Corruption in Afghanistan: Challenges and Achievements

Peerzada Tufail Ahmad*

Department of Political Science, Aligarh Muslim University, Aligarh, India
*Corresponding author, Phone: ???, E-mail: pztufail.kat@gmail.com

ARTICLE INFORMATION

ABSTRACT

Corruption is a very important and quite likely a growing problem in Afghanistan. Afghanistan appears to fall near the bottom internationally in terms of the seriousness of its corruption problem. The very large opium economy is widely considered to be the most important source of corruption in the country. As the political system is progressively developed, there is a serious risk of political corruption. Corruption has multiple and severe adverse effects on Afghanistan. In addition to the direct financial costs of corruption, there are substantial costs related to time devoted to corrupt practices, especially in the case of the security sector, as well as the human costs. Widespread corruption deters and distorts private investment. In Afghanistan, number of important building blocks against corruption has been put in place over the last five years. This paper focuses on the historical background, especially the links between corruption and the state-building agenda in Afghanistan. The next section focuses on key problems and issues. After outlining achievements and challenges in Afghanistan’s fight against corruption, the paper puts forward a roadmap for action.

1. Introduction

Corruption (defined as “the abuse of public position for private gain”) is a very important and quite likely a growing problem in Afghanistan. Afghanistan appears to fall near the bottom internationally in terms of the seriousness of its corruption problem (Basir, 2008). The opium economy is widely considered to be the most important source of corruption in the country. However, economy dominated by the informal sectors, as well as the unprecedented large inflows of international assistance and the pressures to spend money quickly, carry associated vulnerabilities to corruption (The World Bank, 2009). Other, more “normal” sources and forms of corruption, related to government roles in service delivery and regulation, appear to be increasing as state activities and capacity are being scaled up (The World Bank, 2009).

There are some issues around the definition and scope of corruption in the context of Afghanistan. First, should corruption refer only to activities that are illegal? What about activities that are widely considered acceptable by the various stakeholders but are illegal or on the other hand activities that are not illegal but widely considered to be corrupt? For example, many Afghans consider small payments to expedite transactions with the government – which are clearly illegal – as...
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justifiable (as long as payments are not unreasonable in amount), on the grounds that low-paid government officials are “poor” due to their low salaries. At the opposite end, even though all required procedures may have been followed and there is no illegality, many Afghans may resent and consider corrupt high salaries and benefits for international consultants, expatriate Afghans, NGO employees, etc. (The World Bank, 2009).

Government jobs continue to be seen in many quarters as “rewards” of some kind and not necessarily as carrying out public service delivery and other responsibilities, what are perceived to be “fair” allocations of government jobs across ethnic and tribal groupings, even if not fully merit-based, may be acceptable to many in the public and thus not considered as corruption (The World Bank, 2009).

These conceptual and definitional issues are mirrored in the terminology in Afghanistan. There are a number of terms in the local language (Dari) that refer to different aspects of corruption. For example administrative corruption (fisad-i-edari) is distinguished from other forms of corruption (notably political and “moral” corruption). There are also several other words in Dari related to corruption, some (bakhsheesh—small gift, chai—tea money, sifarish—recommendation e.g. for appointments, wasita—relationship, dawat—invitation of officials, etc.) with somewhat milder but still negative connotations and others (rishwat—bribe, ekhtelas—fraud, jazia—extortion and as mentioned above fisad-i-edhari—administrative corruption, as well as fisad-i-siasi—political corruption and fisad-i-akhlaqi—moral corruption) with strong and emotive negative connotations.

Although Afghans may not provide clear answers, such definitional issues must be factored into thinking about anti-corruption strategy and actions in Afghanistan. Some traditional attitudes of acceptance may well have been eroding with wider exposure through mass media etc., Clearly, more understanding of the context in Afghanistan and of people’s attitudes toward different forms of corruption is needed, and to a large extent must come from Afghans themselves.

