

افغانستان آزاد – آزاد افغانستان

AA-AA

چو کشور نباشد تن من مباد بدین بوم و بر زنده یک تن مباد
همه سر به سر تن به کشتن دهیم از آن به که کشور به دشمن دهیم

www.afgazad.com

afgazad@gmail.com

European Languages

زبانهای اروپایی

<http://www.thedailybeast.com/articles/2013/09/08/afghanistan-s-million-dollar-minister.html>

Afghanistan's Million Dollar Minister

by Ron Moreau, Sami Yousafzai

9/8/2013

A gentlemanly Afghan minister stands accused of depositing \$1 million of development money in his personal bank account. Ron Moreau and Sami Yousafzai report on the alleged corruption.

At first Mahkdoom Raheen seemed refreshingly different from the other ministers and advisers who were chosen by newly-appointed Afghan President Hamid Karzai for his first cabinet in 2002. It was soon after the overthrow of the Taliban, and Raheen was not a powerful warlord with a chilling history of human rights abuses, land-grabbing, and blatant corruption. Nor was he closely connected to any strongman or notorious militia faction during the anti-Soviet war and subsequent civil conflict.



Information and Culture Minister Sayed Makhdoom Raheen (R) cuts the ribbon at the opening of a new non-government television station, Aina TV, in Shirbirghan city in the northern Afghan province of Jawzjan, 18 January 2004

Information and Culture Minister Sayed Makhdoom Raheen (R) cuts the ribbon at the opening of a new non-government television station, Aina TV, in Shirbirghan city in the northern Afghan province of Jawzjan, 18 January 2004. Rather he was urbane, articulate, highly educated, and a supporter of democracy and women's rights. He held a doctorate in Persian literature from Iran, was a senior professor at the University of Kabul, a former head of the CIA-supported Radio Free Afghanistan, and was an expert in Afghanistan's rich cultural past. Indeed, he seemed to be a perfect fit for the portfolio of Minister of Information and Culture. But his tenure didn't quite live up to expectations—and proved to be depressingly familiar. "He ended up becoming a gentleman corrupt minister as opposed to the more rapacious, warlord corrupt ministers," says a former cabinet minister and colleague who declines to be named.

Raheen started off well. In a breakthrough of sorts for Afghanistan's ancient and beleaguered cultural heritage, Raheen signed a Memorandum of Understanding with a wealthy Indian philanthropist and UNESCO Goodwill Ambassador, Madanjeet Singh, in 2003. In the document Singh and UNESCO pledged to donate \$1 million to the culture ministry to upgrade Kabul's dilapidated Cultural Heritage Center and to train Afghans in the important work of preserving what was left of their country's magnificent artifacts and antiquities. Much of it had been looted or destroyed under Taliban rule, such as the breathtaking Buddhist cliff statues at Bamiyan.

But rather than using the money to protect and promote the country's proud cultural identity, Raheen seems to have embezzled all or most of Singh's donation, according to three former, senior Ministry of Culture officials who worked for Raheen. The former ministry officials tell *The Daily Beast* that the ministry allegedly never saw a dime of the funds. In fact, no one in either the finance ministry or in the cultural ministry, apart from Raheen himself, was aware of where the money went at the time, these ministry sources say. They allege that Raheen secretly deposited the money directly into his personal account in Kabul's Bank-E-Millie Afghan in 2003, and not into an account in the name of the South Asia Foundation, Singh's philanthropic organization, as stipulated in the 2003 Memorandum of Understanding. They charge that he began spending the money on himself and not on the projects stipulated in the agreement. "Contrary to the laws of Afghanistan, he transferred the money into his personal account and used the money for his personal fun," says Abdul Wasi Ferozi, the former head of the Cultural Heritage Center, former senior ministry official, and a member of a ministry committee set up to investigate Raheen's alleged corruption.

He calls the allegations about the misappropriation of the \$1 million "stupid."

While Raheen acknowledges depositing the money in his personal account, he vehemently denies misusing the funds, saying the allegations are being made by his former colleagues whom he had sacked and who are seeking revenge. "My former coworkers are unhappy because I have kicked them out of the ministry for their wrongdoings and now they want revenge," Raheen says in an email to *The Daily Beast*. "They want to destroy my good reputation." He added: "A strong sabotage has been going on against me recently by corrupt people."

The former ministry officials say the existence of the personal bank account Raheen allegedly used was only discovered in 2007 after Raheen was forced to leave the ministry, having received a vote of no confidence from the Afghan parliament in 2006 as a result of allegations of corruption, nepotism, mismanagement, and promoting Iranian cultural interests

in Afghanistan. Apparently, rather than sanction or investigate the allegations against Raheen after his ouster from the ministry, Karzai rewarded his close friend by appointing him ambassador to India. “This shows how much patience Karzai has for corruption and corrupt officials around him. The government was and is drowning in corruption,” says the former cabinet minister.

Suspecting there were irregularities with Singh’s \$1 million donation, the ministry organized the investigative committee in 2007 while Raheen was in India in order to look into the whereabouts, and possible misuse, of the funds for the Cultural Heritage Center’s rehabilitation project that was running way behind schedule. During its search, the committee ran across a copy of a two-page bank statement of Raheen’s personal account in the ministry’s files that may have been left behind mistakenly by Raheen and his top aides. The Daily Beast has reviewed a copy of the statement, which covers part of 2004, and shows the activity inside account number 48620/0 in the name of Sayd Makhdoom Rahin. During that time there are numerous withdrawals, some as little as \$500 and others as large as \$60,000 and \$80,000. Ferozi, the investigative committee member, and others allege that Raheen continued to use the account into which he had deposited Singh’s money even after he had been sacked by parliament in 2006. What’s more, he did not inform his successor at the ministry in 2007 of the existence of the account, according to the three senior ministry officials.

