



## **WikiLeaks Project\* – Afghanistan: A Haven for Low-Budget Terrorists**

By Adam Pankowski, ICT Intern Team

Ever since the U.S.-led coalition landed in Afghanistan, there have been ongoing problems which continue to plague the Afghan government, as well as the public sector. This investigation takes a look at the cables, sent from the U.S. Embassy in Kabul since 2001, made available by Wikileaks. The four main problems, which drastically threaten not only the lives of civilians, but the long-term success of an Afghan democracy, are:

- Money and drug laundering;
- The use of Pakistan as a base to launch terror operations. The terrorists then return to those areas in Pakistan, where U.S. forces have a significantly smaller influence;
- The increased easy access to ordinary and inexpensive materials to make IEDs and VBIEDs;
- The corruption of middle to high-level officials in the Afghan government and law enforcement agencies.

Both the U.S. officials, as well as the Afghan government, in cooperation with other external agencies, as well as the Afghan Central Bank, have proposed a plethora of policies, which have the potential to effectively combat a major part of these aforementioned problems. A unique perspective can be gained, with the aid of the embassy cables made available by Wikileaks, of the inner workings of both U.S. and Afghan officials and their plans and efforts to combat these detrimental problems in this young democracy.

\* Disclaimer: Although we do not condone the actions of WikiLeaks, its staff and its sources, the information is now in the public domain and therefore it is important for a research institute to analyze the contents of the materials. The views expressed in this publication are solely those of the author(s) and do not necessarily reflect the views of the International Institute for Counter-Terrorism (ICT).

## Overview: Afghanistan and Terrorism

Afghanistan has been a well-known refuge for terrorists ever since it was identified as the operational base of Osama bin-Laden's al-Qaeda organization in 2001, shortly after the terrorist attacks on September 11<sup>th</sup> 2001. While the overall presence of both the Taliban and al-Qaeda has been significantly reduced since the coalition forces landed, there is still an active and effective ongoing series of operations carried out by both these terrorist organizations.

As the Afghan people slowly shift towards a democratic government, there are still a plethora of problems, based or linked to terrorism, which plague the area.

As Afghanistan is still a large Taliban base of operations, disrupting the day-to-day activities of the Taliban core remains of high importance in the fight against terrorism. Specifically, money and drug laundering continue almost uninhibited via the Halawi network, and as such are able to provide ongoing funds to the Taliban inside Afghanistan.<sup>1</sup> Both the effects and response to such a continuance of funding can be seen in the embassy cables found on the Wikileaks website.

Secondly, the cables made available on Wikileaks similarly reveal an ongoing and escalating problem with the Afghanistan-Pakistan border. Cables reveal that many terrorists find refuge inside Afghanistan's neighbor and due to the significantly decreased military presence, are able to conduct terrorist operations from afar.<sup>2</sup>

A third area of major concern for the still newly formed Afghan democracy, is the access to home-made explosive devices, specifically those based on fertilizer, as well as the increasing use of I.E.D.s, suicide terrorism, coordinated attacks, as well as the increase in the terrorist organizations<sup>3</sup> technological ability.

A final, and arguably the most important facet of the problems facing the new Afghan democracy, is the government corruption and its links to terrorist organizations. Cables on

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<sup>1</sup><http://www.cablegatesearch.net/cable.php?id=10KABUL22>

<sup>2</sup> Ibid.

<sup>3</sup><http://www.cablegatesearch.net/cable.php?id=09KABUL3505>

Wikileaks reveal that Afghani government officials may indeed be working with and/or taking bribes from terrorist organizations, which hinder all the other counter-terrorist steps taken by the Afghan government.<sup>4</sup>

## The Threat

Afghanistan faces a major problem of money laundering and drug trafficking which support the terrorist organizations. These are closely tied to similar problems seen in the UAE.<sup>5</sup> There is a large sum of cash which is transported from all parts of the world via the UAE, mainly Dubai, to the Taliban in Afghanistan. Similarly, a large quantity of goods is exported, mainly narcotics, which provides another channel of funds for the Taliban.

