



SIGAR

Hearing

Before the Committee on Oversight and
Accountability

U.S. House of Representatives

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Chairman Comer, Ranking Member Raskin, and Members of the Committee,

Thank you for the opportunity to testify before you today. This is the 27th time I have presented testimony to Congress since I was appointed as Special Inspector General nearly 11 years ago, and the 12th time before this committee. In fact, the very first committee I testified before following my appointment was this one, in the fall of 2012 to report to you on my impressions from my first visit to Afghanistan.

At the outset, let me express my deep gratitude for the strong, bipartisan support SIGAR has consistently received from you and this committee which I look forward to continuing for the remaining time SIGAR is in existence.

I've been asked to testify today to discuss the findings of SIGAR's reports looking at the factors that led to the collapse of the Afghan government and security forces and ultimately, the withdrawal of U.S. and coalition troops in August 2021. Those reports were requested by the bipartisan leadership of this committee on September 10, 2021, just days after the last U.S. military personnel were airlifted out of Afghanistan. But before I discuss those five reports, which provide much-needed context for the subject of today's hearing, I feel I must alert you to the current situation in Afghanistan and some significant challenges to our work to protect U.S. taxpayer dollars from benefiting the Taliban and other terrorist organizations.

As most of you know, Congress created SIGAR in 2008, six years after the start of our military involvement in Afghanistan, because of growing concerns about gaps in overseeing a massive multi-agency government effort. Realizing that a whole-of-government effort requires whole-of-government oversight, Congress gave SIGAR broad authority to oversee all funds spent on Afghanistan, regardless of which agency spent them.

Agencies' Refusal to Cooperate Hinders Oversight of Ongoing Spending

It may come as a surprise to many of your constituents of the amount of assistance the U.S. government is now providing in Afghanistan and that this assistance is little changed from before the withdrawal. In the health sector alone, the United States continues to support hospitals and clinics and provide training and salaries for health care professionals. But as we note in the 2023 High Risk List report we are releasing today before this Committee, while aid continues, unfortunately so do many of the problems that SIGAR has identified over the past decade, including problems that led to the collapse of the Afghan government and security forces. These problems are compounded by the persistent refusal of the Department of State and, to a lesser extent, USAID to fully comply with their legal obligation to provide requested information to SIGAR.

Despite this lack of cooperation, SIGAR continues to carry out its mission. Today, as I mentioned, SIGAR is releasing its 2023 High-Risk List to Congress, outlining five serious risks to the more than \$8 billion the United States has provided or otherwise made available to the Afghan people since the U.S. withdrawal. This includes U.S.-authorized transfers of \$3.5 billion from the Afghan central bank reserves to a new international fund created with the hope of stabilizing Afghanistan's economy and, once certain conditions are met, recapitalizing their

central bank. Another \$2 billion has been appropriated for humanitarian and development efforts—60 percent of which is food aid,¹ with the rest going to other types of humanitarian aid and programs focusing on healthcare, agriculture, livelihoods, civil society, and human rights. These efforts are not being operated on the ground by U.S. government employees but rather, implemented through various NGOs and international organizations such as the UN, UNICEF and the World Food Programme. Lastly, DOD has obligated nearly \$2.8 billion to transport, house, and feed Afghan allies evacuated from Afghanistan.

Since the Taliban takeover, the U.S. government has sought to continue supporting the Afghan people without providing benefits for the Taliban regime. However, it is clear from our work that the Taliban is using various methods to divert U.S. aid dollars.

The Taliban generate income from U.S. aid by imposing customs charges on shipments coming into the country and charging taxes and fees directly on NGOs. The latter was something the Ghani administration also did—but the Taliban has gone a step further by imposing fees on vendors doing business with NGOs, such as commercial landlords, suppliers, and cell-phone companies. These vendors then pass those costs along to the NGOs. As we note in our report, according to UN Undersecretary for Humanitarian Affairs Martin Griffiths, the consequences for failing to pay can be dire: NGOs risk having their bank accounts frozen, and their offices closed.²

Another Taliban strategy we identify is simply diverting funds away from groups the Taliban considers hostile and toward groups they favor—for instance, by redirecting international educational and humanitarian funding away from the ethnic minority known as Hazaras.³ Sometimes the Taliban forces NGOs to do business with it: in April 2022 in northern Afghanistan, the UN reported that the Taliban permitted NGOs to rent vehicles only from them.⁴

A more sweeping form of interference came in the form of the Taliban's December 2022 ban on women working for NGOs. Because of the rigid gender segregation, the Taliban has imposed, only women aid workers are allowed to serve women aid recipients, who constitute 70 percent of all USAID's beneficiaries. The Taliban has allowed some exceptions, notably in the health sector. However, earlier this month, it issued a ban on Afghan women working for the UN. The UN called the ban "a violation of the inalienable fundamental human rights of women," and has paused operations in Afghanistan until May 5 while it reviews the situation.

When SIGAR asked State how much revenue the Taliban is collecting from the UN, NGOs or other groups delivering international aid, shockingly, State's response was that it didn't know.⁵

¹ Lead Inspector General, Operation Enduring Sentinel: Report to the U.S. Congress, October 1, 2022 – December 31, 2022, p. 20.

² UN, Under Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator, Martin Griffiths Statement for the Security Council Briefing on the Humanitarian Situation in Afghanistan, 12/20/2022; SIGAR, Quarterly Report to the United States Congress, 1/30/2022, p. 9.

³ GWU Program on Extremism, "The Risks Facing Hazaras in Taliban-Ruled Afghanistan," 3/7/2022.

⁴ UNOCHA, Afghanistan: Humanitarian Access Severity Overview, April 2022, electronic p. 7.

⁵ State, response to SIGAR data call, 12/13/2022.

