

Interview: John Sopko, Special Inspector General for Afghanistan Reconstruction

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WASHINGTON — The special inspector general for Afghanistan reconstruction, John Sopko, is known as someone who does not sugar-coat things.

So he's plainly highlighted waste, fraud and abuse in Afghanistan since he was sworn in to the position in 2012.

Most recently he's delved into more-than-questionable projects launched in Afghanistan by the Pentagon's Task Force for Business and Stability Operations, created in 2010 and closed in 2015, to address economic revitalization efforts in the country.

But revitalize the Afghan economy, the TFBSO has not. Sopko uncovered such projects as a \$43 million compressed natural gas station that serves only about 100 taxi drivers. Other efforts include a \$7.5 million program designed to increase sales of hand-knotted carpets and the importation of nine male goats from Italy to spur a cashmere industry that the TFBSO managed to lose.

Jen Judson sat down with Sopko on the heels of his most recent trip to Afghanistan to get the latest on the state of the war-torn country.

You found a lot of fraud, waste and abuse in Afghanistan. Have you seen any efforts to rebuild the economy

that work?

I think sometimes small works better than large, so I'd start with that as a principle.

I've been briefed on numerous very small projects, in particular some women's projects on education and all that, that we haven't audited.

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Other projects that have worked, I think people have taken our recommendations to heart. When US Forces Afghanistan Commander Gen. Joseph Dunford was running the show in Afghanistan ... we raised some concerns about construction in light of the drawdown in troops and when Dunford was commander there he ordered a complete review of all the major construction going on and said do we need this since the troop level is coming down? I think that saved almost half a billion dollars.

I think Combined Security Training Command Afghanistan — under the predecessor Maj. Gen. Todd Semonite, and now under the current one, but definitely under Semonite, his approach at putting conditions on the money we were giving to the Afghans, that's worked. He even admitted to us that prior to 2013, DoD had never put any conditions on the money they gave to the Afghans, so he started putting smart conditions on it.

You recently came back from Afghanistan. As of now, what are some of the problems that the unity government still has to solve?

The security situation is deteriorating there. They recognize it too and they're trying to work to get their soldiers and their police up to fighting speed. ... There are many reasons for that security problem ... training, illiteracy, the fact that you have multiple terrorist groups operating in Afghanistan. ... The other problem, and major problem President Ashraf Ghani is facing, is corruption. It's endemic, it's widespread. You have power sources ... very powerful people, monopolies, oligarchs, who are siphoning money off of not only US contracts but Afghan contracts and Ghani is trying to do something about it.

There's a success story there. One of the things that came out of my meeting with the president is that we worked out an arrangement where he is going to give my people full access to the Kabul bank records to try to track down the money and recover it for the Afghan government and the Afghan people. ... That's a good sign that the new unity government actually is trying to do something about corruption.

The [Kabul bank], it was the largest bank in Afghanistan, the largest fraud in Afghanistan. I think it amounted to almost close to a billion dollars stolen, looted from the bank, all insider trading. It was basically a humongous Ponzi scheme. Money was put in and they used the money to give loans and buy property for the senior officials and their friends and these monopolies and oligarchs that are around it. The prior administration didn't do anything about it. We made it a condition that they do something but they still ignored it. Ghani has opened up a commission to try to recover that money.

Is there a timeline that President Ghani's set for that?

My people are talking to his people right now about getting access and starting it so there's no timeline and there's no guarantee we'll find the money. It should have been done by the prior regime, it wasn't, and it took a while to get this going so we're hoping the best for that recovery but he knows as well as we know the money could have flown the coop.

Are there any other new investigations you'll conduct as a result of this trip?

A couple things. Number one ... we are going to do a major, full-blown audit on the Kajakai Dam and the

construction of that.

The Kajakai Dam is one of the longest running public works projects in the history of the United States. We started working on the Kajakai Dam in 1949-1950. It's to put turbines into it. It's an important project. It's still not done. We've spent hundreds of millions of dollars, contractors have lost their lives, coalition soldiers have lost their lives trying to do it and after a briefing I got from the US Agency for International Development, I felt it's time for us to do a full-blown audit because I did not have a good feeling walking away from the briefing that we're ever going to finish Kajakai Dam and, even when it is finished, what are we really going to accomplish?

The other thing that came out is that, again, based upon briefings I got from USAID, my office is still concerned about a program that was announced by the former administrator of USAID called "Promote" to promote women in Afghanistan. A noble effort, but we're very concerned about how it's being carried out, so we're going to continue monitoring that.

What are the red flags there? What is raising your concern?

