

Testimony of Sergio Gor, Deputy Chief of Staff, Senator Rand Paul (R-KY)
Before the U.S. Senate Homeland Security and Governmental Affairs Committee,
Subcommittee on Federal Spending Oversight and Emergency Management

May 9, 2018

Chairman Paul, Ranking Member Peters, and Members of the Subcommittee:

Thank you for providing us with an opportunity to testify today regarding our experiences on the ground in Afghanistan.

We found it extremely valuable to visit firsthand all of the locations and projects that you will hear from us about in this hearing. Pictures, videos, and reports simply can't compare with directly witnessing America's massive involvement, commitment, and undertaking in Afghanistan.

I would like to start by also thanking Ambassador Bass and his Deputy Chief of Mission, Annie Pforzheimer, for ensuring we had access and logistical support and for enabling our team to conduct our oversight mission.

I would also like to mention the incredible American men and women who work on the ground at our embassy and various bases. These individuals risk their lives for the betterment of others. Unfortunately, our objectives are unclear, and our mission remains murky, difficult, and, I would wager, unattainable in the current situation.

Finally, I want to acknowledge the extraordinary work the Special Inspector General for Afghanistan Reconstruction (SIGAR) is doing on behalf of the American taxpayer. IG Sopko and his entire team are performing a vital service to the American taxpayer in a very dangerous part of the world and have not received the level of praise their incredible efforts deserve.

Though I could spend hours recounting our experiences, today I will focus on three distinct areas: **1.) Infrastructure and Accountability, 2.) Rampant Corruption, and 3.) Resettlement of Afghans in the United States to the Detriment of Afghanistan.**

Infrastructure and Accountability

One of the projects we got a firsthand look at in many ways summarizes our entire nation-building efforts in Afghanistan. It represents a bold idea for a brighter future that fell apart along the way, wasting taxpayer dollars and placing Americans living in Afghanistan in even greater danger.

You may have heard of what was to be the Marriott Hotel in Kabul, initially said by the Overseas Private Investment Corporation (OPIC) in 2007 to be “expected to generate several million dollars annually in foreign exchange” and create hundreds of jobs for the Afghan people.¹

While OPIC invested nearly \$60 million in the project over time, its oversight of those dollars was severely lacking, relying mostly on those receiving the loan to provide accurate updates.² Even worse, in a story that has become all too familiar with government projects, OPIC gave almost \$30 million more to the same underperforming developer to build an apartment building adjacent to the hotel.³

Eleven years later, I walked the halls of this deserted, unfinished shell of a dream. Barren rooms, empty elevator shafts, and no electric power greeted us. Like something out of the Old West, both buildings in this ghost town are uninhabited and uninhabitable.

But we cannot simply wash our hands of these projects. Our government now spends an unknown amount every week to protect these multistory buildings due to their proximity to the Embassy. In the end, multiple individuals advised us that the Embassy is seeking to acquire the land, demolish the infrastructure, and start anew.

In summary – poor planning, no oversight, money wasted, and, the worst part of all, absolutely zero accountability. Every day that we distribute money, people squander or steal it, and no one is ever held accountable. And the process repeats itself.



¹ Overseas Private Investment Corporation. “OPIC Board Approves \$60 Million for Hotel Project in Afghanistan.” January 2007. <https://web.archive.org/web/20081011172919/http://www.opic.gov/news/pressreleases/2007/pr011907.asp>

² Special Inspector General for Afghanistan Reconstruction. “SIGAR-17-13-SP Review Letter: Abandonment of OPIC Projects in Kabul,” pp. 2, 6. November 2016. <https://www.sigar.mil/pdf/special%20projects/SIGAR-17-13-SP.pdf>

³ Ibid, 2.

We also visited the Ministry of the Interior in Kabul.

The United States spent \$210 million on a brand-new building that was riddled with construction deficiencies, and before occupying the building, an additional \$2.6 million was spent on “Ministry HQ Enhancements,” including adding marble and spending \$7,000 on “Lost time waiting for instructions” and \$10,000 on a car and driver.

Multiple individuals described the Ministry of the Interior as a “Mini-Pentagon” of Kabul. After passing through multiple security checkpoints, we found ourselves in a large, ornate, marble-covered lobby. We had an interesting meeting with senior officials, who discussed their mission in rooting out corruption but ultimately admitted that much remains to be done.

At the time of construction, the contract mandated certain features – instructions that ultimately weren’t followed, were ignored, or were completely passed over. For example, recent inspections have revealed that the doors installed are not considered “fire-rated,” meaning they burn through much faster. According to MOI staff, the sprinkler systems and air conditioning systems work haphazardly. Elevator problems abound throughout the building. Unfortunately, this is another example of funds being squandered through corruption and lack of oversight.

According to a recent SIGAR report:

“Phase 2 construction of the MOI headquarters project experienced lengthy delays and cost increases because of the need for three contracts to complete the project, one of which was terminated for default for poor work that was demolished and redone by the second contractor. The phase 2 project was completed in November 2015, more than two and a half years after the originally planned completion date of May 1, 2013. In addition, the phase 2 project’s cost rose to approximately \$46.2 million or \$15.6 million more than originally planned.

“During 13 site visits between October 2015 and August 2016, SIGAR found seven instances where the phase 2 contractors did not comply with contract requirements. Most significantly, Yuksel Insaat did not install certified fire-rated doors in the headquarters, communications buildings, and gatehouse, as the contract required, which raises safety concerns should a fire occur. Due to the seriousness of this issue, on October 5, 2016, SIGAR sent an alert letter to USACE, CSTC–A, and other Department of Defense components notifying them that none of the 153 doors installed under phase 2 were certified. In its May 9, 2017, response, USACE acknowledged that the doors did not meet certification requirements and stated that it requested corrective-action plans from Yuksel Insaat. USACE also stated that it was investigating the suitability of the noncertified doors that had been installed and the contractual issues involved, as well as developing several potential courses of action to address SIGAR’s concerns. USACE further noted that it was implementing a personnel training program that entails a detailed review of fire-door assemblies, to include contract requirements and referenced standards.”⁴

⁴ Special Inspector General for Afghanistan Reconstruction. *Quarterly Report to the United States Congress*, pp. 37-38. October 2017. <https://www.sigar.mil/pdf/quarterlyreports/2017-10-30qr.pdf>

Rampant Corruption

One of the questions which I asked every individual or group we met with was, “What part of funding goes to corruption, waste, fraud, and abuse?” The answers varied from a low of 20% to a high of 50%, depending on whom I was speaking with.

Corruption is so rampant, it has been accepted as the norm. There are efforts to root out some of it, but as a State Department official explained, it is also part of the culture and will never be eradicated. Corruption can range from literally billions of dollars disappearing, to preferential hiring and nepotism. Ministers tend to hire from within their own tribes, their own villages, or quite literally from their immediate family.

President Ghani has attempted to spread jobs and contracts beyond his immediate circle; however, the practice of hiring family and tribe members has not ceased.

Corruption is so rampant, we don't have a clue what percentage actually disappears from the top line. Oversight is greatly lacking.

Some members of SIGAR we met with described Afghanistan as the most corrupt nation in the world, surpassing other hot spots around the world where we are involved. Americans have an unrealistic view on corruption in Afghanistan. Simply put, some level of corruption will always exist, because it is their way of life.

Unfortunately, it is extremely easy to scam the United States and our partners because so much construction occurs with ZERO supervision from our entities. The situation has gotten so volatile that the United States is unable to build, inspect, or certify projects. Our government relies on volunteers, NGOs, or local Afghans to certify that work has started, has been completed, or is up to standards.

One of our most valuable meetings during our time in Kabul was with a watchdog group called Integrity Watch Afghanistan (IWA). Through various grants and funding from the United States, IWA is able to monitor work being carried out throughout the country that is financed by the United States or other international partners.

Unfortunately, outside of SIGAR, IWA is the closest thing the United States taxpayer has to an accountability monitor. They assess the work on projects funded by the U.S. taxpayer, as well as their progress and completion. IWA employs close to 80 staff and also has hundreds of volunteers who visit such sites.

Additionally, IWA assists in trials throughout Afghanistan. In the past year, they have monitored nearly 1,000 trials across Afghanistan.

IWA has been ignored in the past by our Embassy, with their findings discarded. However, we have reason to believe that Ambassador Bass aims to foster a better relationship with their leadership.

While IWA is not directly involved in monitoring elections, they reaffirmed earlier statements by countless other individuals that election fraud was rampant and continues to be a problem.

An interesting anecdote from our meeting with IWA concerned their belief that some localities have received so much money to fix their communities that they are refusing to self-improve their own towns for free. As one individual stated, “Why would I keep my street clean or my park tidy, when the United States will pay me to do it?” In this instance, our aid has had a detrimental impact. No longer do people care about their communities. They are trying to get that incentive from our funding.

Resettlement of Afghans in the United States to the Detriment of Afghanistan

While our oversight focused on the spending of American monies and resources, one glaring issue kept appearing throughout our meetings.

Although the United States won the war in 2001, we have continued to resettle individuals who have assisted us on the ground through “Special Immigrant Visas” (SIVs). These could include Afghan embassy staff, translators, or individuals who have assisted our armed forces.

According to the Pew Research Center, which cited the U.S. State Department Bureau of Consular Affairs, 48,601 special immigrant visas have gone to Afghans between 2007-2017.⁵

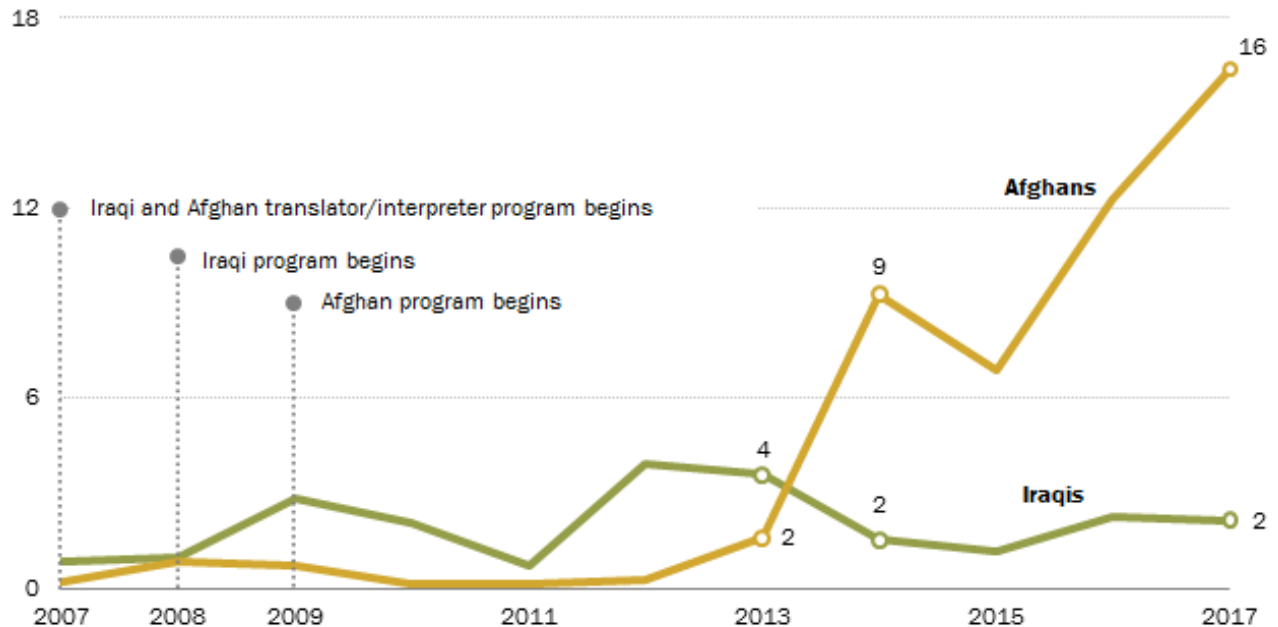
From the Pew Research Center:⁶

⁵ Radford, Jynnah, and Jens Manuel Krogstad. “Afghans who worked for U.S. government make up growing share of special immigrant visa recipients.” Pewresearch.org. December 2017. <http://www.pewresearch.org/fact-tank/2017/12/11/afghans-who-worked-for-u-s-government-make-up-growing-share-of-special-immigrant-visa-recipients/>

⁶ Ibid.

More Afghans than Iraqis entered U.S. under special immigrant visas since 2013

Number of Afghan and Iraqi citizens entering the U.S. under special immigrant visa programs, by fiscal year (in thousands)



Note: Totals include principal applicants and dependents. Principal applicants eligible for special immigrant visas worked for the U.S. government in Iraq and Afghanistan. Fiscal years begin Oct. 1. Dependents who are citizens of countries other than Iraq and Afghanistan are not included.

Source: U.S State Department Bureau of Consular Affairs, accessed Oct. 25, 2017.

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“More than two-thirds of special immigrant visas have gone to Afghans (48,601) since fiscal 2007 – the first year visas were awarded under the programs – while Iraqis have received 21,961 such visas. Totals include visas issued to the principal applicants who worked for the U.S. government, as well as their spouses and unmarried children younger than 21. ...”

“A primary benefit of the programs is lawful permanent residence, which allows a person to live and work in the U.S. and offers a path to citizenship. ...”

“In 2009, Congress authorized special immigrant visas for Afghan citizens under what today is the largest of the three programs. Since fiscal 2016, 7,000 visas have been made available, reflecting the [continued U.S. military presence in Afghanistan](#). Under current rules, those eligible to apply must have worked on behalf of the U.S. government for at least two years in Afghanistan at some point since Oct. 7, 2001. Applications must be filed before December 2020, and the program will end when all allocated visas are taken. ...”

“Recipients of these special immigrant visas can receive refugee resettlement benefits from the U.S. government, which include 30 to 120 days of financial assistance. About 85% of those who have entered the U.S. under the special immigrant visa programs (from Oct. 1, 2007, to Sept 30, 2017) have received refugee assistance and resettled in states across the country. Top resettlement states during this time include California (17,416), Texas (10,598), and Virginia (7,249).”⁷

Throughout our trip, we kept hearing about a “brain-drain” of Afghans that are educated, intellectual, entrepreneurs, or businessmen – anyone who knew how to work the system – being able to work for the United States and eventually obtain an SIV.

Various State Department employees discussed the automatic incentive for coming to work at the Embassy or a U.S. mission. Those doing so knew that in a year or two, they could start their process to immigrate to the United States.

While I agree that some individuals might have been targeted for working with the United States, I also strongly believe that many took advantage of this system and have resettled in America.

Over 50,000 individuals have resettled in the United States. This number does not include many more Afghans who have resettled in Europe and other safer nations.

President Ghani has not been supportive of Afghans who have felt compelled to leave Afghanistan. Instead, he has called for his citizens to focus on and rebuild their own nation.

According to the BBC, “Afghanistan's President Ashraf Ghani has taken a tough stance on the tens of thousands of his citizens who are fleeing the country to make the dangerous journey to Europe.”⁸

They reported the following: “‘I have no sympathy,’ he told the BBC's Yalda Hakim, while calling on his countrymen to remain in the war-ravaged nation and join in the effort to rebuild it.”⁹

KEY TAKEAWAYS

CUT AID

The United States needs to lessen our aid dramatically to Afghanistan. So much of our aid is lost to waste, fraud, abuse, and corruption. Some estimate that as much as 50% of our money is misspent, mismanaged, or disappears entirely. According to recent testimony before the Senate

⁷ Ibid.

⁸ British Broadcasting Corporation. “President Ghani: ‘No sympathy for Afghan migrants.’” BBC.com. March 2016. <https://www.bbc.com/news/av/world-asia-35932120/president-ghani-no-sympathy-for-afghan-migrants>

⁹ Ibid.

Foreign Relations Committee, the United States' involvement in Afghanistan will cost taxpayers a whopping \$45 billion in 2018.¹⁰

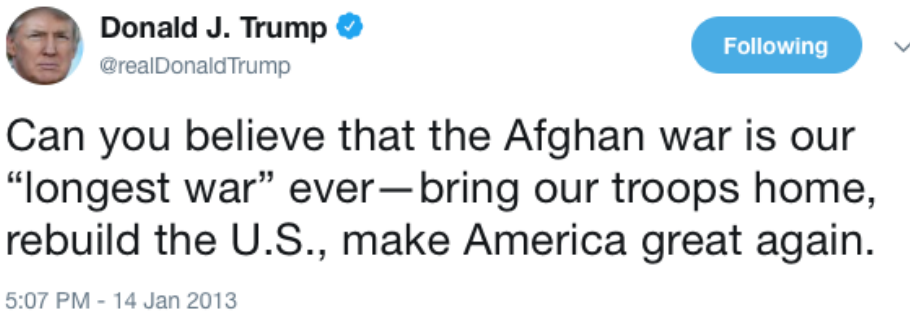
IMPLEMENT ACCOUNTABILITY

Much more accountability is needed to root out corruption. There is virtually no oversight on countless projects, and there is very little accountability. Money is stolen, wasted, and abused, and almost no one is held accountable.

END THE SPECIAL IMMIGRANT VISAS

Afghanistan will never be able to succeed if the smartest individuals are all leaving for the United States and Europe. Over 50,000 individuals have been resettled in the United States in the last ten years.

I agree with President Donald J. Trump, who said in 2013:¹¹



Thank you again for this opportunity to testify, and I look forward to answering any questions you may have.

¹⁰ Mitchell, Ellen. "Pentagon: War in Afghanistan will cost \$45 billion in 2018." TheHill.com. February 2018. <http://thehill.com/policy/defense/372641-pentagon-war-in-afghanistan-will-cost-45-billion-in-2018>

¹¹ <https://twitter.com/realdonaldtrump/status/290943315791204352?lang=en>