

## *Wartime Contract Spending in Afghanistan Since 2001*

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### *Summary*

Over the 20-year period of the United States intervention in Afghanistan (2001-2021), the U.S. Department of Defense (DoD) paid various companies about \$108 billion in contracts for work in that country. This is in addition to the trillions of dollars spent on DoD contracts performed in the U.S. over that period. Of the \$108 billion spent in Afghanistan, over 40 percent went to the 14 largest companies, which each received over one billion dollars in total contract spending, with the largest receiving over \$13.5 billion. There were also thousands of smaller contracts, and over one-third of the contract spending went to “undisclosed” recipients—domestic and foreign businesses who are not uniquely identifiable in the publicly available contracting databases, USASpending.gov and the Federal Procurement Data System (FPDS).

This paper, which is the first to compile this information, shows that not only did a handful of companies earn billions of dollars from the U.S. government during the war in Afghanistan, but also that these funds were distributed and spent with a significant lack of transparency. When the DoD registers certain contract recipients as “undisclosed” or “miscellaneous,” it becomes difficult or impossible to track contract spending and thus to conduct oversight or assess effectiveness and waste. Additionally, a number of companies performed services in Afghanistan under multiple different business names. A generous interpretation of this is that the businesses pursuing such practices were in fact performing different services. A less generous interpretation is that businesses can obscure how many contracts they are receiving as well as circumvent issues of ineligibility by operating under different names. This paper sheds light on the full extent of contract spending per company by grouping contracts by various identifying features (explained in more detail below). Thus, for example, companies with three or more different names might appear to be minor players, since each might receive less than \$1 billion in contracts, but when

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aggregating the contracts by the business DUNS number, and thus grouping various names for the same company, we see that some of these companies are in fact receiving well over \$ 1 billion and are thus among the largest contract recipients in Afghanistan.

## ***Background***

The U.S. Department of Defense has become increasingly reliant on contractors over the past two decades. As detailed in this author’s 2020 report, DoD spending on contractors increased over 164 percent in the post-9/11 era. DoD contracts amounted to about \$140 billion in 2001 and about \$370 billion in 2019, accounting for half of DoD spending in that year.<sup>2</sup> Further, as explained in William Hartung’s 2021 paper on war profiteering, between one-third and one-half of the Pentagon’s \$14 trillion in spending since 2001 went to contractors.<sup>3</sup> A few mega-contractors raked in billions of dollars on contracts, with the “Big 5”—Lockheed Martin, Boeing, General Dynamics, Raytheon, and Northrop Grumman—receiving one-quarter to one-third of all DoD contracts. While many of the activities and profits were legitimate, many companies were found to have overcharged the government or committed other types of fraud.<sup>4</sup>

This author refers to military contracting as the “Camo Economy” because the practice obscures where and how the money flows, who profits, how much is lost to waste, fraud, and abuse, and how many people are employed, injured, and killed through military contracting.<sup>5</sup> The 2011 Commission on Wartime Contracting found that at least 30 percent of contract spending was lost to corruption or waste, and estimates by other sources—including journalists, legal cases, and inspectors general—have corroborated those findings.<sup>6</sup>

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<sup>2</sup> Peltier, H. (2020, June 30). *The Growth of the Camo Economy and the Commercialization of the Post-9/11 Wars*. Costs of War, Watson Institute, Brown University.

<https://watson.brown.edu/costsofwar/files/cow/imce/papers/2020/Peltier%202020%20-%20Growth%20of%20Camo%20Economy%20-%20June%2030%202020%20-%20FINAL.pdf>

<sup>3</sup> Hartung, W. (2021, September 13). *Profits of War: Corporate Beneficiaries of the Post-9/11 Pentagon Spending Surge*. Costs of War, Watson Institute, Brown University.

[https://watson.brown.edu/costsofwar/files/cow/imce/papers/2021/Profits%20of%20War\\_Hartung\\_Costs%20of%20War\\_Sept%2013%2C%202021.pdf](https://watson.brown.edu/costsofwar/files/cow/imce/papers/2021/Profits%20of%20War_Hartung_Costs%20of%20War_Sept%2013%2C%202021.pdf)

<sup>4</sup> Peltier. *The Growth of the Camo Economy*.

<sup>5</sup> Peltier. *The Growth of the Camo Economy*.