Similarly, the UN does not provide State or SIGAR detailed accounts of its expenditures, nor that of its partners. We believe this lack of information makes it impossible to make informed decisions about program effectiveness.⁶ Meanwhile, Taliban restrictions on civil society organizations and the media reduced the availability of critical data USAID’s monitoring approach relies upon. SIGAR is exploring ways around this problem, which I will describe in a moment.

In sum, due to the refusal of State and USAID to fully cooperate with SIGAR, I cannot report to this Committee or the American people on the extent to which our government may be funding the Taliban and other nefarious groups with U.S. taxpayer dollars. We simply do not know since the Department of State, USAID, the UN and other agencies are refusing to give us basic information that we or any other oversight body would need to ensure safe stewardship of tax dollars. More troubling, State and USAID have instructed their employees not to talk to SIGAR, and in one recent instance, State told one of its contractors not to participate in a SIGAR audit. I note in passing that DOD’s refusal to respond to SIGAR’s inquiries in 2022 caused months of delay in responding to this committee’s requests.

Unless this changes, we will face another summer of delays and noncooperation. On March 13, 2023, the House Committee on Foreign Affairs asked SIGAR to examine 14 specific areas of U.S. assistance to the Afghan people—among them, whether U.S. funds benefit the Taliban. This will of course require the full cooperation of State, USAID the UN and all of their implementing partners and subcontractors.

SIGAR’s Ongoing Work

Despite this lack of cooperation, our work continues. In addition to responding to specific requests from Congress, we also have several major ongoing projects:

The “Follow the Money” Capital Flight Project

Our Investigations Directorate’s current work focuses on the removal of assets and capital out of Afghanistan by senior government officials and the politically connected a year and a half before the collapse of the government. Our work, undertaken in coordination with the Department of the Treasury and the Financial Crimes Enforcement Network (FINCEN), dovetails with the White House’s Strategy on Countering Corruption, which emphasizes corruption’s transnational dimensions and aims to “reduce the ability of corrupt actors to use the U.S and international financial systems to hide assets and launder the proceeds of corrupt acts.”

Firstly, SIGAR is asking U.S. agencies to identify where they sent on-budget funds, so that we can identify the exact financial institutions and accounts funded for the 18-month period preceding the Afghan government’s collapse. The second initiative involves working with financial agencies and law enforcement partners to identify outflows from Afghanistan, estimated to include hundreds of thousands of individual wire transfer records during the same period. SIGAR will then measure the recipient account information obtained in the first

⁶ SIGAR, Quarterly Report, 01/30/2023, p. 80.

initiative, as well as additional accounts known to be operated by the former Afghan government, against the amount of money represented by the wire transactions. This is time-consuming work, but we hope it will enable SIGAR to identify former Afghan government officials, politically connected individuals, and others involved in suspicious transactions, and identify high value real estate purchased by such individuals in the United States or abroad for potential connection to flight of capital and potential seizure. This data may also indicate Afghan financial institutions and other entities which may have been involved in the diversion of funds.

In another initiative, SIGAR is working with a contractor to obtain open-source intelligence from countries such as the United Arab Emirates and Turkey which was previously unavailable to us. That information will be compared to the wire transfer data obtained above to identify individuals, entities, and shell corporations used by former Afghan government officials or politically connected individuals which may have benefited from the theft of funds or flight of capital from Afghanistan.

As a result of extensive investigation and working with other law enforcement agencies, SIGAR has nominated a prominent Afghan former official for sanctions under the Global Magnitsky Human Rights Accountability Act. The subject has an extensive history of involvement in government contract fraud and has a suspected business relationship with a sanctioned high-level Russian official.

In addition, SIGAR's criminal investigators have collaborated with U.S. law enforcement agencies and other U.S. entities to investigate Special Immigrant Visa (SIV) fraud. Investigators continue to identify U.S. citizens (military and civilian) who were assigned to Afghanistan and who have authored fraudulent letters of recommendation for non-qualified Afghan nationals in exchange for money, circumventing U.S. government vetting protocols. To date, these efforts have resulted in two guilty pleas and an additional indictment.

SIGAR's Investigations Directorate also continues its regular work, which since August 15, 2021, has resulted in 8 guilty pleas or convictions, 10 sentences, and \$23,583,536 in criminal fines, restitutions, forfeitures, or savings to the U.S. government.

New and significant allegations of theft of funds by former high-ranking Afghan officials

SIGAR has recently obtained a substantial number of new documents from a confidential source containing detailed allegations relating to funds that were transferred out of Afghanistan before the collapse of the government. This investigation is in its preliminary stages, but the documents indicate that tens of millions of dollars in cash and gold bullion may have been illicitly spirited out of the country through Tajikistan, Uzbekistan, and other neighboring countries. There are allegations that these transfers were orchestrated by or on behalf of influential people, including then-current or former members of the Afghan government. We will apprise the committee of the results of our investigation as soon as we are able.

The Afghan Fund

When the Afghan government collapsed, U.S. financial institutions held approximately \$7 billion in reserves from Afghanistan's central bank (Da Afghanistan Bank, or DAB), most of which were on deposit with the Federal Reserve Bank of New York.⁷ On February 11, 2022, President Biden issued an executive order declaring that economic and humanitarian crisis in Afghanistan that followed the Taliban takeover constituted a threat to U.S. national security, and that the preservation of DAB assets held in the United States was critical to addressing this emergency. It ordered the freezing of all such assets, with the aim of eventually proving a path for that money to reach the Afghan people while keeping it out of the hands of the Taliban or other malicious actors.⁸ In a joint statement issued on September 14, 2022, the U.S. Departments of Treasury and State announced the establishment of what is now known as the Afghan Fund in Geneva, Switzerland as a repository for those Afghan reserves, with the aim of using the money to help stabilize the Afghan economy.⁹ Shortly after, \$3.5 billion of the DAB reserves were transferred to the Afghan Fund. The remaining \$3.5 billion remains tied up in ongoing litigation in the United States.

