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NEWS:

Wolesi Jirga Focuses on Oversight

Despite the lingering crisis of the Special Elections Court (SEC) and the government's reluctance to meet other demands from the MPs, the WJ focus shifted to the state of the economy and preparations for the upcoming winter. Rising prices for fuel and staple food, coupled with a depreciating value of the Afghani currency were some of the reasons for the WJ's shift in focus. MPs invited three cabinet members to the National Assembly on July 9 and 10 to hear about the government's response and readiness to the economic concerns.

During the 9 July plenary session, some MPs questioned the rate of economic growth and argued that it was too dependent upon foreign aid. "This is a false economy and too aid dependent. As soon as foreign aid is cut, we will all starve to death," Qazi Nazir Ahmad Hanafi (Herat) claimed. Mr. Hazrat Omar Zakhailwal, Minister of Finance, rejected the notion that the economy was "false" but admitted that its growth was not sustainable. "The economy can't be false but the healthy levels of growth that have averaged about 10% over the past ten years might not be sustainable," he stated.

But Mr. Abdul Latif Pedram (Badakhshan) argued that the difference between development and growth must not be confused. "Growth is different from development, there might have been 10% growth, but development has been very slow which has caused inequality," argued Mr. Pedram. Mr. Zakhailwal admitted that the proceeds of growth in the economy had not been equally distributed nationally, but added that the government was doing its best.

Mr. Abdul Hadi Arghandiwal, Minister of Economy, explained the structure of the economy and said that it was based on the theories of Adam Smith and John Maynard Keynes. Mr. Ramazan Bashardust (Kabul) voiced his objection to that assertion and said: "The only common factor between these two economists is that they were both from Great Britain." argued Mr. Bashardust. He further accused the officials of "punching in the dark."

The debate about the general state of the economy shifted to reasons for rising prices of commodities in the 10 July plenary. Mr. Anwarul Haq Ahadi, Minister of Commerce and Industries, argued that the reason for rising prices was the depreciating Afghani currency against the US Dollar. "The Afghani has been depreciating against US Dollar. Since most of our goods are imported and paid for in foreign currencies, the prices have gone up." Mr. Ahadi said. This assessment was in stark contrast to what Mr. Zakhailwal had argued a day earlier. He had called the Afghani one of the most "stable" currencies in the region.

MPs took issue with contrasting views and assessments of the officials in regards to the state of economy and called on the government to consolidate its economic policy in consultation with the WJ.

“Azizi Bank on the Verge of Collapse” say MPs

MPs considered whether or not to include the state of Azizi Bank on the Wolesi Jirga’s (WJ) 11 July agenda. Those supporting the request argued that Azizi Bank was on the verge of collapse and a matter of paramount importance for the legislative body. But some MPs disagreed and considered the matter “premature” for formal discussion by the WJ. “It’s too early to talk about Azizi Bank, we need evidence first.” Ms. Aryan Yoon (Nangarhar) stated.

The WJ was divided on the issue, with strong arguments for and against placing the matter on the agenda for discussion. Those in favor of discussing the issue maintained that Azizi Bank was about to go bankrupt and the WJ had a responsibility to act on impending bankruptcy of the institution. Those arguing against such discussion, said holding debate about Azizi bank would send shock waves and panic to the public and causing a rush on deposits which could lead to the collapse of yet another bank. Kabul Bank suffered a depositors’ rush and subsequently collapsed. Some MPs maintained that discussing Azizi bank would result in a self-fulfilling prophecy. “Even if Azizi Bank was not going bankrupt, the discussion today would insure that it happens,” asserted Mr. Almas Zahid (Parwan). He criticized those who wanted the debate and said that it would harm the poor and the working class.

Mr. Abdul Zahir Qadeer (Nangarhar) who had previously been very vocal about his support for such a debate informed his colleagues that he had been offered a considerable sum of money in exchange for his silence about Azizi Bank. “A check in the amount of one million dollars was sent to me this morning in order not to discuss the Azizi Bank crisis, but I rejected it,” claimed Mr. Qadeer. “IMF [International Monetary Fund] has stopped assistance to Afghanistan due to the financial crisis of Azizi Bank. I request IMF officials to help WJ audit their accounts.” Mr. Qadeer continued.

Mr. Haji Monawar Shah Bahaduri (Herat), a member of the National Economy Committee, said that the Azizi Bank crisis was raised in the past too. “When we invited Mr. Fitrat [the former governor of Afghanistan Central Bank] he made no secret of the fact that the Azizi Bank was on the verge of collapse.” stated Mr. Bahaduri. “We did not go public about it based on a direct request from Mr. Fitrat, who thought it would cause mayhem in the financial sectors.”

Mr. Haji Qurban Kohestani (Ghor) claimed that the scale of the problem was about 500 million US Dollars and that most of it was invested in the Dubai property market. “Heavily illegal investment in the Dubai real estate sector is the prime cause of money drain because the Dubai property sector has gone down in value by 60%.” asserted Mr. Kohestani.

After long and intense arguments and counter arguments on the bank crisis, the MPs determined that they could not directly audit the accounts of a privately-owned bank such as Azizi Bank, so opted instead to invite the acting governor of the state-run Afghanistan Central Bank for further inquiry.

MPs Call for Review of Strategy towards Taliban

The 13 July plenary of the Wolesi Jirga (WJ) was dominated by the assassination of Ahmad Wali Karzai, the head of Kandahar provincial council. MPs put aside other agenda items in order to discuss Mr. Karzai's death and its wider implications. As President Karzai was still mourning at the burial site of his half-brother, MPs called on him to review his strategy towards the Taliban.

Mr. Mohammad Yunus Qanooni (Kabul) while condemning the assassination said that condemnation only was not enough. "There needs to be a proper assessment and review of our current strategies and policies." Ms. Shahgul Rezae (Ghazni) agreed and said: "The foes and friends must be defined and distinguished."

Ms. Nahid Ahmad Farid (Herat) proposed that the WJ should take the initiative and create the strategy, "I suggest we take the initiative and create a strategy which addresses two points: defines the enemy and reforms the system."

Some other MPs wanted to review the strategy and initiate a tougher approach towards the Taliban. They argued that the president's "appeasement" policy was not working. "I think it's time we stopped calling our enemies 'brothers' and treated them as such. We must try to weaken them and not beg them to reconcile when they have no desire to do so." Mr. Gholam Faruq Majroh (Herat) said.

Mr. Alhaj Zalmai Mujadadi (Badakhshan) echoed Mr. Majroh's sentiments and said: "The president either calls us brothers or the killers. Those who killed his brother – he(Wali Karzai) was our brother too – are not our brothers."

One of the reasons why some of the MPs are calling for a review of the strategy towards the Taliban is that they too fear for their safety. "They just proved that no one is safe. The enemy can hurt wherever we may be." Mr. Samiullah Samim (Farah) said. Ms. Fawzia Kofi (Badakhshan) agreed and added: "Who can you trust? The enemy is so strong that they brainwashed the most trusted aide of Mr. Karzai."

Ms. Aryan Yoon (Nangarhar), however, disagreed with her colleagues who were calling for a review of the strategy and disagreed that the Taliban were responsible for all the violence. "I say that there are elements within the system that are more dangerous than the Taliban. They are responsible for most of the atrocities but unfortunately the Taliban wrongly take the responsibility." claimed Ms. Yoon. Not only did she support the current strategy, but she also called on President Karzai to accelerate the reconciliation process.

Calls for a strategy review come while the president reiterated his pleas to the Taliban and called on them to reconcile immediately after attending the funeral of his half-brother.