The Central Afghan Bank estimates that over USD \$10 million in assorted currencies leaves Kabul International Airport every day. An unnamed Afghan airline executive was alleged to have told Afghan Minister of Finance, Zakhilwal, that extremely large sums of money, presumably in cash, are transported via Kabul International Airport “all the time.”<sup>6</sup> At this rate, over USD \$3.5 billion leaves Afghanistan every year, compared to the DEA estimate of USD \$2 billion worth of drugs that leave the UAE in a three-year period, (2006-2009).<sup>7</sup> While the precise destinations of these funds leaving Afghanistan are unknown, the Central Bank claims that the vast majority of these funds, “are all tied to high-level corruption or terrorism.”<sup>8</sup>

Such large-scale cash smuggling suggests a degree of corruption either of the higher levels of government or with the airport staff handling these packages themselves, as the Finance Minister admitted not knowing whether these large sums of cash were being inspected by customs officials or being loaded directly on to airplanes, without passing through any inspection.<sup>9</sup> While the issue of money laundering is not a particularly new one, the recent local and regional media frenzy highlighting the deficiencies of the Afghan government, as well as

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<sup>4</sup><http://www.cablegatesearch.net/cable.php?id=09KABUL3500>

<sup>5</sup><http://www.cablegatesearch.net/cable.php?id=04ABUDHABI905>

<sup>6</sup><http://www.cablegatesearch.net/cable.php?id=10KABUL22>

<sup>7</sup><http://www.cablegatesearch.net/cable.php?id=09ABUDHABI877>

<sup>8</sup><http://www.cablegatesearch.net/cable.php?id=10KABUL22>

<sup>9</sup> Ibid.

their Central Bank, have increased the level of importance of this issue. Hence, the government, the Central Bank, as well as other third-party agencies, are now working more consistently together, in order to combat this issue which is presumed to aid terrorist organizations directly, as well as contributing to the corruption of high-level government officials.<sup>10</sup>

The Afghan-Pakistan border region continues to be an area of increasing concern with regard to terrorist activities. As law enforcement officials can be seen along the border only at designated international crossings, illicit deals apparently pass from one country to another almost uninhibited. One of the most pressing concerns on the Afghan-side, is the presence of both the Taliban and al-Qaeda in the Pakistani border area, who cross over into Afghanistan to carry out their terrorist operations, and return to Pakistan immediately thereafter.<sup>11</sup> Since the coalition's military influence in Pakistan is minimal, and the Pakistani government is ill-equipped to combat this problem on a large and effective scale, mid and high-level members of multiple terrorist organizations have almost free reign in Pakistan to do as they see fit. Pakistan serves as a pseudo-safe haven for terrorist operatives.

Cables from the U.S. embassy in Kabul reveal terror organizations' concerns in using Pakistan as a base from which to not only launch operations against coalition forces across the border in Afghanistan, but also to strengthen the ties between terrorist organizations both locally and regionally, in the Middle East, Europe and Northern Africa.<sup>12</sup> Similarly, such a base of operations can provide the terrorist organizations with an ample pool from which to recruit both financial and personnel support.<sup>13</sup> Moreover, the same embassy cable claims that Pakistan serves as a place to “rest, recruit, and conduct training and operational planning, which particularly target international and U.S. interests.”<sup>14</sup>

Embassy cables similarly describe the border region as “porous” and an area where large amounts of drugs are smuggled from Afghanistan to Pakistan. This report reinforces the

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<sup>10</sup> Ibid.

<sup>11</sup> <http://www.cablegatesearch.net/cable.php?id=09KABUL4129>

<sup>12</sup> <http://www.cablegatesearch.net/cable.php?id=09KABUL4129>

<sup>13</sup> Ibid.

<sup>14</sup> Ibid.

allegation that large sums of money from drug smuggling, is channeled back into Afghanistan and serves as bribes for the Afghan government.<sup>15</sup> Other large sums of money remain in Pakistan, in order to aid the recruitment, training and propaganda/da'wa systems of the terrorist organizations, primarily al-Qaeda and the Taliban.<sup>16</sup>

A third level of concern inside Afghanistan, is the increasing use and ease of access to material with which IEDs and VBIEDs<sup>17</sup> are inexpensively manufactured. The main source of concern in the increased use of improvised explosive devices, is the chemical compound ammonium nitrate. This chemical can easily be found in common farming fertilizer.<sup>18</sup> Embassy cables from Kabul explain how a terrorist organization simply needs to obtain large quantities of this fertilizer, which is not an overly difficult task, add some carbon compound such as diesel fuel, and detonate it with a high explosive trigger.<sup>19</sup> The overall lack of technical prowess required and accessibility to the base-compound required for these types of IEDs, have made these explosives increasingly recognized as the terrorist organizations' "explosive-of-choice".

One specific example of a car-bomb, which exemplifies the potency of this compound, can be seen in October 2009, when a 500-pound fertilizer-based VBIED was detonated outside the Indian Embassy in Kabul. This blast left twelve dead and over eighty wounded.<sup>20</sup> Several days later a 1,500-pound fertilizer-based VBIED was detonated near a U.S. military outpost. To further exemplify the power of these devices, a U.S. Army vehicle, designed to withstand heavy blasts from landmines called the "Mine Resistant Ambush Protected," vehicle was "ripped in half" by this bomb.<sup>21</sup>

Furthermore, the American Embassy in Kabul notes that the street value of a metric ton of fertilizer is only USD \$550. The 1,500-pound VBIED, that destroyed a vehicle worth well over

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<sup>15</sup> Ibid.

<sup>16</sup> Ibid.

<sup>17</sup> Vehicle-based improvised explosive device

<sup>18</sup> <http://www.cablegatesearch.net/cable.php?id=09KABUL3505>

<sup>19</sup> Ibid.

<sup>20</sup> Ibid.

<sup>21</sup> Ibid.

USD \$500,000 and took four lives, cost approximately USD \$350 to make.<sup>22</sup> The bomb which was detonated outside of the Indian Embassy cost around USD \$100.

One of the major problems regarding the control of the ammonium-nitrate rich fertilizer, is that not only is it used by civilian farmers as the main source of an effective fertilizer for their crops, but the vast majority of the fertilizer which is used in Afghanistan, be it for terrorist operations of civil farming, is imported from Pakistan, hence further complicating the aforementioned border issue with Afghanistan's neighbor.<sup>23</sup> Moreover, due to its commonplace applications on farms, law enforcement authorities have a difficult time discerning legitimate versus illegitimate purchases of fertilizer. Furthermore, the fact that the majority of IEDs and VBIEDs are constructed in vast rural areas, even on farms themselves, where the Afghan and U.S. Army presence is significantly smaller, further complicates the ability to trace and contain the fertilizer destined to be used in an IED.<sup>24</sup>

A final issue of concern, reflected in embassy cables from Kabul, is the corruption of the new government, which was elected in November 2009. As mentioned above, there have been many accusations of corruption and bribery in the Afghan government.<sup>25</sup> The American Ambassador in Kabul outlines several footnotes in which the new Afghan government should seek improvement. These notes include instructions to conduct a "clean and competent" cabinet, urging law enforcement officials to take a stronger stand against high-level corruption, as well as combating bribery inside government departments, where drug and money traffickers, as well as terrorists and other criminals, have been released as a result of an alleged bribe.<sup>26</sup>

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<sup>22</sup><http://www.cablegatesearch.net/cable.php?id=09KABUL3505>

<sup>23</sup> Ibid.

<sup>24</sup> Ibid.

<sup>25</sup><http://www.cablegatesearch.net/cable.php?id=09KABUL3500>

<sup>26</sup><http://www.cablegatesearch.net/cable.php?id=09KABUL3500>

## The Response

These numerous threats have been met with a response by several of the parties involved including the U.S. and Afghan. Embassy cables reflect a distinct level of frustration, specifically regarding the issue of money laundering and drug trafficking throughout Afghanistan. Cables express frustration with the lack of cooperation and focus on the part of Pakistani officials, as well as a lack of inter-agency cooperation both within the U.S. agencies present in Afghanistan and between U.S. and Afghan officials.<sup>27</sup> While the U.S. stance is one of referral to the Afghanistan Central Bank, they have made several suggestions to decrease this problem.

