

# UC Riverside

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### Title

Resolving Factors that Lead to the Misappropriation of Foreign Aid in Afghanistan

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## **Abstract**

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## **About Afghanistan**

Afghanistan is a mountainous land-locked country located in the heart in the heart of south-central Asia. The country is surrounded to the east by Pakistan, to the west by Iran, to the north by Turkmenistan, Uzbekistan, Tajikistan, and China. Within Afghanistan there are many ethnic groups and some of the more prominent ones include Pashtuns, Tajiks, Hazara, Uzbek, Chahar Aimak, and Turkmen. According to Ethnolinguistic composition of 2004, about 42% of the population of Afghanistan consist of Pashtuns, 27% Tajik, 9% Hazara, 9% Uzbek, 4% Chahar Aimak, 3%, Tukmen, and 6% others. When it comes to the theology of Afghanistan, CIA concludes that Afghanistan predominantly consists of Muslims at 99.7%. Out of these population, around 85-90% include the Sunny Muslim and 10-15% include Shia.

### **Aim 1: Factors contributing to misappropriation of Foreign Aid.**

It is difficult to pin figure a single narrow factor that has led to the misappropriation of fund in Afghanistan since bribery and kickbacks have really been added to the tradition of everyday business. However, if broaden out our scope, we could find out that one huge problem with the lack of control with the misappropriation of funds was the lack of having a long-term vision for the reconstruction of Afghanistan. To see how such lack of a long-term vision have caused most of the misappropriation of funds in Afghanistan, we will investigate how U.S. handled its convoy's supply chain strategy throughout Afghanistan, and we will also investigate misappropriation in the Afghan banking sector.

## **Protection for the Supply Chain of U.S. Supplies**

As in any war situation in any country, each side of the combat needs supplies that are not only timely, but also the method used to deliver those supplies must be safe, accurate and cost effective. Unlike any other country however, Afghanistan is a country where the supply chain process takes place mostly on the ground since there are no openings to the ocean. Since there is a lack of a second option for supply movement, the supply movement across Afghanistan needs a special attention and careful developed strategy that benefits the long-term goal of the international community in Afghanistan. To investigate the flaws of the U.S. logistics in Afghanistan, a report prepared by the Majority staff of the Subcommittee on National Security and Foreign Affairs of the Committee on Oversight and Government Reform titled “Warlord, Inc.: Extortion and Corruption Along the U. S. Supply Chain in Afghanistan” represents six months of investigation of the logistics issue and the findings are very disappointing. This article focuses on the Department of Defense’s outsourcing of its supplies security to questionable providers including warlords which has caused to many types of negative outcomes that have slowed down the march towards achieving our long-term strategies. The main issues found with the supply chain and logistics of military supplies included:

1. Security for the U.S. Supply Chain Is Principally Provided by Warlords.
2. Highway Warlords Run a Protection Racket.
3. Protection Payments could lead to source of funding for the Taliban.
4. Unaccountable Supply Chain Security Contractors Fuel Corruption.
5. Unaccountable Supply Chain Security Contractors Undermine U.S. Counterinsurgency Strategy.
6. Department of Defense Lacks Executive Oversight of Its Supply Chain and Private Security Contractors in Afghanistan.
7. HNT Contractors Warned the Department of Defense About Protection Payments for Safe Passage to No Avail.



We will look at each of these issues in depth and research in depth on how they could affect the long-term health of Afghanistan.

### **1. Security for the U.S. Supply Chain Is Principally Provided by Warlords.**

Subcontractors of Host Nation Trucking (HNT) mostly consist of warlords, strongmen, commanders, and militia leaders who compete with the Afghan government for power. Over the past 17 years, Afghanistan has struggled to have a central government and its goal is eventually to achieve a central government that has the power to regulate the internal and external struggles of the country. In order for a government to achieve such power, its strategy has to be to decrease the power of those who want to compete against the central government. However, it appears that achieving the U.S. supply chain goals are in the way of Afghanistan's long-term goal of having a strong central government.

There have always been warlords in Afghanistan and some of them which are stronger compared to others. Unfortunately, the new security contracts have made the strong warlords even stronger and have brought new warlords into power who claim to be businessmen. These warlords command thousands of people who are willing to die for the money and can do anything to gain or contain their power. When it comes to the supply chain of the troop's convoy, these warlords control many of the main highways used for the safe movement across Afghanistan. The more real estate that a warlord occupies, the more monopolization power he has when it comes to fighting off competition for contracts and controlling prices. This means the local trucking companies have to learn which warlord is in charge of which path way in order to pay him off to get the Convoy through that route safely. Appendix 1 provided by HNT shows

a list of escort providers that control parts of the country and charge a fee for the safe travel of the convoy. Dependence on warlords for security of the U.S. convoy will not bring long-term security to Afghanistan as the warlord's purpose will conflict with the overall strategy of peace.

## **2. Highway Warlords Run a Protection Racket.**

Since the highways are fully controlled by the warlords, the protection of American convoys also belongs to them and it does not come without a heavy cost. According to Warlord, Inc.'s findings, the HNT contractors and the trucking subcontractors pay tens of millions of dollars annually in exchange for protection of the convoys that are being transported across Afghanistan. Protection coming from warlords as a result of bribery brings many problems to the table. For example, not only does the expense of each trucking company increase, power, respect, and fear also increase. Those who do not pay now almost guarantee an attack because the warlord could have a direct hand in the attack to make sure no one misses any payment going through his claimed highway.

## **3. Protection Payments could lead to source of Funding for the Taliban.**

According to Warlord, Inc., many believe that warlords who guarded the convoy trucks, made protection payments to insurgents to coordinate a safe passage. Although a direct contact has not yet been fully proved and many of the subcontracted company's leaders deny such allegation, experts believe otherwise. To prove this point further, a former HNT project manager states that, "it is widely known that the operational environment in Afghanistan requires payoffs to local warlords and the Taliban for safe passage of trucking convoys". Such misappropriation of funds not only generates expenses that will in no shape or form help the cause of the Afghans,

but worse will damage the strategy of Americans and Afghans who are trying desperately to bring peace. If we analyze the numbers closely, according to a 2009 report on private security contractors in Afghanistan published by New York University, as much as 60 percent of a private security provider's profits go to Taliban and other criminals as protection fees. Having a short-term protection for U.S. convoy as we see have led to a form of financing and a long-term help for the Taliban.

#### **4. Unaccountable Supply Chain Security Contractors Fuel Corruption.**

Stopping or reducing corruption is one of the biggest weakness that the Afghan government has. To put this statement in perspective, we look at CNBC's report by Aza Sile which ranks Afghanistan the third most corrupt country in 2016 behind only Venezuela, and Guinea- Bissau. The unaccountability of the supply chain security contractors, leads to the idea that no one really cares about putting a stop to corruption. Having wrong attitudes from the leadership at the top leads to those in the bottom thinking that their actions are valid since the top people are also engaged in them. According to Warlord Inc., the largest security provider to HNT pays \$1,000 to \$10,000 a month in bribery to government officials and military units. The funds that are coming in from the taxes of Americans are going into pockets that only ruin the chances of Afghanistan getting back at its feet again. A country that is third most corrupt country in the world given the opportunity to become even more corrupt will cause a serious damage to its success towards peace.

## **5. Unaccountable Supply Chain Security Contractors Undermine U.S. Counterinsurgency Strategy.**

The international community and especially the U.S. has gone to Afghanistan with the goal of building a strong Afghan central government. A government that has come from the people and treats all equal whether rich or poor. To have such goal executed, the international community must follow a strategy that takes away the power from the warlords to such extent that they do not have the ability to compete with the government. However, fueling unaccountable warlords with funds will lead to, the U.S. and the International community undercutting its own efforts to build a strong central government. Although the Department of Defense has created a model or a strategy of supply chain that puts the responsibility of the supply chain in contractor's hands rather than the army itself, changes still need to be made. Such strategy might lead to the troops having a better focus on the war rather than supply chain process, but at the same time the strategy is sabotaging the overall strategy of the U.S. and the international community in Afghanistan. A strategy where putting a noteworthy responsibility in the hands of warlords has caused increase in fraud and bribery and most importantly have stood as an obstacle in way of peace.

## **6. Department of Defense Lacks Executive Oversight of Its Supply Chain and Private Security Contractors in Afghanistan.**

To put the responsibility of supplying the military with all its materials on a private trucking and security, The U.S. needs to have a strong oversight and execution plan. Having laws made for such trucking companies in a country like Afghanistan is not enough to control the actions of such firms. There has to be agents that check if the contractors are following the laws and strong punishments for those who disregard the rules and regulations. According to Warlord

Inc.'s findings, the "Department of Defense is grossly out of compliance with applicable regulations and has no visibility into the operations of the private security companies that are subcontractors on the HNT contracts" (pg. 49). Having no visibility and no regulations means any misappropriations of funds throughout any process of the supply chain will be unrecognized and unsolved. To further elaborate on this weakness, we look at how the 484<sup>th</sup> Joint Movement Control Battalion which is responsible for managing and overseeing HNT's missions oversaw the supply chain department of the military. According to Lieutenant Colonel David Elwell, "no one in the battalion ever personally witnessed trucking operations" (pg. 49). Contracting warlords without overseeing them to make sure they follow the rules and regulations of the U.S. and the Afghan government will lead to them taking advantage of such opportunity and creating walls towards achieving the eventual goal.

#### **7. HNT Contractors Warned the Department of Defense About Protection Payments for Safe Passage to No Avail.**

There were many instances where the HNT contractors self-reported the bribes that were going on for protection throughout different routes. However, such complaints whether received through emails, meetings, presentations were never properly addressed to and the issues remained unresolved. For example, Appendix 2 shows an email to major Valen Koger who is the officer responsible for technical oversight of the contract. As we could see, it states that on major routes, Taliban demand a fee in order for U.S. cargo to be passed. Although the issue at hand sounds very important and a potential threat to the U.S. strategy, it was ignored. According to

Warlord, Inc. even though Major Koger was sympathetic with the contractors, the higher-ups did not want to hear about the issue.

## **Office Budgets**

Low budgets or lack of budgets to government offices is another factor that have also led to increased corruption and misappropriation of funds within the rebuilding projects of Afghanistan. According to the United Nations office on Drug Crimes, 68% of Afghan citizens interviewed in 2012 considered it acceptable for a civil servant to accept small bribes to help with their low salaries. In an environment where civil servants are not taken care of well, so they can take care of their families, it is hard to blame them for their corruptive behavior. In fact, the corruptive behavior could become a strong tradition and the public could easily rationalize their dishonest actions. According to a UN survey, this tradition of rationalizing corruptive behavior has led to the Afghan people paying over \$2.5 billion in bribes up until 2009.

To see how low salaries could lead to corruption or even worse, help the Taliban's mission of a continual war, a CNN report of 2009 provides us with a great report. According to this report, the average salary of a guard fighting for the Taliban is around \$300 which is a bit higher than the salary being paid to the Afghan local armed forces. Having salary that is less than what it is paid by the Taliban will not only encourage the terrorists to continue to execute their plans, but also increase corruption in the army itself. To supplement their salaries, the Afghan forces as we saw earlier find bribes and kickbacks to be a reasonable decision which eventually lead to long term problems. Although Afghanistan does not have a fully developed economy to the point where it can fully support civil servants with high salaries, the international community must step in and help in resolving the issue. Bribery and corruption has become a tradition in

Afghanistan, and before this tradition evolves even more, help has to come to make sure the public understand the difference between corruption and earnings that come from working hard and honest.

## **Aim 2: Strategies used throughout the world to control factors leading misappropriation**

Before researching best strategies and policies that have been used around the world for the reduction of factors leading to misappropriation of foreign funds, let's see the awareness of the international community's current sociological goals amongst high ranking government officials. According to Amitai Etzioni's article "Corruption Reduction", a high-ranking US commander was asked what the US's sociological goal was in Afghanistan and responded by saying, "America's goal was to turn Afghanistan into Switzerland within two Years" (26). Such statement shows how vague the goals of the international community when it comes to fixing how Afghans think of corruption and fund misappropriation. From such statement we could learn that before any kind of attempt to solve any type of problem, we must understand how we are currently positioned and what our eventual aim or goal is to be at. To reach to that goal, we must also have strong strategies which will help us on every step of the way to reach our goal. In aim 2, we will look at strategies that could be used to control the factors leading to misappropriation of funds throughout Afghanistan. The strategies which will be discussed include, paying civil servants well, bringing transparency and openness in government spending, establishing international conventions, having an independent specialized organization to investigate different types of industries, and most importantly a powerful force to execute such actions. We will discuss each one in depth and in the last part of our project, we will see which one of these strategies best suites the current situation in Afghanistan.

## **Paying civil servants well**

Civil servants as mentioned earlier, must be happy and satisfied with their wages in order for them to stay out of corruption. When it comes to the compensation of an Afghan civil servant, it is especially important that it is enough to support the servants and their families because they usually feed off of salaries only. Pressures to supplement their incomes in unofficial ways might build up fast because the only way to feed their families is through the salary.

Van Rijckegem has done a great study that shows the inverse relationship between incidents of corruption and level of public sector wages. In his scatter plot in Appendix 3, he shows us the inverse relationship between relative civil-service wages and corruption across the developing and lower-income OECD countries. Although Afghanistan is not located in this study, it still shows the overall impact high wages have on the actions of the public servants towards corruption.

## **Creating transparency and openness in government spending**

Civil society has a great responsibility and role in the reduction of corruption in any type of government. In fact, Statistical analysis of EU member states has proven this statement by stating, “control of corruption is significantly better in countries with a larger number of CSOs [...] and with more citizens engaged in voluntary activities.

A Government collects taxes, receive foreign aid, and develops ways to allocate these recourses to satisfy the needs of the pubic. Having the civil society to keep an eye on what the



government is up will help tremendously because their incentive is for a lower corruption. Transparency between the government and the public also brings a trust and prevents from corruption to increase. Transparency most of the time detects corruption and fraud at the very beginning phases of its occurrence which is crucial in Afghanistan. The further the wait for corruption to be discovered the powerful the warlords or the Taliban become which makes impossible to enforce the law on them. One positive step towards transparency has been taken as according to a UNAMA article, in December 2016, Afghanistan officially partnered with the Open Government Partnership(OGP). Being a partner of the OGP means Afghanistan will be able to learn from other member countries which have made significant progress towards transparency in delivering important financial information to the public. Such multilateral initiative will promote transparency, empower citizens, and strengthen the overall government structure. It is these kinds of movements that will help Afghanistan reach a position where there will be decreased corruption and transparency amongst agencies.

### **Establishing international conventions**

The International community has a huge responsibility when it comes to money laundering of the funds that Americans send to Afghanistan. Without the help of financial institutions abroad, the people who exploit and launder corruption money other countries will have very hard time to take the stolen money outside the country. However, such strategy is not in place and everyday millions of dollars leave the country and is being used in other countries with no questions asked. According to Azrakhsh Hafizi, an economic expert in Afghanistan, approximately \$18 billion were laundered from Afghanistan to abroad in 2011 alone. Major

financial centers around the world have to find ways to stop cooperating with the fraudsters and absorbing funds which do not belong to them.