In response to a March 13, 2023, request from the House Foreign Affairs Committee, SIGAR is looking into the operations, policies, and expenditures of the Fund to determine whether there are adequate safeguards to protect Fund disbursements from being diverted to the Taliban or otherwise lost to waste, fraud, and abuse. SIGAR was also asked to investigate the vetting of all appointments to the management and operation of the Afghan Fund and its board, as well as the vetting of all contracts for the Fund. Since the Fund is still in its infancy, it is too soon to reach any conclusions, but our research on this subject continues.

In the same request, the House Foreign Affairs Committee asked SIGAR to examine the use of U.S. funds to benefit the Taliban, the conversion of U.S. currency for use in Afghanistan, and oversight of international organization receiving U.S. funds in Afghanistan.

SIGAR's Work for the House Oversight and Accountability Committee Following the Withdrawal

As I noted earlier, on September 10, 2021, the bipartisan leadership of this committee and its national security subcommittee directed SIGAR to report on matters related to the circumstances surrounding the U.S. withdrawal. SIGAR issued five reports to the committee in response: (1) a report on the status of U.S. funds going to Afghanistan before and after the withdrawal; (2) a report on Taliban access to funds and equipment left behind by the United

⁷ SIGAR, *Quarterly Report to the United States Congress*, SIGAR-2022-QR-4, October 30, 2022, p. 112.

⁸ President Joseph R. Biden, "Executive Order on Protecting Certain Property of Da Afghanistan Bank for the Benefit of the People of Afghanistan," The White House, February 11, 2022; The White House, "Fact Sheet: Executive Order to Preserve Certain Afghanistan Central Bank Assets for the People of Afghanistan," February 11, 2022

⁹ Treasury, "Joint Statement by U.S. Treasury and State Department: The United States and Partners Announce Establishment of Fund for the People of Afghanistan," press release, September 14, 2022.

States following the withdrawal; (3) the risks to the Afghan people posed by the Taliban's return to power; (4) an evaluation of why the Afghan government collapsed; and (5) an evaluation of why the Afghan security forces failed.

All five reports have been extensively briefed to your staff and are available on SIGAR's website at www.sigar.mil. Given this hearing's focus, I will focus the remainder of my remarks on the evaluations of why the Afghan government and Afghan security forces collapsed despite 20 years of substantial U.S. and international assistance and support.

Conditions That Aided Taliban's Return to Power Were Decades in the Making

Many of the underlying problems that contributed to the Afghan government's ultimate demise had been present for years, and long predated the administrations of both President Trump and President Biden. To sum up what we have described in numerous SIGAR reports:

- The strategy to achieve U.S. objectives in Afghanistan kept changing.
- The U.S. government consistently underestimated the time required to rebuild Afghanistan and created unrealistic timelines that prioritized spending quickly. The resulting influx of money increased corruption and reduced the effectiveness of programs.
- Many of the institutions and infrastructure projects the United States built were not sustainable.
- Civilian and military personnel policies and practices were counterproductive, thwarting the overall effort.
- Persistent insecurity severely undermined efforts.
- The U.S. government did not understand the Afghan context and failed to tailor its efforts accordingly.
- U.S. agencies rarely conducted sufficient monitoring and evaluation to understand the impact of their efforts.
- The Afghan government's high Level of centralization and endemic corruption undermined its legitimacy.

These factors, some of which dated to the very beginning of the U.S. reconstruction effort – and none of which were overcome despite ample warning by SIGAR and others -- created the conditions by which more recent precipitating factors acted as accelerants that ultimately led to the collapse of Afghanistan's civilian government and its military forces. But make no mistake, the tragic events of August 2021 have their roots in decisions that were made by policymakers, diplomats, aid officials, and military leaders decades earlier.

Factors Leading to the Collapse of the Afghan Government and Security Forces

Nevertheless, the collapse of the Afghan government still, to the surprise of many, took less than 4 months. SIGAR identified five shorter-term factors contributing to the Republic's dissolution.

Factor 1: The Afghan Government Did Not Believe the United States Would Actually Leave

A history of U.S. vacillation on the issue of withdrawal led Afghan government officials to believe that the United States was not serious about leaving. Despite many official pronouncements throughout the Bush, Obama, and Trump administrations about the U.S. desire to exit Afghanistan, contradictory messaging by U.S. officials failed to convey the seriousness of U.S. intentions. That led Afghan officials to believe that alternative scenarios were possible. Several analysts interviewed by SIGAR expressed a view that was best captured by Antonio Giustozzi, senior research fellow at the Royal United Services Institute, who said that middle-class Afghans and elites alike believed "America had sunk so much into Afghanistan, they would never leave."

Inconsistent U.S. policy statements amplified the confusion. In February 2020, the Trump administration signed an agreement with the Taliban, without the Afghan government's participation. The "Doha Agreement," as it became known, stipulated, "The United States is committed to withdraw from Afghanistan all military forces of the United States, its allies, and coalition partners, including all non-diplomatic civilian personnel, private security contractors, trainers, advisors, and supporting services personnel." At the same time, the United States issued a joint declaration with the Afghan government that reaffirmed U.S. support for Afghan security forces and for continued military cooperation against international terrorist groups. Both the language of the U.S.-Taliban agreement and statements by senior U.S. officials left open the possibility that the United States would not leave Afghanistan until all the agreement's conditions were met.

Then came President Biden's announcement on April 14, 2021, that it was "time to end America's longest war," and that his administration would continue his predecessor's withdrawal policy. Despite this seemingly straightforward statement of intention, it is unclear whether the Afghan government, and particularly President Ghani, fully grasped its meaning.