2. Effects of Corruption

Corruption has multiple and severe adverse effects on Afghanistan. In addition to the direct financial costs of corruption (higher costs of contracts and public services, loss of public funds due to theft or misuse of government facilities and assets) there are substantial costs related to time devoted to corrupt practices as well as, especially in the case of the security sector, the human costs (e.g. of threats, intimidation, victimization by security forces) (The World Bank, 2009). Widespread corruption deters and distorts private investment. Perhaps most important, are the adverse implications of corruption, and popular perceptions of widespread corruption, for the effective functioning, credibility, and legitimacy of the state. A particular problem in this regard is drug-related corruption, allegedly involving senior Government officials, which interacts destructively with corruption in the security sector (especially the police) and justice sector (The World Bank, 2009). And finally, corruption in Afghanistan, which is morally rejected on the grounds of being against the basic principles of Islam, further undermines the social fabric and erodes trust, possibly contributing to persistence or resurgence of conflict. All in all, corruption comprises one of the main obstacles to state-building and development in Afghanistan and, indeed, threatens the overall success of the ambitious program of political normalization, reconstruction, and development now underway (Basir, 2005).

Corruption is generally considered to be a symptom and outcome of weak governance, in the case of Afghanistan reflecting in large part the legacy of a quarter-century of conflict and erosion of state institutions, irregular financing of the conflict from various sources, worsening tensions among ethnic and tribal groups, and the growth of informal/illicit economic activities (The World Bank, 2009).

3. Sources of Corruption

The basic forms of corruption in Afghanistan are:

1. **General Forms of Corruption:** These include petty corruption and bribery, extortion, outright theft of government assets, patronage (although not necessarily included in the definition of corruption), and corruption in government procurement (The World Bank, 2009).

2. **Opium:** Drug-related corruption appears to be a dominant source of corruption in the country, and drug-financed corruption appears to be undermining the state and political system (through so-called “grand corruption” and “state capture”). Some government agencies particularly at the provincial and local level have been compromised by drug interests
Thus drug-related and drug-financed corruption comprises an extremely important threat to the broader state-building agenda, which interacts destructively with corruption in the security sector (especially the police) and justice sector. Moreover, corruption in counter-narcotics efforts has inadvertently contributed to making the drug industry stronger (more consolidated, with fewer, powerful players with strong political connections), severely compromising parts of the Government (UNODC, 2006).

3. Aid: Another unusual potential source of corruption is the unprecedentedly large inflows of international assistance, accompanied by much pressure to spend resources quickly. In addition to development and humanitarian aid, this includes large inflows and contracts related to international military forces and their activities, as well as international and domestic security firms and aid to Afghan security forces (The World Bank, 2009).

4. Conflict and Ethnicity: Non-functioning institutions and severely limited capacity in the Government, reflecting the legacy of the long period of conflict, are important enabling factors. Weak capacity and reported corruption in the justice sector, in addition to being important problems for the justice sector itself, comprise a major constraint hindering prosecution and punishment of corruption in other sectors (Basir, 2005). Fragmentation of the society during the conflict, in particular along ethnic lines, resulted in more reliance on traditional and especially conflict-generated patronage networks, with associated corruption (The World Bank, 2009).

5. Uncertainty: Another factor that may be encouraging corruption in Afghanistan is political or other forms of uncertainty, or other factors, that result in short time horizons of government servants, senior officials, international community representatives (who typically have short assignment periods in Afghanistan and go through rapid turnover), and non-state actors with public power (The World Bank, 2009). This is common in countries facing political instability, insurgency or other forms of conflict, where there are uncertainties about what will be happening administratively (e.g. when a civil service reform is in the cards), or where security and other considerations result in short assignment periods (less than two years) for international community staff. Some of these factors can interact with each other to further heighten the risk of corruption. For example, the combination of limited capacity in Government, pressure to spend resources quickly, and short time horizons may well disproportionately worsen the corruption situation (The World Bank, 2009).

6. Dissatisfaction: Irrespective of its actual incidence and level, public perceptions of widespread corruption result in disenchantment with the Government. These perceptions hinder efforts to strengthen the Government's credibility and legitimacy, and more generally the state-building agenda (Basir, 2005). Popular discontent with perceived corruption is combining with perceptions that the Government is not delivering services to the people, and that international assistance is being wasted.

4. Achievements and Challenges

Although corruption remains a critical issue for the stability and development of Afghanistan, it must be recognized that a number of important building blocks against corruption have been put in place.

4.1 Achievements

First, the Government has consistently recognized corruption as a critical issue and has taken meaningful actions in terms of overall policies as well as some degree of institutional development. In Afghanistan the Government has been frank and open in discussing its concerns about corruption and its commitment to fight against corruption. From President Karzai's speech at the Tokyo Conference in January 2002, fighting corruption has been emphasized as a critical issue. In 2004, the Government signed the United Nations Convention against Corruption (UNCAC), and a law against corruption and bribery was promulgated (The World Bank, 2009). After the government became signatory to the United Nations Convention Against Corruption (UNCAC), it established an Independent Administration of Anti-Corruption (GIAAC) in Dec 2003. GIAAC was mandated to develop a foundation for fight against corruption by establishing regional offices in the country, drafting anti-corruption law and policies, investigating corruption cases in the government institutions.
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and soliciting support from the Police and Attorney General Office to arrest and prosecute corrupt officials (Basir, 2005).

According to the United Nations Assistance Mission in Afghanistan (UNAMA), the GIRoA has been increasing its focus on anti-corruption programming (SIGAR, 2011). Drug-related corruption cases are handled by the Criminal Justice Task Force, a team of Afghan prosecutors and police investigators who investigate and prosecute significant narcotics crimes and related crimes such as corruption and money laundering. These crimes are tried before the Central Narcotics Tribunal (SIGAR, 2011).

Second, some progress has been made in the area of public administration. A new Civil Service Law, establishes (i) the principle of open competition and merit for all civil service appointments; (ii) the Independent Administrative Reform and Civil Service Commission (IARCSC, including independent appointment and appeal boards); (iii) The Independent Appointment Board has now processed 1,500 senior appointments using merit-based recruitment processes. High Office of Oversight and Anti-Corruption (HOOAC) was established by President Hamid Karzai in July 2008. He charged it with the primary responsibility for overseeing and coordinating the implementation of the GIRoA’s anti-corruption strategy. The HOOAC is also responsible for implementing administrative procedural reform in Afghanistan (SIGAR, 2011).

Third, measures have been taken for sound management of state assets. A restructuring strategy for state-owned enterprises (SOEs) has been approved to ensure transparent management of the process of privatizing or liquidating SOEs. In the area of natural resources, modern Minerals and Hydrocarbons laws were approved in 2005.

Fourth, visible efforts have been made to prosecute individual corruption cases, although the results are not yet clear. While the motivation has been laudable, the weakness of the judicial system (as well as reported corruption in the justice sector itself) have hindered prosecutions. Meaningful progress could be achieved in the near future by removing corrupt officials from their government positions.

4.2 Challenges

The progress made pales against the difficult challenges that Afghanistan faces in its fight against corruption. While in many areas institutional frameworks and reforms have been designed, promulgated, and in some cases put in place, implementation has often been slow or negligible. Moreover, anti-corruption efforts have lacked a strong knowledge base and vision on how to address the problem. Some of the main challenges are summarized below.

First, a matter for serious concern is signs that corruption in many areas may well be growing, and that it may be getting embedded in regular day-to-day practices. Petty corruption associated with service delivery is very visible in Afghans’ lives (The World Bank, 2009).

Second, another serious issue is the combination of high expectations and widespread cynicism and doubts about the Government’s commitment against corruption. This implies the need for the Government to make credible commitments to taking meaningful yet feasible actions against corruption, and to follow through on them. But overly ambitious claims that exacerbate the problem of high expectations should be avoided as they would further weaken the Government’s credibility in the fight against corruption (The World Bank, 2009).