A good example of a strategy used is the European Union approving the 4th Anti-Money Laundering Directive in 2015 which aims to prevent the EU's financial system from being abused for the purposes of money laundering and terrorist financing. The first MLD was enacted in 1991 mainly focusing on drug related crimes and required financial institutions to verify identities of consumers and report suspicious of money laundering. The versions of MLD continued to expand and improve and is currently in its 4<sup>th</sup> version. It currently makes sure that financial sectors, businesses, legal services sectors, and many other industries are aware of transparency and making sure money laundering and other illegal services are prevented.

Just like the European Union approving their directive between neighboring and close countries, the Afghan government must also realize that such technique is required. A treaty between the surrounding countries must be signed which allows for a clear way to find those who have stolen funds aimed for helping the Afghan people.

### **Assign Specialized Independent agencies for corruption across different industries**

In midst of putting an end or even a slow down to corruption across Afghanistan, President Karzai organized three organizations which included the High Office of Oversight and anti-Corruption HOOAC, the Major Crimes Task Force (MCTF) and the Anti-Corruption Unit (ACU). The HOOAC is an organization responsible for overseeing the government-wide anti-corruption efforts which include complaints, follow ups investigations, and coordination among

agencies. The MCTF is responsible for investigating high level corruption cases. Lastly, the ACU operates in the Attorney General's Office to oversee the prosecutions of cases related to corruption.

According to Adam J. Centner's article, the strategy of implementing HOOAC to oversee the government-wide anti-corruption efforts has not worked. HOOAC is on the verge of becoming obsolete because it is fighting a problem which needs more than just one organization to slow down. Instead of making HOOAC responsible for overseeing all the anti-corruption Ms. Centner says that it should be the umbrella while putting the burden of overseeing of corruption on specialized independent agencies.

Having independent specialized organizations for each segment or industry of private and governmental corruption brings a whole new level of fear and resistance to law breakers. For example, for federally related responsibilities the United States have assigned different agencies to different industries for maximum effectiveness and efficiency. Since the executive, legislative, and judicial branches do not have the ability to perform more in depth and specialized responsibilities, agencies and boards have been delegated with the power to oversee those complex areas. Assigning independent and specialized agencies to overs-see different types of agencies will make it much more efficient for the Afghan government to fight and control corruption.

### **Aim 3: Evaluate and recommend feasible strategies**

In aim 2 we researched and found many types of strategies that are used around the world to reduce factors leading to misappropriation of foreign funds. In the last part of this paper, we will analyze the current situation of Afghanistan and recommend strategies that best fit the current situation of Afghanistan and most importantly are feasible.

#### **Have separate organization for each industry**

The most important step that the Afghan government has to take is to build specialized independent agencies that are independent of the government. These agencies should be incentivized to find corruption to make sure that the government finds no way to influence and affect they work. As we saw earlier, Afghanistan currently oversees its anti-corruption efforts with the High Office of Oversight and anti-Corruption HOOAC which was an in-efficient way of fighting corruption. When HOOAC becomes an umbrella of separate investigative groups, specialization and efficiency will come into play which makes it easier to deal with fraud and misappropriation.

Having many specialized groups for different types of industries is a feasible solution because Afghanistan today has to the power and the supply of educated people that enables its government to build agencies capable of achieving the complex anti-corruption goals. The HOOAC was enacted in 2010 in a time in which Afghanistan lacked the necessary supply of educated people and fund to support. The GDP of Afghanistan since 2010 has grown by almost 24%. In addition to their GDP, Afghanistan's literacy level has also increased drastically since 2010 as appendix 4 shows from 40% to almost 50%. Having a strong and independent eye on

how the government and the private parties are behaving towards the misappropriation of funds will be a great wall against those who want to make their way to the corruption world.

### **Empower and rely on Afghan forces rather than private security contractors**

Although a capitalistic market has had a great outcome on different economies around the world, research has shown that there are some products or services in certainty countries that simply cannot be private and one of them include security services in Afghanistan. As we saw earlier private contractors such as the warlords usually make side deals with the Taliban to make sure that the products they are delivering arrive safely. In addition to the side deals, these contracts loaded with big amounts of money bring an unhealthy revelry between warlords which usually has a negative impact on the overall goal of the international community and Afghan government.

A better way to deal with the issues of security of supply chain, and security of other contractors is investing in the Afghan Armed Forces and using them as a protection rather than warlords. Unlike private contractors which profit from a continuing war, strong Afghan forces have an aligned purpose with the strategy of the international community which makes the process towards peace making much easier.

In addition to the purpose of Afghan forces bring aligned, today Afghan forces have developed enough force to take on the challenge. According to a report from the U.S. army, the Afghan security forces particularly their special forces, police special units and air force, today

conduct the majority of the operations themselves against the opposition. The need for international guards have literally diminished as their numbers have dropped from 140,000 troops to one tenth of that number. With such strong forces and with the potential of only getting better, the international community must invest the forces of Afghanistan rather than continuing to feed warlords.

**For Every issue, make sure the solution is a long-term fix**

As we saw with the improved economy, education rates, and strength of armed forces of Afghanistan, we could conclude that it has the ability to solve its problems by shooting for long-term solutions rather than short-term. After the U.S. attack on Taliban in Afghanistan in 2001, the new born Afghan government, and the international community approached every problem with a short-term solution because there was simply no resources or time for a long-term solution. Afghanistan today however has improved drastically as we saw with their military forces, the education level, and their economic situation which means all problems must be addressed with strategies that have long-term in mind.

When it comes to brining misappropriation of funds down, Afghan government and the international community should focus on educating the public about proper accountancy and record keeping. Before prosecuting those with fraudulent activities, the international community must help Afghanistan develop a long-term fraud prevention system which not only discourage fraudsters but teach them the right way to be accountable. A great example of such system currently being developed is by Muhammad Zarif Ludin the chief executive of CPA of Afghanistan who is trying to develop an accounting system that is in par with the international

accounting system. With the help of the world bank, Mr. Ludin has launched a scholarship program which helps afghans achieve their bachelor's degrees in accounting with 100% fees waived. Since 2016, this program has developed over 1,000 students and over one thirds of this program include women.

We could also conclude that the reliance on security provided by warlords to troop's convoy as a short-term solution and must be changed. After the coming of U.S. and international troops to Afghanistan, Afghan troops were no existent and the only options were either securing the convoy by the U.S. army or by the warlords. At that time, we could conclude that the decision of getting security from private contractors was the right move, however that is not the case today. Going forward, the international community should invest heavily into the Afghan troops because in the long-term they are the only tool that could control the country effectively and efficiently. Troops from the international community do not understand and relate to Afghan people to the extent that the Afghan army does, and warlords are not as honest as the Afghan army.

## **Conclusion**

After the war and attack on Afghanistan in 2001, Afghanistan started from point zero as it had no military, no schools, and no hospitals. However, as we saw in this research paper, Afghanistan has made many strides by boosting its GDP, increasing its literacy percentage, and implementing many beneficial programs. If the Afghan financial sector improves and applies the strategies that were mentioned, it will not be long before Afghanistan stands on its feet and rise once again.

