conference as symbol of a new start, 1 december 2014, see online https://www.afghanistan-analysts.org/return-of-the-good-will-london-conference-as-symbol-for-a-new-start/

Although, the above-mentioned anti-corruption bureau is yet to be established and reforms in the Supreme Audit Agency is yet to be brought, but, the national procurement board has started its work and investigations of contracts under the supervision of the President in ARG. Therefore, President Ashraf Ghani in past week's religious scholars' conference told that the government could save AFN 8.5 M through investigating the contracts only.

Roots of Corruption in Afghanistan

The main reason why the government could not eliminate corruption is existence of deep roots of corruption and corrupt powerful men in the country.

According to some surveys, the rate of corruption is high in contracts, customs and judicial organs and police; but, if we review the different surveys (2012 and 2014's) of the Integrity Watch regarding corruption in the country, we would see that two administrations are involved in corruption more than others; they are: judicial organs and police.

Besides that, there is corruption in contracts and customs, also. Hence, President Ghani in his latest speech said: "50-60% discount is given to powerful men's goods in customs...governmental contracts are the main sources of corruption and most of the contracts are given to unprofessional men." ⁶

Eliminating corruption from contacts, customs, judiciary and police does not seem that much easy and the government needs decisive decision and reforms, then. Corruption in judiciary organs can be decreased through reforms, however, reform and aggressive approach is needed in customs because most of them are under the influence of powerful men in provinces.

http://www.bbc.com/pashto/afghanistan/2015/09/150901 hh-ghani-speech-on-corruption

⁶ See online:

The Kabul Bank and Ministry of Urban Development and Housing Scandals

More than \$1 B was stolen from Kabul Bank which was the biggest scandal in Afghanistan's banking history. Ashraf Ghani reopened the Kabul Bank case in his second day of Presidency. According to Afghanistan's Attorney General, 50% (440 Million Dollars) of the loans are received and efforts on receiving the remaining are going on.

Besides that, six senior officials of the Urban Development and Housing Ministry are accused with stealing of hundred millions of dollars, their file is with the Attorney General and it is expected to be sent to the court in near days.

But, these two are not the only files about corruption, and corruption is not going to be eliminated with resulting these two cases. Corruption is turned into a culture in most of the administrations in the country and opening one or two cases is not the solution for this big problem.

Solutions and Recommendation

Tackling corruption can be divided into two parts:

First: Influential Anti-corruption administrations and laws; **Second:** Implementation of Anti-Corruption laws.

As there are some anti-corruption laws made in Afghanistan and some other administrations are created on this purpose, however, the rate of corruption has not decreased in Afghanistan yet. The main reason is lack of implementation of anti-corruption policies. For example, the governmental officials should register their assets. Findings of the Integrity Watch Afghanistan specifies that so far, 9607 asset registration forms have been distributed to 16 provinces by the HOOAC; of which 3448 have not been filled by the government officials.⁷

Most of the world's policy makers consider transparency as a first step toward tackling corruption. Therefore, they not only suggest access to information laws but they also raise their voice for bringing changes in present laws. However, the access to information law was ratified by the Parliament after a long delay in Afghanistan; this law still needs some changes to be brought in. For example, the terminologies of national security and national interests and etc. are not clearly defined in this law.⁸

http://www.iwaweb.org/ news/news0034 asset registration process of gov officials.html

⁸ See online:

http://iwaweb.org/ news/news0020 signing ati law by afg president.html

⁷ See online:

Besides that, reforms are needed to be brought in banking system, also. According to Integrity Watch and SIGAR reports, Afghanistan's banking sector remains fragile and in need of robust regulation by Da Afghanistan Bank (DAB). Further, forensic audits of major commercial banks in Afghanistan have identified systemic weaknesses in many areas of banking governance and operations, including personnel capacity, internal controls, accounting, credit analysis, and compliance with regulations. DAB's ongoing limitations and inability to conduct robust oversight allows such weaknesses in Afghan banks to remain unchecked, heightening the risk of another banking crisis. ⁹

Hong Kong is a good example for tackling corruption. Hong Kong was involved in corruption in 1960s and 1970s; however, it ended corruption through implementing a series of reforms. Establishing an administration was included in these reforms, this administration had three parts:

First: Implementation of Law; **Second:** Anti-corruption Researches; And **Third:** Raising Public Awareness

However, there are a lot of anti-corruption administrations established; but, the difference of this administration of Hong Kong with other countries' administrations was that, Hong Kong focused about 70% on implementation of anti-corruption law. Besides that, capable, intelligent, well-trained and highly-educated people became hired in this administration that increased its influence a lot.

The End

Contact Us:

Email: <u>info@csrskabul.com</u> - <u>csrskabul@gmail.com</u>
Website: <u>www.csrskabul.com</u> - <u>www.csrskabul.net</u>

Office: (+93) 784089590

Contact with Officials:

Dr. AbdulBaqi Amin, General Director of CSRS: (+93) 789316120 <u>abdulbaqi123@hotmail.com</u>

Dr. Waheedullah Muslih, Deputy Director of CSRS: (+93) 747575741 drwahidm@gmail.com

Hekmatullah Zaland, Research and Publication Manager: (+93) 775454048 hekmat.zaland@gmail.com

https://www.sigar.mil/pdf/audits/SIGAR%2014-16-AR.pdf



⁹ See online: