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Key Karzai Aide in Corruption Inquiry Is Linked to C.I.A.
August 25, 2010

By
DEXTER FILKINS and
MARK MAZZETTICABUL, Afghanistan — The aide to President Hamid Karzai of Afghanistan at the center of a politically sensitive corruption investigation is being paid by the Central Intelligence Agency, according to Afghan and American officials.

Mohammed Zia Salehi, the chief of administration for the National Security Council, appears to have been on the payroll for many years, according to officials in Kabul and Washington. It is unclear exactly what Mr. Salehi does in exchange for his money, whether providing information to the spy agency, advancing American views inside the presidential palace, or both.

Mr. Salehi's relationship with the C.I.A. underscores deep contradictions at the heart of the Obama administration's policy in Afghanistan, with American officials simultaneously demanding that Mr. Karzai root out the corruption that pervades his government while sometimes subsidizing the very people suspected of perpetrating it.

Mr. Salehi was arrested in July and released after Mr. Karzai intervened. There has been no suggestion that Mr. Salehi's ties to the C.I.A. played a role in his release; rather, officials say, it is the fear that Mr. Salehi knows about corrupt dealings inside the Karzai administration.

The ties underscore doubts about how seriously the Obama administration intends to fight corruption here. The anticorruption drive, though strongly backed by the United States, is still vigorously debated inside the administration. Some argue it should be a centerpiece of American strategy, and others say that attacking corrupt officials who are crucial to the war effort could destabilize the Karzai government.

The Obama administration is also racing to show progress in Afghanistan by December, when the White House will evaluate its mission there. Some administration officials argue that any comprehensive campaign to fight corruption inside Afghanistan is overly ambitious, with less than a year to go before the American military is set to begin withdrawing troops.

"Fighting corruption is the very definition of mission creep," one Obama administration official said.

Others in the administration view public corruption as the single greatest threat to the Afghan government and the American mission; it is the corrupt nature of the Karzai government, these officials say, that drives ordinary Afghans into the arms of the

Taliban. Other prominent Afghans who American officials have said were on the C.I.A.'s payroll include the president's half brother,

Ahmed Wali Karzai, suspected by investigators of playing a role in Afghanistan's booming opium trade. Earlier this year, American officials did not press Mr. Karzai to remove his brother from his post as the chairman of the Kandahar provincial council. Mr. Karzai denies any monetary relationship with the C.I.A. and any links to the drug trade.

Mr. Salehi was arrested by the Afghan police after, investigators say, they wiretapped him soliciting a bribe — in the form of a car for his son — in exchange for impeding an American-backed investigation into a company suspected of shipping billions of dollars out of the country for Afghan officials, drug smugglers and insurgents.

Mr. Salehi was released seven hours later, after telephoning Mr. Karzai from his jail cell to demand help, officials said, and after Mr. Karzai forcefully intervened on his behalf.

The president sent aides to get him and has since threatened to limit the power of the anticorruption unit that carried out the arrest. Mr. Salehi could not be reached for comment on Wednesday. A spokesman for President Karzai did not respond to a list of questions sent to his office, including whether Mr. Karzai knew that Mr. Salehi was a C.I.A. informant.

A spokesman for the C.I.A. declined to comment on any relationship with Mr. Salehi.

"The C.I.A. works hard to advance the full range of U.S. policy objectives in Afghanistan," said Paul Gimigliano, a spokesman for the agency. "Reckless allegations from anonymous sources don't change that reality in the slightest."

An American official said the practice of paying government officials was sensible, even if they turn out to be corrupt or unsavory.

"If we decide as a country that we'll never deal with anyone in Afghanistan who might down the road — and certainly not at our behest — put his hand in the till, we can all come home right now," the American official said. "If you want intelligence in a war zone, you're not going to get it from

Mother Teresa or Mary Poppins."

Last week, Senator

John Kerry, the Massachusetts Democrat, flew to Kabul in part to discuss the Salehi case with Mr. Karzai. In an interview afterward, Mr. Kerry expressed concern about Mr. Salehi's ties to the American government. Mr. Kerry appeared to allude to the C.I.A., though he did not mention it.

"We are going to have to examine that relationship," Mr. Kerry said. "We are going to have to look at that very carefully."

Mr. Kerry said he pressed Mr. Karzai to allow the anticorruption unit pursuing Mr. Salehi and others to move forward unhindered, and said he believed he had secured a commitment from him to do so.

"Corruption matters to us," a senior Obama administration official said. "The fact that Salehi may have been on our payroll does not necessarily change any of the basic issues here."

Mr. Salehi is a political survivor, who, like many Afghans, navigated shifting alliances through 31 years of war. He is a former interpreter for

Abdul Rashid Dostum, the ethnic Uzbek with perhaps the most ruthless reputation among all Afghan warlords.

Mr. Dostum, a Karzai ally, was one of the C.I.A.'s leading allies on the ground in Afghanistan in the weeks after the Sept. 11, 2001, attacks. The agency employed his militia to help rout the Taliban from northern Afghanistan.