The red flags are that it seems to be a very complicated program in Afghanistan. Right now when the security situation is so difficult, why are you announcing a \$200 million, \$300 million program that's going to entail trying to help women out in various districts? It doesn't really seem that it is being built with the interests of the Afghan women in mind and we want to just double check that and make certain they've talked to the Afghan women and found what the Afghan women really need.

We think if we can review it and make suggestions for improvement now, we can save money in the long run because this is a multiyear program and not all that much money has been spent so far.

So the goal going forward is to assess these programs early?

Yes ... and that is a valid complaint of all IGs. By the time we normally get there, the program is over or the money has been wasted. It's just the way the process is. Our audits take six months to a year and you've got to design them, you've got to coordinate them with everybody else and so by the time we show up with our audit team, I like to make an analogy to these detective shows on TV. The body is gone. There's just a chalk outline of where the body was. ... We are trying ... to get in early so you can actually help save the money.

Diving into the TFBSO — the now-defunct DoD Task Force for Business and Stability Operations — you've uncovered countless examples of waste, fraud and poor decision making in an effort to boost the Afghan economy, from a fuel station not compatible to anyone's cars to fancy villas for the task force employees. Is there any effort here that could be saved or fixed?

The money basically has been wasted.

The Government Accountability Office raised some serious concerns about TFBSO and basically I think were ignored by TFBSO. I do not want to see Promote or any other program in Afghanistan turn into a TFBSO. In all likelihood, we'll never recover a dollar that was wasted and in most of the programs that have been implemented, I doubt if any of them are going to be that successful.

We were asked by the Senate Armed Services subcommittee to do a full-blown audit — a program audit as well as a financial audit — which we're doing right now. We are uncovering things as we start to review the records which, if anything, they make things even look worse than what we've found so far

Can you highlight any of those new discoveries?

They spent almost 20 percent of their budget on these villas ... and the security. Again, it may have been a great idea to be able to float around Afghanistan and not be covered by ... military rules but you had to have security

guards and all this other stuff and it cost ... overall \$150 million.

Well, we found out that one of the directors in 2011, basically as he was leaving, ordered them to shut this all down because it wasn't working. ... Well, apparently, they ignored it and they kept doing this. We're trying to figure out who ignored it, why they ignored it and why they didn't do it. That's an example of some of the problems.

We're following up on the goat issue, God bless the goats. ... We found some of them, but that is turning out to be far worse. We've actually talked to a subject matter expert who was hired and basically quit out of disgust because she even told them this was going to take 20 years [to breed enough for a cashmere industry]. ... But TFBSO wanted to do it in two and it was just a total disaster.

How did TFBSO ever become a DoD program?

Somebody thought it was a great idea. But if you are going to give a new mission to an agency, you have to be very careful and give them the appropriate management tools and give the people who can oversee it. It's human nature. If a kid has never driven a car, you don't just give them the keys to the Ferrari and say, "Good luck!" So here, we created a new mission for the Department of Defense, we then said this organization doesn't report to your normal reporting chain ... it reports to the secretary of defense. Now, the secretary of defense, these are brilliant people who have many tasks, but you're assigning an operational unit to report to the SECDEF, and then it was the DEPSECDEF, and then it was the head of policy. Well, I'm certain they are good at policy but not on running specific operational programs, so, in a way, this was a perfect storm.

And then you basically had no management oversight and that's why I think you have situations like this. ... There are a lot of lessons learned. ... This is like giving the Postal Service the mission to run our drones in Afghanistan. You at least want to brief them on it and get them prepared.

There were a lot of people on the Hill, particularly in the House Armed Services Committee, who raised serious questions about this. There actually was an attorney in the General Counsel's Office of the Defense Department who said it was illegal and we're trying to track him down. ... There were alarm bells going off but for some reason there were some strong supporters here who kind of ignored it and now the US taxpayer is out about \$800 million and the Afghans got nothing out of it or very little.

How does US troop presence in Afghanistan help your job?

Our access has decreased as the US military and coalition forces have decreased and that's equally applicable to the DoD IG, State, USAID, everybody at GAO. It's also applicable to the career foreign service officer who can't get around the country, or the AID officer, or the US Corps of Engineers contracting officer...he can't get around. We all are affected by that because the security situation has deteriorated.

So what do you do? We're trying to think outside of the box. We're trying to use some technical means to do this but we're also reaching out to and vetting some Afghan civil society organizations to be our eyes and ears. We've been pretty successful with that and so we're able to get some reports and vet those reports in certain areas so we're slowly testing it and now it looks like we're going to be using a lot of it for some of our inspections.

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