<sup>6</sup> See, for instance: Whitlock, C. (2019, December 9). The Afghanistan Papers: A Secret History of the War. *Washington Post*. <https://www.washingtonpost.com/graphics/2019/investigations/afghanistan-papers/afghanistan-warcorruption-government/>; Special Inspector General for Afghanistan Reconstruction. (2016). *Corruption in Conflict: Lessons from the U.S. Experience in Afghanistan*. <https://www.sigar.mil/pdf/lessonslearned/SIGAR-16-58-LL.pdf>; U.S. Senate, Committee on Armed Services. (2011). The Final Report of the Commission on Wartime Contracting in Iraq and Afghanistan. Hearing before the subcommittee on Readiness and Management Support. <https://www.govinfo.gov/content/pkg/CHRG-112shrg72564/pdf/CHRG-112shrg72564.pdf>

Military contracting includes both goods and services produced and sold in the U.S.—such as tanks manufactured by General Dynamics, missiles by Raytheon, submarines by Northrop Grumman, and so on—as well as the goods and services produced and sold in other countries. In this paper, the focus is on contractors who were operating in Afghanistan, providing both goods and services within that country. Some of these contractors are U.S. companies employing U.S. and/or international personnel, and others are Afghan or other foreign companies. In all cases, in the data analyzed here, the companies are performing work in Afghanistan for which they receive payment from the U.S. Department of Defense.

## ***Data and Methods***

This paper draws on data from USASpending.gov, a public database that provides data on contracts along various dimensions, including year, number of dollars obligated, place of performance, company name, parent company names, DUNS number, and various other elements.

This paper collects data for contracts whose “place of performance” is Afghanistan for the fiscal years 2002-2022—the 20 years of the U.S. war in Afghanistan.<sup>7</sup> The contracted company may be U.S.-based or it may be based in Afghanistan or in another country, but the contracts are for work performed in Afghanistan.

Important to this analysis is the DUNS number, which is a unique identifier given to companies. Thus, even as a company changes its name, its DUNS number remains the same.<sup>8</sup> The firm Blackwater, a security company known in part for the massacre in Nissour Square in Iraq, after which it was ordered out of that country, has held contracts in Afghanistan under the name Blackwater as well as the names Triple Canopy and Academi, and is sometimes awarded contracts under its parent company, Constellis Holdings LLC. Using the DUNS number enables us to compile the contracts assigned to the various company names that are in essence the same company. The number “966133477,” for example, is used for the following businesses: Academi Training Center; Blackwater Lodge and Training Center; Constellis Holdings; and Triple Canopy. While a data search or report on any one of these companies would reveal only part of the full funding received from the U.S. government, an aggregation by DUNS number allows us to get a more complete picture of contract spending.

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<sup>7</sup> While the intervention in Afghanistan began in calendar year 2001, it was after the start of the U.S. government’s fiscal year 2002, thus the earliest contracts start in that year. The “fiscal year” of the U.S. federal government is October 1 – Sept 30. This paper uses FY 2022 as the end date, in order to include the most recent data available, though it must be noted that the data have not yet been completely reported for FY 2022 and thus this last year will understate the eventual total.

<sup>8</sup> The Dun & Bradstreet D-U-N-S Number. (2017). Dun & Bradstreet. <https://www.dnb.com/content/dam/english/dnb-data-insight/db-duns-number-factsheet.pdf>

In addition to aggregating by DUNS number, this paper also aggregates the data by business name. In some cases, a company can restructure and be given a new DUNS number.<sup>9</sup> In this case, if it keeps its original name, that business may have two different DUNS numbers in the USASpending database. Thus, this paper's totals include all business names and all DUNS numbers for each company that has received DoD contracts for work in Afghanistan.

## **Results**

The table below shows the breakdown of the \$108 billion the U.S. Department of Defense spent on contracts for work performed in Afghanistan from Fiscal Year 2002 through Fiscal Year 2022. Of this, nearly 41 percent or \$44 billion went to the largest 14 companies. These companies each received over \$1 billion in contracts over the 20-year period. The largest, Fluor Corporation, earned \$13.5 billion, followed by Dyncorp, which received about \$8.3 billion in contracts, and then KBR (aka Kellogg, Brown and Root), which received about \$3.6 billion.

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<sup>9</sup> L'Heureux, George. (2021, August 4). *Data Talks, Episode 11: D-U-N-S Number Recertification*. Dun & Bradstreet. <https://www.dnb.com/perspectives/master-data/data-talks-duns-recertification.html#:~:text=D%2DU%2DN%2DS%20Numbers%20are%20never%20reused,assign%20a%20new%20D%2DU%2DN%2DS%20Number>.