Over the course of the nine-year-old war, the C.I.A. has enmeshed itself in the inner workings of Afghanistan's national security establishment. From 2002 until just last year, the C.I.A. paid the entire budget of Afghanistan's spy service, the National Directorate of Security.

Mr. Salehi often acts as a courier of money to other Afghans, according to an Afghan politician who spoke on the condition of anonymity because he feared retaliation.

Among the targets of the continuing Afghan anticorruption investigation is a secret fund of cash from which payments were made to various individuals, officials here said.

Despite Mr. Salehi's status as a low-level functionary, the Afghan politician predicted that Mr. Karzai would never allow his prosecution to go forward, whatever the pressure from the United States. Mr. Salehi knows too much about the inner workings of the palace, he said.

"Karzai will protect him," the politician said, "because by going after him, you are opening the gates."

Mr. Salehi is a confidant of some of the most powerful people in the Afghan government, including Engineer Ibrahim, who until recently was the deputy chief of the Afghan intelligence service. Earlier this year, Mr. Salehi accompanied Mr. Ibrahim to Dubai to meet leaders of the Taliban to explore prospects for peace, according to a prominent Afghan with knowledge of the meeting.

Mr. Salehi was arrested last month in the course of a sprawling investigation into New Ansari, a money transfer firm that relies on couriers and other rudimentary means to move cash in and out of Afghanistan.

New Ansari was founded in the 1990s when the Taliban ruled most of Afghanistan. In the years since 2001, New Ansari grew into one of the most important financial hubs in Afghanistan, transferring billions of dollars in cash for prominent Afghans out of the country, most of it to Dubai.

New Ansari's offices were raided by Afghan agents, with American backing, in January. An American official familiar with the investigation said New Ansari appeared to have been transferring money for wealthy Afghans of every sort, including politicians, insurgents and drug traffickers.

"They were moving money for everybody," the American official said, speaking on condition of anonymity.

The flow of capital out of Afghanistan is so large that it makes up a substantial portion of Afghanistan's gross domestic product. In an interview, a United Arab Emirates customs official said it received about \$1 billion from Afghanistan in 2009. But the American official said the amount might be closer to \$2.5 billion — about a quarter of Afghanistan's gross domestic product.

Much of the New Ansari cash was carried by couriers flying from Kabul and Kandahar, usually to Dubai, where many Afghan officials maintain second homes and live in splendid wealth.

An American official familiar with the investigation said the examination of New Ansari's books was providing rich insights into the culture of Afghan corruption.

"It's a gold mine," the official said.

Following the arrest, Mr. Salehi called Mr. Karzai directly from his cell to demand that he be freed. Mr. Karzai twice sent delegations to the detention center where Mr. Salehi was held. After seven hours, Mr. Salehi was let go.

Afterward, Gen. Nazar Mohammed Nikzad, the head of the Afghan unit investigating Mr. Salehi, was summoned to the Presidential Palace and asked by Mr. Karzai to explain his actions.

"Everything is lawful and by the book," a Western official said of the Afghan anticorruption investigators. "They gather the evidence, they get the warrant signed off — and then the plug gets pulled every time."

This is not the first time that Afghan prosecutors have run into resistance when they have tried to pursue an Afghan official on corruption charges related to New Ansari.

Sediq Chekari, the minister for Hajj and Religious Affairs, was allowed to flee the country as investigators prepared to charge him with accepting bribes in exchange for steering business to tour operators who ferry people to Saudi Arabia each year. Mr. Chekari fled to Britain, officials said. Afghanistan's attorney general issued an arrest warrant through Interpol.

American officials say a key player in the scandal is Hajji Rafi Azimi, the vice chairman of Afghan United Bank. The bank's chairman, Hajji Mohammed Jan, is a founder of New Ansari. According to American officials, Afghan prosecutors would like to arrest Mr. Azimi but so far have run into political interference they did not specify. He has not been formally charged.

In the past, some Western officials have expressed frustration at the political resistance that Afghan prosecutors have encountered when they have tried to investigate Afghan officials. Earlier this year, the American official said that the Obama administration was considering extraordinary measures to bring corrupt Afghan officials to justice, including extradition.

"We are pushing some high-level public corruption cases right now, and they are just constantly stalling and stalling and stalling," the American official said of the Karzai administration.

Another Western official said he was growing increasingly concerned about the morale — and safety — of the Afghan anticorruption prosecutors.

So far, the Afghan prosecutors have not folded. The Salehi case is likely to resurface — and very soon. Under Afghan law, prosecutors have a maximum of 33 days to indict an individual after his arrest. Mr. Salehi was arrested in late July.

That means Afghan prosecutors may soon come before the Afghan attorney general, Mohammed Ishaq Aloko, to seek an indictment. It will be up to Mr. Aloko, who owes his job to Mr. Karzai, to sign it.

"They are all just doing their jobs," the Western official said. "They are scared for their lives. They are scared for their families. If it continues, they will eventually give up the fight."

Dexter Filkins reported from Kabul, and Mark Mazzetti from Washington. Helene Cooper contributed reporting from Washington