## Appendix

### Appendix 1: List of escort providers

#	Origin	Destination	the escort provider	COMPANY NAME
1	AIR BORNE	SAYED BAD	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
2	AIR BORNE	CARWILE	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
3	AIR BORNE	GHAZNI	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
4	AIR BORNE	FOUR CORNERS	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
5	AIR BORNE	SHARANA	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
6	AIR BORNE	WARRIOR	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
7	AIR BORNE	APPACHE	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
8	AIR BORNE	KANDAHAR	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
9	AIR BORNE	LASHKARGHA	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
10	AIR BORNE	BASTION	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
11	AIR BORNE	LEATHERNICK	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
12	AIR BORNE	FARAH	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
13	AIR BORNE	SHINDAND	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
14	AIR BORNE	HEART	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
15	AIR BORNE	QALA E NOW	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
16	AIR BORNE	TRAIN KWOT	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
17	AIR BORNE	FRONTENACK	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
18	AIR BORNE	LUNDELL	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
19	AIR BORNE	DERAWOOD	COMMANDER ROHULLAH	WATAN RISK MANAGEMENT
20	GHAZNI	SHARANA	COMMANDER RAHIM	NO COMPANY
21	GHAZNI	FOUR CORNERS	COMMANDER RAHIM	NO COMPANY
22	QALAT	WOLVRINE	ANA	NO COMPANY
23	QALAT	SWEENY	ANA	NO COMPANY
24	KANDAHAR	SPIN BOLDAK	ANP	NO COMPANY
25	KANDAHAR	FRONTENACK	COMMANDER MATIULLAH	NO COMPANY
26	KANDAHAR	TRAIN KWOT	COMMANDER MATIULLAH	NO COMPANY
27	KANDAHAR	LUNDELL	COMMANDER MATIULLAH	NO COMPANY
28	KANDAHAR	DERAWOOD	COMMANDER MATIULLAH	NO COMPANY
29	KANDAHAR	QALAT	COMMANDER MASUD	NO COMPANY
30	KANDAHAR	WOLVRINE	COMMANDER MASUD	NO COMPANY
31	KANDAHAR	SWEENY	COMMANDER MASUD	NO COMPANY
32	KANDAHAR	BULLARD	COMMANDER MASUD	NO COMPANY
33	KANDAHAR	LASHKARGHA	COMMANDER ANGAR	NO COMPANY
34	KANDAHAR	BASTION	RAHMAT	NO COMPANY
35	KANDAHAR	LEATHERNICK	MASUD	NO COMPANY
36	KANDAHAR	RAMROD	MASUD	NO COMPANY
37	KANDAHAR	MAIWAND	MASUD	NO COMPANY
38	KANDAHAR	DWYER	KAKA SHARB	NO COMPANY
39	KANDAHAR	DWYER	TURJAN	NO COMPANY
40	KANDAHAR	DWYER	KOKA	NO COMPANY
41	KANDAHAR	DELARM	COMMANDER HABIBULLAH	NO COMPANY
42	KANDAHAR	SHINDAND	COMMANDER HABIBULLAH	NO COMPANY
43	KANDAHAR	STONE	COMMANDER HABIBULLAH	NO COMPANY
44	KANDAHAR	FARAH	COMMANDER HABIBULLAH	NO COMPANY



Appendix 2

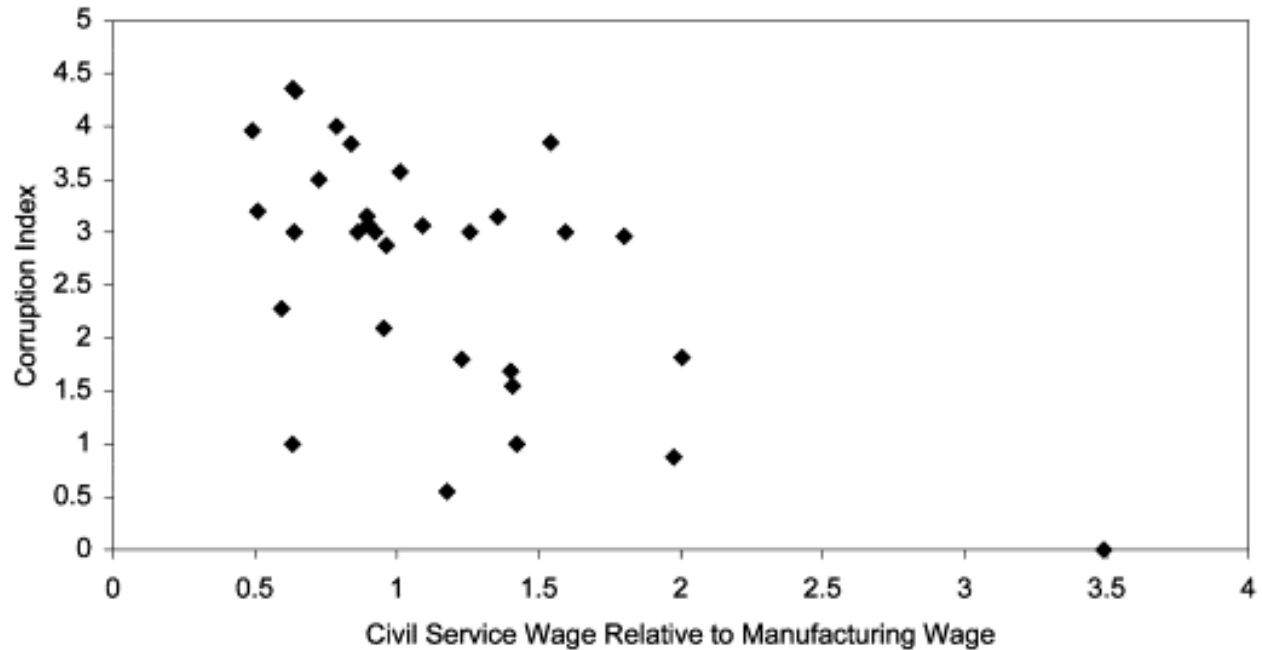
Memorandum For Record: Initial Report send to [REDACTED] MCB