Third, a critical challenge facing Afghanistan is the drug industry: it is certainly the largest source of corruption in monetary terms, which moreover carries serious risks of high-level corruption, state capture, and entrenchment of the drug industry and the insecurity (and weak state) which is the environment in which it thrives. Thus the success of Afghanistan’s fight against corruption very much hinges on making progress against corruption associated with the drug industry.

Fourth, corruption in the justice sector and security forces constitutes another major challenge, closely related to the drug industry in some respects. Corruption in these parts of the state directly affect both people and their perceptions, and the credibility and legitimacy of the state.

Fifth, at the extreme, failure to contain corruption in the administration of justice and in the security sector could contribute to the success of the insurgency in the south (Basir, 2005).
Sixth, a key challenge is the recruitment and appointment process for government officials (Basir, 2005). This provides fertile ground for corruption when not handled well, but if done better could be a foundation of good governance. However, reforms in this area need to be fully informed of the local context (including historical background and cultural aspects).

Seventh, another challenge is reducing corruption in management of state resources and assets: underground resources, state-owned enterprises, land, and other assets (vehicles, equipment, etc.).

Eight, corruption in revenue generation and diversion of state revenues from government coffers constitute another serious challenge to the Government’s fight against corruption which, through hemorrhage of revenue directly threatens the state-building agenda, in addition to constituting a burden on the private sector and taxpaying public.

Ninth, and finally, there is the difficult challenge of enhancing transparency and developing effective public communication (The World Bank, 2009), of the anti-corruption strategy, which must include strong efforts at awareness raising and behavioral change. In this context a parallel challenge is to develop the role of the “demand side” in controlling corruption, though stronger civil society organizing, building the capacity of media, ensuring accountability to and of Parliament, etc.

5. A Roadmap for Action
The main priorities and areas of focus to curb corruption in Afghanistan are as follows.

a. Asset declaration: The Constitutional provisions requiring declaration of assets by top Government officials need to be implemented within a reasonable period of time, including the Constitutional provision that asset declarations be made public. This will require establishing or designating a suitable agency (with an appropriate level of independence) to be a custodian for asset declarations and for a suitable review process to be put in place.

b. Instituting/improving complaints mechanisms: The Government needs to establish a transparent, accessible, and effective public complaints mechanism as well as creating public awareness of its existence and purposes.

c. Parliamentary oversight: This should be welcomed and encouraged by the Government. In particular, the external audit reports should be reviewed and hearings on its findings held with the Government.

d. Enabling transparency in procurement: As planned by the Ministry of Finance, a simple website should be quickly set up to make available a critical mass of information on procurement activities throughout the Government (bid requests; contract awards).

e. Enhancing the effectiveness of the work of the justice and law enforcement institutions: The impact of this work could be monitored and transparently publicized, for example through making available statistics on prosecutions, convictions, punishments, etc.

f. Communicating effectively the Government’s commitment, actions, and plans, and enlisting civil society: the Government has not sufficiently communicated to the public about some of the actions it has already taken against corruption. In addition, efforts need to be made to enlist civil society in anti-corruption efforts – watch-dog groups, use of religious leaders or other “leaders of thought” to focus attention on anti-corruption, etc. This might include some kind of “external relations” unit in the Government’s anti-corruption agency, and also support for strengthening civil society’s capacity and roles.

g. Access to information is key in reducing corruption. Furthermore, each department should display and make accessible to public service users the procedures and timelines needed for obtaining specific services.

h. Finally, a hotline should be provided so that public service users may report bribes paid to civil servants.

6. Conclusion
Changing institutions takes time, and the institutional framework for anti-corruption should be designed to help implement the anti-corruption strategy rather than being fixed in advance. Key aspects include necessary revisions to the law against corruption and bribery, reforms to improve the existing specialized anti-corruption agency, and establishing a mechanism for high-level leadership, oversight, and coordination. There is still much that is not known, or not known reliably, about corruption in Afghanistan. Moreover, the present context and historical and cultural background need to be taken into account in designing the anti-corruption strategy and specific measures.
References