The result was that the Afghan government was fundamentally unprepared to manage the fight against the Taliban as the United States military and its contractors withdrew. "The [Afghan] government seems to have been caught in a surreal bubble," the Afghanistan Analysts Network reported on the day of the collapse. "While the Taliban were advancing, senior government officials were still releasing statements about donor-driven ceremonies and meetings."

Factor 2: The Afghan Government Was Undermined by Its Exclusion from U.S.-Taliban Talks

Before the Afghan government's collapse in August 2021, diplomatic efforts had failed to reach an intra-Afghan political settlement. Despite the surprising success of the Eid ceasefire in June 2018, talks between the Afghan government and the Taliban had stalled by the end of 2018. In December 2018, Reuters reported that a member of the Taliban's leadership council had rejected an Afghan government proposal for talks in Saudi Arabia in January 2019. The unnamed Taliban official said they would meet with U.S. officials, but not with the Afghan government.

By engaging in talks with the Taliban, the United States hoped it could set the stage for an intra-Afghan peace process and possibly an Afghan political settlement. In fact, the opposite happened: the U.S. decision to engage with the Taliban only served to bolster the Taliban's argument that the Afghan government were U.S. puppets, and that they only needed to talk to the United States.

The Taliban emerged from the talks reinvigorated, while the Afghan government was weakened by its exclusion and the perception that the United States was withdrawing its support. The agreement likely led Taliban leaders to seek a resolution with the Afghan government on the battlefield rather than through peace talks. In March 2020, following the signing of the agreement, the Taliban began to steadily increase the pace of its attacks against the ANDSF, prompting U.S. officials to complain that the Taliban was not upholding its commitment to reduce violence. Nevertheless, the U.S.-Taliban agreement held.

The sense that the United States had sold out the Afghan government caused some Afghan leaders to abandon their support for the ANDSF. Some even acted as mediators between Taliban and ANDSF commanders seeking an agreement to avoid more fighting. Former Afghan corps commander General Sami Sadat told SIGAR that the agreement's psychological impact was so great that the average Afghan soldier switched to survival mode and became open to accepting Taliban offers of amnesty in exchange for surrender. As Lisa Curtis, a senior director for South and Central Asia on the National Security Council from 2017 to 2021, told SIGAR, "The Doha agreement ... did not demand enough of the Taliban, undermined the confidence of the Afghan government," and "undermined the morale of the Afghan security forces."

Factor 3: The Afghan Government Insisted that the Taliban be Integrated into the Republic, Making Progress on Peace Negotiations Difficult

When intra-Afghan talks started in September 2020, security conditions were poor, and the Afghan government's credibility was low. At the same time, political instability had increased after the September 2019 presidential election, which was marred by allegations of fraud. Despite its weak negotiating position and the high levels of Taliban violence that demonstrated

the insurgency's strength, the Afghan government continued to imagine a political order in which the Taliban were to be integrated under the umbrella of the Republic.

In fact, the government by then had very little negotiating leverage. Observers described President Ghani and his team as out of touch with reality and uninformed about the security situation around the country. Former national security advisor Hamdullah Mohib blamed President Ghani's trusted advisors and security officials for "giving rosy assessments to the President," which were "hard to reject because [they] came with such confidence."

President Ghani's inflexibility frustrated the Afghan government's negotiating team. A senior member of the Afghan negotiating team, Fatima Gailani, told SIGAR that President Ghani was convinced that President Biden would win the 2020 election, and would start negotiations over again from scratch. Accordingly, he refused to relinquish power until the last possible moment. Some Afghan negotiators believed that if President Ghani had stayed in Kabul and had agreed to step down, some elements of the Republic would have endured. There was a possibility that with U.S. mediation, some form of a transition government in which both the Afghan government and the Taliban participated could have been formed and some elements of the constitution would have been preserved. However, President Ghani fled the country on August 15.

Factor 4: The Taliban Were Unwilling to Compromise

The U.S. promise to withdraw its military forces and the Taliban's subsequent successes on the battlefield made the Taliban unwilling to negotiate or compromise. Moreover, the U.S.-Taliban agreement and the subsequent April withdrawal announcement gave the Taliban its core demand: the complete withdrawal of U.S. and coalition troops, as well as contractors. From that point onward, the insurgency increasingly focused on defeating the Afghan government on the battlefield. By April 2021, a U.S. intelligence community assessment concluded that "the Taliban is confident it can achieve military victory." Over the next 2 months, the Taliban's offensive accelerated as the insurgency rapidly gained control of half of Afghanistan's 419 districts. On August 15, 2021, Kabul fell.

Factor 5: President Ghani Governed through a Small Circle of Loyalists, Destabilizing the Government at a Critical Juncture

Under President Ghani, only a handful of advisors wielded any real power, according to former officials. The extent to which President Ghani's isolation and tendency toward micromanagement caused the collapse of his government is difficult to discern in a complex political environment. However, it appears to have played a role in undermining support for the administration among slighted powerbrokers and constituencies and in limiting the president's knowledge of critical information.

The president's political and social isolation appears to have been a function of both his personality and his desire to centralize and micromanage. President Ghani made decisions without a diversity of contrasting perspectives or contextual information, which undermined the effectiveness of the government institutions that he led. The net effect was a leader who was largely ignorant of the reality confronting the country he led. Former deputy foreign minister Hekmat Karzai told SIGAR that the president would "hold urban planning meetings while we had districts falling. I mean, the guy had completely wrong priorities on so many different levels."

In addition, early U.S. support for warlords helped to empower a class of strongmen at the local and national levels whose anti-Taliban sentiments by no means translated into support for democratic ideals. Some of these strongmen had been deposed by the Taliban in the 1990s to widespread applause. By the 2000s, the reconstituted Taliban had a simple rallying message that the government could not claim: They were fighting foreign occupiers, they were less corrupt than the government, and their legitimacy was grounded in Islam. As former Combined Security Transition Command–Afghanistan commander Lt. Gen. Dan Bolger put it, the Taliban were able to leverage the narrative that "Hamid Karzai and his clique in Kabul were damaged goods, forever stained by their reliance on the infidels."

That reliance was substantial. Donor grants totaling at least \$8.6 billion per year, covering both security and civilian assistance, financed more than half of the Afghan government's budget. When off-budget assistance was counted along with on-budget aid, foreign aid constituted nearly 80 percent of Afghanistan's \$11 billion in total public expenditures.

Factors Leading to the Collapse of the ANDSF

Although SIGAR's work looked at the collapses of the government and the security forces separately, they are inextricably linked. The decision by two U.S. presidents to withdraw U.S. military forces from Afghanistan fundamentally altered every subsequent decision by U.S. government agencies, the Ghani administration, and the Taliban. Actions taken by each ultimately combined to accelerate the collapse of the ANDSF in August 2021. Six short-term factors played a crucial role:

Factor 1: The U.S.-Taliban Agreement and Subsequent Withdrawal of U.S. Troops and Contractors Degraded ANDSF Morale

The ANDSF had long relied on the U.S. military's presence to protect against large-scale ANDSF losses, and Afghan troops saw the United States as a means of holding their government accountable for paying their salaries. The U.S.-Taliban agreement signed under the Trump

administration in 2020 made it clear that this was no longer the case, resulting in a sense of abandonment within the ANDSF and the Afghan population.

As part of the agreement, the U.S. agreed to a lopsided prisoner exchange—5,000 militants in return for only 1,000 Taliban-held Afghan government prisoners. Touted as a trust-building exercise ahead of intra-Afghan talks, the prisoner release had the practical effect of adding to the Taliban’s combat power: Most prisoners ignored their signed pledges not to rejoin the fight against government forces and returned to the battlefield.

The U.S.-Taliban agreement also introduced tremendous uncertainty into the U.S.-Afghan relationship. Many of its provisions were contained in secret written and verbal agreements between U.S. and Taliban envoys, which the Trump administration classified. Afghan officials, largely removed from the negotiations, struggled to understand what the United States had agreed to with the Taliban. In addition to the secret provisions in the classified portions of the agreement, the Taliban had also made verbal agreements, which U.S. officials documented, including a commitment not to attack major Afghan cities or diplomatic facilities. However, according to Afghan government officials, the U.S. military never clearly communicated the specifics of its policy changes to the Ghani administration or to ANDSF leadership.

Confusion about the agreement among the ANDSF fostered mistrust against the U.S. and Afghan governments. The Taliban exploited the secrecy surrounding the Doha agreement and the diminished U.S. support to the ANDSF by spreading disinformation about a purported secret arrangement with the United States. Security analyst Jon Schroden told SIGAR that the misinformation appeared more damaging than what was actually in the agreement. For ANDSF forces already physically isolated, facing supply shortages, and weathering aggressive Taliban propaganda efforts, paranoia around the U.S.-Taliban agreement fed distrust and conspiracy theories.

Several former Afghan and senior U.S. officials told SIGAR that the Biden administration’s withdrawal process was abrupt and uncoordinated—in particular, the withdrawal of contractor support for the ANDSF. This latter was an entirely foreseeable danger. In 2021, SIGAR published a High-Risk List that warned that the withdrawal of contractors from Afghanistan “may leave the AAF and [its Special Mission Wing] without vital support.” At the time of that report, there were over 18,000 Defense Department contractors in Afghanistan, including 6,000 American citizens and 7,000 third-country nationals. The Afghan security forces relied heavily on these contractors to maintain their equipment, manage supply chains, and train their military and police to operate the advanced equipment that has been purchased for them. In the end, the abrupt withdrawal of contractors was a significant contributor to the ANDSF’s collapse. The lack of contractors to maintain AAF aircraft meant the ANDSF did not have the logistical capability of moving stockpiles of U.S.-provided weapons and supplies by ground quickly enough to meet operational demands, it had to rely on its thinly stretched air force to do so. As a result, ANDSF

units complained that they lacked enough ammunition, food, water, and ammunition. Lisa Curtis, the National Security Council's senior director for south and central Asia during the Trump administration, likened the U.S. withdrawal to "yanking the rug out from under the Afghans."

Although the withdrawal of U.S. troops and contractors cemented the crisis of morale, other chronic problems eroded the ANDSF's determination to fight to the end. These included low salaries, poor logistics that led to food, water, and ammunition shortages, corrupt commanders who colluded with contractors to skim off food and fuel contracts, and a lack of ANDSF trust in the central government. For some ANDSF personnel, military service had always represented just a paycheck, not a cause worth losing one's life over. Others were willing to fight bravely to protect their homes and villages, but little more than that.

Factor 2: The U.S. Military Slashed Its Support to the ANDSF Overnight, Leaving the ANDSF without an Important Force Multiplier: U.S. Airstrikes

The Trump administration's 2017 South Asia strategy granted DOD the authority to increase airstrikes against the Taliban. In 2019 alone, the United States conducted 7,423 airstrikes, the most since at least 2009. As a result, senior Afghan officials told SIGAR that the ANDSF was making progress and recapturing territory.

But after the signing of the U.S.-Taliban agreement, the U.S. military changed its level of military support to the ANDSF dramatically. The number of airstrikes fell by 78 percent—only 1,631 in 2020, compared to 7,243 the year before. Almost half of those 1,631 air strikes occurred in the two months before the signing of the Doha agreement. The loss of U.S. close air support allowed the Taliban to mass its forces in the open and to infiltrate and surround major cities across Afghanistan.

Seeking to facilitate intra-Afghan talks, U.S. officials also pressured the Afghan government into tempering its own offensive operations. On March 19, 2020, after concluding that there had been no reduction in Taliban violence, Afghanistan's acting minister of defense ordered the ANDSF to assume an "active defense" posture, which authorized ANDSF forces to attack only if they concluded that the enemy was preparing an attack of its own. The "active defense" posture forced the ANDSF to stop most offensive operations and helped the Taliban maintain the initiative and freedom of movement. A former senior Afghan official told SIGAR that the "active defense" posture was a recipe for confusion.

Factor 3: The ANDSF Never Achieved Self-Sustainment Milestones and Remained Reliant on U.S. Military Support

The ANDSF remained reliant on the U.S. military in part because the United States military designed the ANDSF as a mirror image of itself, as opposed to building around Afghan human capital, capabilities, or what had worked for them in the past. At the national level, at least three types of dependencies affected the ANDSF: resource management, maintenance, and military leadership.

“Resource management” broadly describes the ability of the Afghan government and military personnel to know what food, ammunition, medical supplies, and spare parts they had, where they were, and how to move these materials to wherever needed. Several former Afghan senior officials, including former interior minister Masoud Andarabi and former chief of army staff General Hibatullah Alizai, told SIGAR that they did not know what supplies the ANDSF had available in supply depots, which meant that they did not know what they could distribute to field units. These individuals said that Afghans had minimal access to the U.S.-designed inventory management system (CoreIMS)—and once U.S. contractors were withdrawn in the summer of 2021, Afghan personnel had almost no way to access the inventory data.

The second cross-cutting dependency involved managing contracts, including contracted maintenance of vehicles and aircraft. Although it was intended to create an efficient system, Afghanistan’s national procurement authority turned into a bureaucratic system that delayed resupply, increased costs, and undercut efficiency, former Ministry of Defense (MOD) and ANDSF officials told SIGAR. Whether a commander received the supplies he needed often depended on personal connections to the palace.

The ANDSF had one thing the Taliban lacked: an air force. However, at the time of the U.S.-Taliban agreement, the Afghan Air Force was not projected to be self-sufficient until at least 2030. The United States had established an early pattern of providing the Afghan government with the aircraft that DOD wanted it to have, not the aircraft the Afghans requested or had experience maintaining.

The Afghans were familiar with the Soviet-era Mi-17 helicopter that was a core AAF component at the start of the U.S. engagement in Afghanistan, and they were able to do most of the maintenance on those aircraft. Nonetheless, in 2017 DOD began transitioning the AAF away from Mi-17s, which used Russian-made parts, to the more complex U.S.-made UH-60 Black Hawk helicopter. Maintenance of the Black Hawk helicopters depended almost entirely on non-Afghan contractors, a problem SIGAR noted in a 2019 audit.¹⁰ The results when those contractors left were catastrophic. With the Afghan Air Force stretched to its limits and without

¹⁰ SIGAR, *Afghan Air Force: DOD Met the Initial Date for Fielding UH-60 Helicopters, but the Program Is at Risk of Not Having Enough Trained Pilots or the Capability to Maintain Future UH60s*, SIGAR 19-18-AR, January 2019.

maintainers to repair damaged aircraft, supplies were not reaching ANDSF units, and Afghan soldiers in isolated bases were running out of ammunition or dying for lack of medical evacuation capabilities.

Without air mobility, those isolated bases remained isolated and vulnerable to being cut off and overrun. Those that remained increasingly depended on protection from the most highly trained units within the ANDSF, the Afghan Special Security Forces (ASSF) commandos. This branch of the ANDSF were more capable than conventional ANA or Afghan National Police (ANP) units, but even their capability was closely tied to their relationship with U.S. advisors. That close relationship ended after the Doha agreement. At first, the ASSF commandos rose to the challenge and by July 2020, were conducting almost all their missions independently. However, these missions still relied on the material support of the United States for supply and some logistics.

Furthermore, once separated from the oversight of their U.S. advisors during long-duration missions, the commandos fell under the tactical control of the ANA corps commanders. Corps commanders often used the commandos as little more than skilled infantry, assigning them to reinforce or man checkpoints. The enhanced training and special mission set of commandos was ideal for countering the Taliban's multi-front strategy. However, once the U.S. no longer provided direct air support and enablers, the commandos were under increasing pressure to reinforce other regular ANDSF units, and their unique capabilities went unused.

Corruption was a cross-cutting issue that thwarted efforts at making the ANDSF self-sustaining. In June 2020, DOD determined that pervasive corruption remained a "key vulnerability" in ANDSF combat power and combat readiness. In the final 18 months before the government's collapse, corruption robbed ANDSF personnel of critical supplies on the frontlines, eroded morale, and unit cohesion, and created false impressions of force numbers.

One of the most persistent forms of corruption in the ANDSF was the fabrication of nonexistent personnel on army and police payrolls so that others could pocket their salaries. Former Minister of Finance Khalid Payenda told the Afghanistan Analysts Network that at least 80 percent of the 300,000 ANDSF troops that were on the books were so-called "ghost soldiers"—names of soldiers and police who had deserted, had been killed, or who had never existed at all. Payenda accused lower-level commanders of colluding with officials "all the way to the top" to inflate the number of soldiers and police on the payroll to receive the full allocated funding for salaries and meals. He said these commanders would also collude with contractors, such as those expected to provide foodstuffs, to divide profits from payments for nonexistent personnel. A former deputy national security advisor told SIGAR that it was standard practice over the final three years for corps commanders to submit fake reports on the numbers of army vehicles destroyed, amounts of fuel and ammunition used, and numbers of enemies killed. The removal of U.S. advisors from Afghan units enabled this corruption.

Ghost soldiers had been a well-known problem since SIGAR was established—and yet, as pointed out in SIGAR’s 2021 High Risk List, the U.S. military said at that time the Afghan government was still several years away from being able to take responsibility for a \$50 million payroll system that was supposed to ensure that military and police salaries did not end up in the pockets of corrupt officials. The exact force strength of the ANDSF in the final months of the Afghan government, and the role that ghost soldiers and police played in the collapse, is unclear. It is likely, however, that some of the ANDSF believed to be fighting on the frontlines in the final weeks were nonexistent.