In his defense, Raheen says in the email that when he left the ministry he “appointed the cleanest person” to chair Singh’s South Asia Foundation branch in Kabul, and authorized him to use Raheen’s bank account into which Raheen admits that he had “deposited the SAF money.” He says he never received the \$1 million in a lump sum payment, but got it in tranches according to “what we could spend and to what we needed,” he says in the email.

In 2007, the committee asked the Bank-E-Millie Afghan to hand over copies of Raheen’s bank statement for the past four years. The bank declined, citing privacy regulations that it is not authorized to disclose the details of personal accounts, says Ferozi, the former ministry official. But for his part, Raheen didn’t seem to play by any rules regarding the \$1 million. According to Afghan government regulations, no one has the right to deposit public money into a personal account. All aid money earmarked for a ministry is legally bound to be channeled through the Ministry of Finance which then disperses the funds to the ministry and oversees their use. But, according to the three former senior ministry officials, the \$1 million never made it to either the finance ministry or the cultural ministry, but ended up in Raheen’s personal account.

In his email Raheen says he will soon be holding a press conference in Kabul to “explain why I did not or could not [open] a new banking account” to deposit Singh’s money. He calls the allegations about the misappropriation of the \$1 million “stupid.” “Let me tell you not even a penny has been spent in a wrong way and I can prove it easily,” his email adds. “All the money he [Singh] sent was spent in the best way. I have documents for every penny I spent.”

The investigative committee also found that all the funds used to renovate the Cultural Heritage Center and to begin any training programs had come from the ministry’s budget, and not from Singh’s money that had been deposited in Raheen’s personal account, says committee member Ferozi. The committee’s two-page report also found that the restoration work on the center was shoddy and that the materials used were substandard. According to Ferozi, the official contract negotiated between minister Raheen and the principle contractor was for \$152,000 in renovations to be paid in four tranches as the work progressed. Ferozi says the resulting slipshod renovations may have been worth \$100,000, but that Raheen ended up paying \$250,000 out of the ministry’s funds for the work—not out of those

provided by Singh. Ferozi alleges that the contractor was largely paid upfront before the work was completed, raising the specter of kickbacks. The project remains incomplete.

Of course, it is no secret that corruption is rife at the very top and bottom of government and even in the private sector in Afghanistan. Transparency International lists Afghanistan as being the world's third most corrupt nation, ranking just above North Korea and Somalia. The figures are staggering, making Raheen's alleged venality look like small potatoes. "If Raheen, a self-proclaimed academic and intellectual is misusing aid money... imagine what we can expect from those connected with warlords and drug lords in the Karzai administration?" asks Zia Bumia, a former senior culture ministry official.

Indeed, a Pentagon assessment of the allied war effort this year noted that the mission was being jeopardized by the "deeply embedded nature of societal corruption." In a report last December, the United Nations Office on Drugs and Crime found that Afghans paid an estimated \$3.9 billion in bribes to public officials in 2012. In one of the most egregious instances of corruption in the private sector, Kabul Bank loaned more than \$800 million in unsecured loans to twelve people and seven companies connected to them, according to an independent public inquiry late last year. As a result the bank, which seems to have been acting as a personal piggy bank for the country's well-connected elite, was nearly liquidated in 2010 and was only saved by an emergency \$825 million bailout. The inquiry also found that \$5 billion had been transferred abroad illegally, including \$400 million from the Kabul Bank, over the past few years.

Raheen returned to Kabul from New Delhi when Karzai was reelected president for a second time in a disputed election in 2009. To just about everyone's surprise, Karzai once again appointed him Minister of Information and Culture. Sources in the presidential palace tell *The Daily Beast* that this time, though, Karzai was reluctant to bring Raheen back into his cabinet. But according to the sources, the powerful First Vice President, Marshal Mohammed Qasim Fahim, persuaded Karzai to bring Raheen back on board.

Meanwhile Singh, who died this past January, was becoming increasingly disillusioned with Raheen's stewardship of his funds, according to Fazal Minallah Mumtaz, the ministry's cultural consular. In 2009, Mumtaz says Singh buttonholed him at a UNESCO conference in Dubai. "Singh complained to me that he was really uncomfortable with the misuse of his donation by the minister, and that he will not continue his support anymore," says Mumtaz. Yet in 2008 Singh's South Asia Foundation presented Raheen with an award for "his valuable contribution towards the revival of Afghanistan's cultural heritage, empowerment of women, promotion of human rights and regional cooperation in South Asia."

Allegations of malfeasance against Raheen continue to surface. This past May the Afghan Senate's Complaints Commission summoned him to explain charges featured in Afghan media reports that Raheen had a hand in looting and exporting some 59 valuable Afghan cultural artifacts. Raheen says he was cleared of the charge when the director of Kabul's National Museum testified that all of those artifacts are intact and on display in the museum.

Similar but also unproven charges also dogged him during his first tenure at the ministry, say the senior ministry officials. They say Raheen assisted Ahmad Shah Sultani, a wealthy antiquities collector, in establishing the Sultani Museum in Kabul, and add that Sultani has a reputation among several cultural ministry officials for being a major trafficker in Afghan art treasures. Raheen's successor at the culture ministry in 2008 pointedly questioned the veracity of Sultani's story of how he acquired the thousands of pieces in his possession. Indeed, many Afghans suspect that Sultani's museum had served as a clearinghouse for

illegally acquired cultural artifacts to the benefit of both Sultani and Raheen, a charge that both men strongly deny.

To clear his name, Raheen says he has asked Karzai to appoint a fact finding team of investigators to look into any and all allegations against him. He is confident he will be exonerated. “[I have] the best reputation,” he says in his email. “I cannot be turned [into] a thief suddenly.”