One of the main propositions made to reduce international money smuggling, was to require customs declarations upon exiting Afghanistan, and not just on entering.<sup>28</sup> The Afghan Finance Minister admits there is illicit smuggling and drug trafficking inside Afghanistan and proposes that the Afghan government, in coordination with the Central Bank:

- “i) review the procedures;
- ii) revise the currency declaration form;
- iii) coordinate better on this issue.”<sup>29</sup>

The Finance Minister further laid out the procedures for the Customs Officials, the Central Bank and the Ministry of Finance to:

- “i) streamline and strengthen customs controls at the airport;
- ii) review and improve the cash declaration form;
- iii) open a working, functional forum for stronger cooperation and communication.”<sup>30</sup>

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<sup>27</sup><http://www.cablegatesearch.net/cable.php?id=09KABUL3324>

<sup>28</sup><http://www.cablegatesearch.net/cable.php?id=10KABUL22>

<sup>29</sup> Ibid.

<sup>30</sup><http://www.cablegatesearch.net/cable.php?id=10KABUL22>

Similarly, with regard to the issue of Pakistan being a safe-haven for terrorists, the U.S. Embassy in Kabul promoted a policy of opening more channels of communications with the Pakistani government and law enforcement officials whilst, at the same time, bolstering and training Afghan customs and border officials to detect explosives, suspicious activity weapons and ammunition more efficiently.<sup>31</sup>

Regarding homemade IEDs and VBIEDs, specifically those based on ammonium nitrate as its explosive material, the consensus in the Kabul Embassy is simply - regulation. While fertilizer, which contains ammonium nitrate, only accounts for five per-cent of the fertilizer used in Afghanistan, it is still readily available and extremely cheap.<sup>32</sup> Cables report that other fertilizers, which contain the much less explosive di-ammonium phosphate, are almost equally effective for soil enrichment purposes in most scenarios, but not all – certain crops particularly thrive in an ammonium nitrate rich environment (such as certain types of vegetables.)<sup>33</sup> One proposed plan of action was to encourage U.S. and European countries to offer fertilizer which uses di-ammonium phosphate, at a discount, to the rural farmers of Afghanistan, in order to simply reduce the amount of ammonium nitrate fertilizer in the country, at any given time.<sup>34</sup>

While the U.S. Embassy in Kabul has recognized that a blanket-ban of ammonium nitrate-based fertilizers would be detrimental, they are working with several international agencies to closer regulate and decrease the overall importation of such fertilizers.<sup>35</sup> Other proposed plans of actions detailed in the cable include:

- ◆ efforts, particularly in the South, to seize fertilizers and, for a limited time, compensate legitimate farmers and/or traders who were unaware of the ban
- ◆ develop a targeted public diplomacy campaign to: educate the Afghan public of the dangers of ammonium nitrate-based fertilizers
- ◆ better equip and train border police and customs officials to detect ammonium nitrate-based fertilizer, precursor chemicals and other explosives/devices

<sup>31</sup><http://www.cablegatesearch.net/cable.php?id=09KABUL4129>

<sup>32</sup><http://www.cablegatesearch.net/cable.php?id=09KABUL3505>

<sup>33</sup> Ibid.

<sup>34</sup> Ibid.

<sup>35</sup> Ibid.

- ✦ establish a licensing or other regulatory scheme to control importation and use of ammonium nitrate-based fertilizers in Afghanistan's critical mining, quarrying and construction industries<sup>36</sup>

## Conclusions

The U.S. Embassy cables from Kabul, which were made available by Wikileaks, have provided a deep insight into a small fraction of the problems which continue to plague both Afghanistan's public, as well as its government. Government corruption, money and drug laundering, as well as the progressively easier access to cheap ammonium nitrate-based fertilizers, which are being used with increasing frequency in IEDs and VBIEDs, are three problems which inhibit the continuing progress Afghanistan has made within the past ten years.

With a democratically elected government, as well as the impending U.S. withdrawal from the region, the government of Afghanistan will now have to handle these problems unilaterally, with only external aid and advice from the U.S. and other allied countries. While the responses to these threats appear promising and their effects being felt throughout the country, there is still much work to be done, in order to quell these serious national security shortcomings.

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<sup>36</sup><http://www.cablegatesearch.net/cable.php?id=09KABUL3505>