To: Headquarters, 450<sup>th</sup> Movement Control Battalion  
Joint Logistics Command, RC-E  
Bagram Air Base, Afghanistan  
APO AE 09354

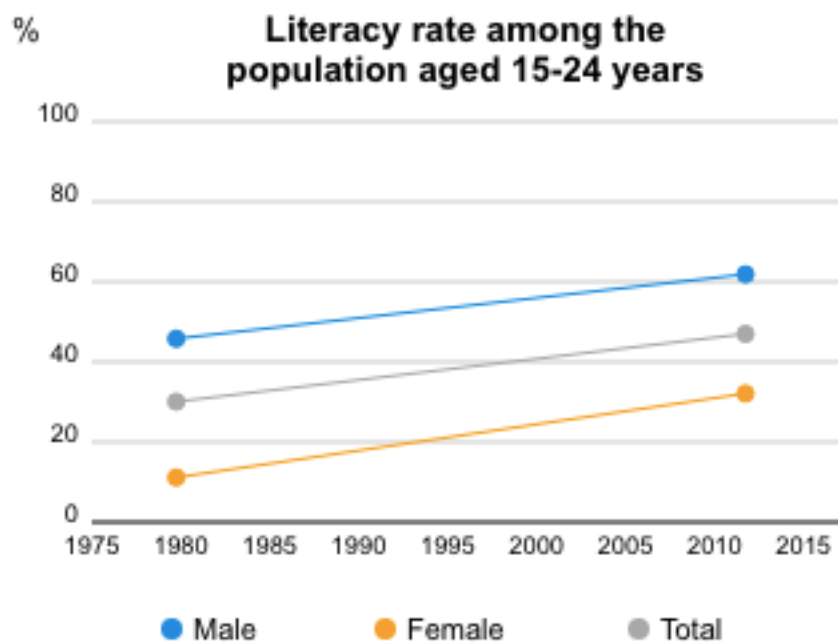
From: [REDACTED]

[REDACTED] was approached by Taliban personnel to talk about payment for the safe passage of convoys through there area. [REDACTED]'s policy is that we will not pay extortion money to fund their weapons or training to kill American Service men and women conducting operations in Afghanistan. If we make payment that money will be funneled back into their fight against the Coalition and our principles on that matter are straight forward. We have talked to other carriers that are making missions through those areas and they are paying the Taliban for safe passage. The current price to the Taliban is \$500 per truck from Kandahar to Herat. \$50 from Kabul to Ghazni, \$100 from Ghazni to Orguni, and \$200-\$300 from Orguni to Waza Kwah. All negotiations are conducted outside of Afghanistan and for the southern and western areas the Taliban POC is located in Quetta Pakistan.

Appendix 3



Appendix 4



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