Corruption had been rampant throughout the Afghan government over the past 20 years. Within the ANDSF, reports of corruption varied from widespread nepotism, extortion, and participation in the drug trade, to the theft of U.S. and NATO-supplied fuel and equipment, some of which was sold to insurgents. Politicians or military leaders diverted military budgets to personal use; overpriced or uncompleted contracts drained resources; soldiers in the field received poor quality equipment or none at all; and an estimated \$300 million a year went to paying salaries of ANP personnel whose existence could not be verified.

CSTC-A’s poor oversight created ample opportunities for theft—a problem SIGAR warned DOD about in 2017.¹¹ Police and soldiers reportedly sold fuel, weapons, ammunition, and other supplies for profit, sometimes directly to the Taliban. A 2014 SIGAR audit described how ANDSF records did not adequately track weapons transferred by the U.S. and coalition forces to the Afghan security forces and concluded that many were sold illegally by ANDSF personnel. In 2016, Reuters investigated Afghan soldiers who fired their weapons purely for the sake of being compensated for their ammunition and found that 8 of 10 soldiers in the ANA had sold their ammunition for personal profit, including to the Taliban.

U.S. efforts to mitigate corruption were stymied by a culture of impunity and lack of political will. Lower-level personnel found guilty of corruption or theft often paid a heavier price than more senior officers, who had the resources or political power to evade prosecution. Although some measures to counteract corruption within the ANDSF were implemented in earlier years, and more significant steps were taken starting in 2009, the fundamental problem was that combating corruption required the cooperation and political will of Afghan elites who most benefitted from it. Corruption was the glue that held the Afghan government together—until it didn’t.

¹¹ SIGAR, *Afghan National Security Forces: DOD Needs to Improve Management and Oversight of Uniforms and Equipment*, SIGAR-17-40-AR, April 2017.

Factor 4: Politicization of the ANDSF and Centralization of Security Planning, including President Ghani's Frequent Rotation of Security Leaders, Undermined Battlefield Performance

After taking office in 2014, President Ghani steadily consolidated power into the presidency and into the hands of his closest associates, who came to control decisions about personnel and budgeting at the provincial and even district levels. By 2021, the Afghan government was commonly referred to as the “three-man republic,” consisting of President Ghani, his national security advisor, Hamdullah Mohib, and the head of the administrative office of the president, Fazal Mahmood Fazli. None of the three had any security related experience: President Ghani was a cultural anthropologist and former World Bank economist, Fazli was a physician and diplomat, and Mohib had completed his PhD dissertation in virtual reality entertainment and communications before joining the Afghan government.

Former high-ranking Afghan officials and influential political figures criticized President Ghani's inner circle not only for lacking a security sector background, but for lacking an understanding of Afghanistan in general. President Ghani, Mohib, Fazli, as well as other key advisors, were dual citizens who had spent much of their lives away from Afghanistan. Once they returned to run the government, their lack of familiarity with Afghanistan's social fabric alienated large parts of the country, who saw them as a group of elites—foreigners, even—disconnected from Afghan society.

The “three-man republic” controlled military planning at the expense of Afghanistan's security ministers and ANDSF commanders. Former Afghan officials who spoke with SIGAR singled out Mohib for particular criticism. According to media reports, Mohib took direct control of military operations—identifying military targets, appointing local commanders, ordering troop deployments, and issuing orders that bypassed the normal chain of command. Former ANDSF officials told SIGAR that the central government ignored the realities on the ground. “We were forced to lie to the [ministry of interior] because of their policy. The strategy they were giving us was impossible, so we had to lie to them,” the last police chief of Wardak Province told SIGAR.

President Ghani's dependence on a small, hand-picked circle meant that he received news through a highly selective filter. Other former officials said the fundamental problem was President Ghani's “shoot the messenger” reaction to bad news. By the summer of 2021, amid rapidly deteriorating security, President Ghani had reshuffled or replaced most of his security officials, further politicizing the ANDSF.

The frequent leadership changes undercut the chain of command and coordination between security institutions. It also weakened morale and trust, especially between Kabul and security forces in the field. Former Generals Hibatullah Alizai and Sami Sadat told SIGAR that members

of the young, U.S.-trained generation were marginalized by Kabul—in their opinion, because President Ghani feared a military coup. For their part, the older generation of communist and mujahedeen officers felt they were sidelined, while the younger, inexperienced generation led the country to collapse.

Whatever the reason behind individual leadership changes, the constant hiring and firing of leaders not only placed the wrong people in critical positions, but also gave those in power a reason to prioritize self-interest over national interests.

Factor 5: The Afghan Government Failed to Develop a National Security Plan

For years, DOD officials believed that a national security plan for Afghanistan should include redeploying the ANDSF from thousands of difficult-to-defend, high-casualty checkpoints to more defensible positions that protected key terrain, such as provincial capitals. Afghan leaders who opposed consolidating checkpoints felt the strategy simply handed territory to the Taliban or risked creating the perception that the government was abandoning territory, especially in minority Uzbek and Hazara lands. Masoud Andarabi, a former interior minister, told SIGAR that decisions to reduce checkpoints were often based on political and ethnic, not military, imperatives: For example, a Pashtun president could not abandon Pashtun areas to the Taliban. ANDSF checkpoints were also symbolic of the government's presence in rural Afghanistan. The Afghan government did not want to look weak—if it did, there was a real fear that districts would fall like dominos. The Afghan government resisted U.S. calls to collapse isolated checkpoints until the very end.

