



U.S. Embassy diplomatic cables (Afghanistan)

19 October 2009: U.S. Ambassador Karl W. Eikenberry provided insight into capital flight (“wealth extraction”) from Afghanistan by “drug traffickers, corrupt officials, and to a large extent licit business owners” who moved value abroad. He explained that “established couriers primarily use Pamir Airlines, which is owned by Kabul Bank and influential Afghans such as Mahmood Karzai and Mohammad Fahim who is President Hamid Karzai’s current vice-presidential running mate.”¹

Taking capital out of Afghanistan was not illegal if declared (e.g., wire transfers exceeding \$10 000). Couriers transiting Kabul International Airport (KIA) or crossing the land border had to declare cash in excess of \$20 000. Eikenberry indicated (note) that there were no statistics “showing how much was withdrawn or transferred through the more informal hawala network.”

His previous cable (18 October 2009) had focused on that money-transfer system:²

“Afghanistan's New Ansari hawala network (headquartered in Kabul with connections to Dubai and other global financial markets) is facilitating bribes and other wide-scale illicit cash transfers for corrupt Afghan officials and is providing illicit financial services for narco-traffickers, insurgents, and criminals through an array of front companies in Afghanistan and the UAE.”

Compared to 2008 when some \$600 million, €100 million and £80 million were declared at Kabul International Airport (KIA) bound for Dubai, “more than \$190 million left Kabul airport for Dubai during July, August, and September 2009. Actual amounts could be much larger.” The report went-on by saying that approximately “\$75 million transited through KIA bound for Dubai in one day during the month of July.” \$600 million in banking system withdrawals were reported before the 20 August 2009 election.

The United Arab Emirates “stopped Afghan Vice-President Ahmad Zia Masood entering the country with \$52 million earlier this year - - a significant amount he was ultimately allowed to keep without revealing the money’s origin or destination. Moreover, Sher Khan Farnood, the Chairman of Kabul Bank, reportedly owns 39 properties on the Palm Jumeirah in Dubai and has other financial interests spread widely beyond Afghanistan. (Note: Many other notable private individuals and public officials maintain assets (primarily property) outside Afghanistan, suggesting these individuals are extracting as much wealth as possible while conditions permit. End note.)”

6 December 2009: “As the kingpin of Kandahar” and “unrivaled strongman” (Popalzai tribe), the President’s younger half-brother, Ahmed Wali Karzai (AWK), “operates parallel to formal government structures through a network of political clans that use state institutions to protect and enable licit and illicit enterprises.” AWK “dominates access to economic resources, patronage and protection.”³

The Noorzai (clan) “occupy key positions in the ANSF and are the traditional racketeers (with ties to narcotics trafficking). The Achekzais along the border are the traditional smugglers, and the Alikozai are the traditional warriors.” Initiatives “in bringing to justice major corrupt figures” would require “the prosecution of people on whom we often rely for assistance and/or support.”

28 December 2009: In Ghazni province, “sub-national government officials’ attitude towards citizens is largely predatory.” Provincial law enforcement and judicial institutions “are clearly unwilling and incapable of dealing with the scope of corruption they face.” Senior government officials “act with impunity (*chronically engaged in embezzling public funds and stealing humanitarian assistance*); minor officials use bribery and political influence to avoid prosecution.”⁴

“Trusted interlocutors in Ghazni, as is the case elsewhere in Afghanistan, provide us insight into the activities of nefarious government officials, but they do so at considerable risk to themselves, their families, and associates. Should we not quickly develop mechanisms to root out the current corrupt practices and take a firm stand in Ghazni where corruption is rampant, corrupt government officials will be emboldened and the population further alienated.”

23 February 2010: Canadian Ambassador William Crosbie, who was “very concerned about the electoral reform process” (also referred to as another “rigged election”), met U.S. Ambassador Karl W. Eikenberry (at the American Embassy on the 20th). Expressing serious doubts vis-à-vis President Hamid Karzai, Crosbie told Eikenberry that the international community would “*be blamed for letting Karzai and his family establish across the country the system of patronage and control that exists in Kandahar.*”⁵

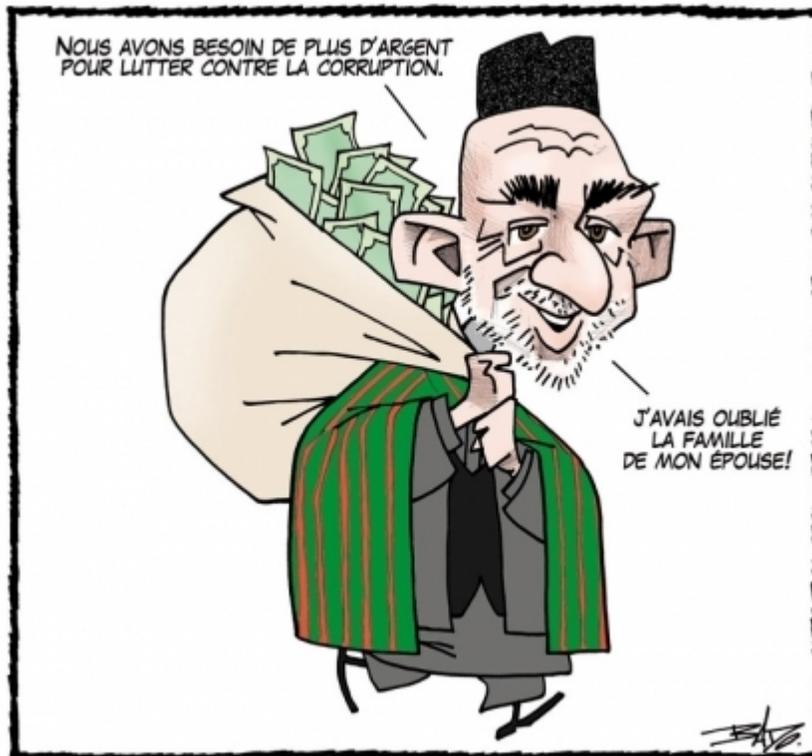
When Eikenberry noted that “the jury is still out on whether current coalition efforts will work” — Crosbie offered words of encouragement with an example of would-be meager progress: Customs officers in a recent training “at least acknowledged corruption exists and that it’s wrong, which he said is not the case in many third world countries.”

Canada must be one of those “sovereign” third-world nations because Beverley Oda had “absolutely no concerns” about corruption in Afghanistan — and Prime Minister Harper publicly marginalized “performance issues” — that were dealt-with “from time to time” (behind closed doors).

It’s always about money — *the root of all evil* because no one is ever accountable.

An endless charade where Auditor General Sheila Fraser valiantly investigates, tables her reports — and they all scramble for cover (blaming everybody else) until the commotion eventually subsides.

Most reassuring of all: Confirmation that Canadian foreign policy towards Afghanistan and Haiti was seamlessly consistent!



Guy Badeaux (Bado), Le Droit (Ottawa), 12-23-2010

¹ Classified secret by CDDEA Ambassador E. Anthony Wayne.

² Ibid.

³ Classified confidential by Coordinator Director for Development and Economic Affairs E. Anthony Wayne.

⁴ Classified confidential by Interagency Provincial Affairs Coordinator Scott Kilner.

⁵ Classified confidential by Ambassador Karl W. Eikenberry.