Fighting Fraud in Afghanistan

When David O’Hearn M’99, M’06, joined the National Guard as an undergraduate at the University of Connecticut in 1990, he couldn’t foresee that he would find himself in Afghanistan 20 years later.

Since August 2010, O’Hearn, now a major in the US Army, has been overseeing a unit of 15 contracting officers at Camp Leatherneck in southern Afghanistan near the city of Lashkar Gah. He describes the base’s location as “still one of the more divisive areas in the country.”

O’Hearn, who is on military leave from his position as deputy commissioner of the Connecticut Department of Public Works (DPW), is in Afghanistan after a 2007 Army probe into military contracts in Iraq and Afghanistan launched more than 80 criminal investigations into alleged contract fraud, including a total of $15 billion in bribes. One of the ways the Army responded to the probe’s findings was to establish teams of contracting officers trained in ethics and charged with making sure that the bidding, awarding, and oversight of contracts to US, ex-patriot, and Afghani suppliers was handled properly.

O’Hearn is no stranger to the effects of unethical behavior. He was employed as a project director within the DPW when, in 2003, rumors began to circulate about improprieties in the administration of then Gov. John Rowland. The head of the DPW resigned amid charges of bid rigging.

Under a new commissioner known for his integrity, O’Hearn became deputy commissioner and was substantially involved in Gov. M. Jodi Rell’s contract reform initiative. The aftermath of the scandal had lasting repercussions. “We lost our credibility,” says O’Hearn. “Employee morale was low, and no one wanted to take responsibility for making decisions because of increased scrutiny.”

Once again O’Hearn finds himself fighting corruption. The influx of millions of US dollars in military contracts to one of the poorest countries in the world has had a positive impact on local economies, but it has also led to bribery, collusion, and theft.

A low level of literacy in the local population and unfamiliarity with how to put together proposals and bid on military contracts have meant that part of O’Hearn’s job has involved educating contractors about the bidding process.

Because Afghanistan does not have a robust banking system, cash transactions are the norm. Thousands of dollars of untraceable cash changing hands leads to temptation. Now, O’Hearn says, the person who accepts the bid is not the person who awards the cash to a contractor or signs off on the receipt of goods.

Perhaps one of the most difficult areas involves traditional Afghan ways of doing business that conflict with US laws. O’Hearn says he has been offered personal gifts in appreciation of a contract and kickbacks of cash in order to obtain a contract.

On occasion, the Afghan way of doing things has won out.

To build good will and comply with Army goals to help the Afghan people help themselves, O’Hearn and his group are hiring local construction companies to build facilities for the Afghan army and police. The Army uses wooden A-frame construction and CAD-designed exteriors on base. The local contractors build using bricks and tin roofs.

“There are very few trees in Afghanistan, which means that local builders have no experience working with lumber or CAD software,” says O’Hearn. “As a result, we changed our building specifications and moved to locally manufactured materials.”

O’Hearn spoke to a packed lecture hall as part of Barney’s Ethical Business Leadership program in February while on leave from Afghanistan. He returned at the end of the month for the remaining three months of his tour.

“I’m very glad I’ve had the opportunity for this experience,” says O’Hearn, “but I’m looking forward to getting back to Connecticut and my family.” O’Hearn’s wife, Ilia, an attorney, received a master’s in accounting from Hartford in 1998.