President Ghani's failure to build alliances and consensus among different groups and leaders also precluded a unified nationwide defense strategy. His ongoing strategy to centralize power and weaken alternative nodes of power—represented by such regional strongmen as Abdul Rashid Dostum, Atta Muhammad Noor, and Ismail Khan—made political enemies of those who could have helped defend against the insurgency; indeed, these regional actors had put up the strongest resistance to the Taliban in the 1990s. As the Taliban swept across Afghanistan in the summer of 2021, the central government failed to provide adequate support to the “public uprising forces”—locally organized anti-Taliban militias—that were springing up across the country. From the Afghan government's point of view, arming and empowering the country's warlords again risked not only President Ghani's reform agenda, but a return to civil war.

The strongmen read the Afghan government's lack of support as political hardball. In the words of Atta Noor, Vice President Amrullah Saleh “didn't want us to govern or lead the uprising forces” for fear that if they succeeded, the warlords would be called “champions of [the] war in Afghanistan.”

At any rate, the Afghan government did not consider a national security strategy until it was too late. On June 25, 2021, President Ghani met with President Biden in Washington to ask for additional U.S. financial and military aid and, according to officials present during the meeting, insisted on six more months to stabilize the situation. President Ghani finally announced a national security strategy on July 26, 2021. By then, little more than the capital was left in the Afghan government's control.

Factor 6: The Taliban's Military Campaign Effectively Exploited ANDSF Weaknesses

The presence of conventional ANDSF forces, the army corps, and ANP in checkpoints and small outposts scattered throughout the country, intended as a symbol of government control, now left Afghan troops in places that could not be reinforced and resupplied. In the final weeks, many ANDSF units were left to improvise on the ground, often choosing to fight bravely before succumbing to Taliban. As the Taliban became more adept, direct attacks and negotiated surrenders set up a domino effect of one district after another falling into their control.

The Taliban's campaigns demonstrated key elements of its strategy: surrounding district centers, capturing those in the north first, and seizing strategic border crossings. The Taliban's campaign to take the north early on surprised ANDSF forces and took advantage of weaknesses in their positioning. These conditions made resupply, evacuations, and movement all more difficult for the overwhelmed AAF.

As early as 2017, Marine Corps Maj. Gen. Roger B. Turner, then commander of U.S. Marines in Helmand Province, told SIGAR that the ANDSF was having to rely on air-only resupply due to Taliban interference with ground supply routes. As the Taliban gained ground in 2020 and 2021, these conditions became increasingly untenable for the AAF. The surging tempo of Taliban attacks meant more calls for airstrikes, greater need for medical evacuations, and an increasingly urgent need to move personnel and supplies. By June 2021, the swelling demand for AAF support, along with the loss of three-fourths of U.S. contracted aircraft maintainers between April and June 2021, led to significant drops in aircraft readiness rates. By the end of June 2021, all estimated airframes were exceeding scheduled maintenance intervals and all aircrews were flying hours well beyond the recommended levels.

The Taliban's media and psychological warfare campaign, magnified by real-time reporting, further undermined the Afghan forces' determination to fight. Taliban psychological tactics included repeated direct outreach or dispatching elders to pressure forces and their leaders to surrender. In some cases, the Taliban would even buy out local forces or offer money and other incentives in exchange for surrender. Most provinces fell to the Taliban through deals coordinated with tribal elders, who mediated between the government and the Taliban. There was little or no central coordination, support, or leadership from the Palace. ANDSF units that

did fight back inevitably faced a choice to flee, surrender, negotiate withdrawal, or fight to death. By making this dire situation abundantly clear to government forces—and offering a means of survival—the Taliban quickly secured widespread surrenders.

Conclusion

While Trump administration's decision to sign the Doha agreement and the Biden administration's decision to follow through with the withdrawal were immediate factors precipitating the collapse of the Afghan government and its security forces, those decisions had antecedents that stretched to the beginning of the mission in 2001. For example: the Doha agreement indeed undermined the morale of the ANDSF, but that morale had been made fragile in the first place because of endemic corruption, which U.S. and Afghan officials either ignored or enabled for years.

The United States sought to build stable, democratic, representative, gender-sensitive, and accountable Afghan governance institutions. But as SIGAR has repeatedly reported, it failed.

Both governments share the blame. Afghan government officials often focused on personal gain at the country's expense; it was a country with more takers than leaders. For 20 years, the Afghan government seldom exhibited an ability to prepare for anything of consequence to begin with—not elections, not social services, and not the rule of law.

For its part, the United States lacked a long-term, consistent strategy, as well as the doctrines, policies, and resources needed to create another nation's army almost from scratch. The United States' persistent desire to get out of Afghanistan resulted in the U.S. military working to create the appearance of success by performing the tasks it was supposed to be training the Afghan military to do.

Much about the U.S. relationship with Afghanistan has changed since the dire events of August 2021. But one of the few that hasn't is the need for aggressive and independent oversight of U.S. assistance there. Many of the long-term factors that led to the collapse of the Afghan government and security forces had been identified by SIGAR years ago. While we cannot force agencies to heed our recommendations, we must try – and keep Congress informed as well, in hopes of addressing challenges before they become truly intractable.

While the current situation in Afghanistan is much different that it was just two years ago, the United States continues to provide significant financial assistance in a dangerous, unstable, and often opaque environment. Taxpayer dollars going to Afghanistan now are no less dear than those that were provided at the height of the reconstruction effort. The oversight mission must continue.

And as SIGAR's mission continues, we look forward to working in cooperation with U.S. agencies on that mission to protect taxpayer dollars, because as Michael Horowitz, the Department of Justice Inspector General, previously said, "allowing officials whose agencies are under review to decide what documents an inspector general can have turns the [Inspector General] Act on its head and is fundamentally inconsistent with the independence that is necessary for effective and credible oversight."¹²

Thank you for the opportunity to speak here today and I look forward to answering your questions.

¹² Michael E. Horowitz, "Give inspectors general access to the records they need to do their jobs," *Washington Post*, October 18, 2015.