**Table 1: Department of Defense Contract Spending in Afghanistan, FY2002-FY2022**

|  | <b>DoD Contracts in AFG,<br/>2002-2022</b> | <b>% of<br/>total</b> |
|--|--|-----------------------|
| Fluor Corporation/Fluor Intercontinental             | 13,535,286,333                             | 12.5%                 |
| Dyncorp/Verita/Cerberus/Readiness Management         | 8,293,660,479                              | 7.7%                  |
| KBR / Kellogg Brown & Root                           | 3,589,818,847                              | 3.3%                  |
| Red Star Enterprises                                 | 3,217,696,801                              | 3.0%                  |
| A.P. Moller/Maersk/Farrell                           | 2,142,236,801                              | 2.0%                  |
| Raytheon   | 2,052,812,360                              | 1.9%                  |
| Lockheed Martin                                      | 1,987,168,683                              | 1.8%                  |
| AAR Corp   | 1,787,507,265                              | 1.7%                  |
| AC First, LLC  | 1,607,957,169                              | 1.5%                  |
| Columbia Helicopters                                 | 1,343,356,654                              | 1.2%                  |
| L-3 Communications                                   | 1,270,682,275                              | 1.2%                  |
| Neptune/American President Lines                     | 1,255,175,333                              | 1.2%                  |
| Contrack International / Contrack Watts              | 1,023,149,071                              | 0.9%                  |
| Federal Express                                      | 1,015,055,407                              | 0.9%                  |
| <b>Total, major contractors (&gt;\$1B)</b>           | <b>44,121,563,478</b>                      | <b>40.9%</b>          |
| Miscellaneous Foreign Awardees                       | 14,989,711,917                             | 13.9%                 |
| Foreign Contractors (undisclosed)                    | 11,051,236,267                             | 10.2%                 |
| Domestic Awardees (undisclosed)                      | 10,980,325,858                             | 10.2%                 |
| <b>Total, undisclosed and miscellaneous</b>          | <b>37,021,274,042</b>                      | <b>34.3%</b>          |
| <b>Total, all other contracts (&lt; \$1B)</b>        | <b>26,852,009,045</b>                      | <b>24.9%</b>          |
| <b>Total, all DoD contracts in AFG, FY 2002-2022</b> | <b>107,994,846,565</b>                     | <b>100.0%</b>         |

The table also shows that about one-quarter, or about \$27 billion, went to small companies which are named in the database. And over one-third of the contracts went to “miscellaneous” or “undisclosed” recipients, for a total of about \$37 billion. These undisclosed or miscellaneous recipients are companies which are either based in the U.S. or in another country, but which do not have a DUNS number. For the purposes of contracting with the federal government, all companies must include a DUNS number. Yet federal contracting guidance allows contracts to companies without DUNS numbers to use a

“generic” number.<sup>10</sup> This practice, while legitimate, seriously hampers oversight and prevents transparency.

Generic DUNS numbers are authorized to be used in situations in which (1) the contract is valued at \$25,000 or less and the recipient is in a certain category, such as a student or a dependent of a veteran or officer; or (2) the contract is worth over the \$25,000 but the recipient is located in another country and does not have a DUNS number, or “when specific public identification of the contracted party could endanger the mission, contractor, or recipients of the acquired goods or services.”<sup>11</sup>

As noted by the Congressional Research Service, “the use of generic DUNS numbers limits transparency and precludes a contractor from being able to access and perform its own reporting requirements ..., because the contract is not associated with the contractor in Federal-wide processes. As such, the use of a generic DUNS number should be limited to those actions where it is truly necessary.”<sup>12</sup>

Thus, the use of a generic DUNS number is legitimate both for cases in which contracts are given to foreign companies without DUNS numbers, as well as to provide a level of secrecy or security to U.S. and foreign companies and affiliates. Yet both of these cases, while legally allowed, severely limit transparency and make oversight and assessment nearly impossible of more than one-third of all the contracts (in dollar terms) in Afghanistan over the past 20 years of the U.S. war.

### ***What do these contractors do?***

The U.S. and foreign companies working on DoD contracts in Afghanistan provided a wide range of good and services. These include but are not limited to:

- Waste disposal
- Refrigeration equipment
- Office devices and accessories
- Accounting services
- IT and telephone services
- Surveillance services

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<sup>10</sup> Under certain circumstances, as specified in the Federal Acquisition Regulation, a generic DUNS number may be used for the purpose of reporting contract award data to the Federal Procurement Data System. Examples of generic DUNS numbers and the affiliated names include 123456787 (“Miscellaneous Foreign Awardees”), 790238851 (“Foreign Awardees (Undisclosed)”), and 790238638 (“Domestic Awardees (Undisclosed)”).

<sup>11</sup> *Unique Identification Codes for Federal Contractors: DUNS Numbers and CAGE Codes*. (2016, May 5). Congressional Research Service. [https://www.everycrsreport.com/files/20160505\\_R44490\\_6039347ec071f70a171ef0803a2e2178f1f2e48b.pdf](https://www.everycrsreport.com/files/20160505_R44490_6039347ec071f70a171ef0803a2e2178f1f2e48b.pdf)

<sup>12</sup> *Unique Identification Codes for Federal Contractors: DUNS Numbers and CAGE Codes*.

- Construction
- Aircraft servicing and weapons maintenance
- Transportation
- Travel and lodging
- Food services
- Architecture and engineering
- Guard services
- Fuel services
- Operation of various facilities (troop housing, dining, water supply, other)
- And many others

One of the major contractors in Afghanistan—KBR—has held multiyear contracts since the inception of the U.S. war in 2001. First, KBR was awarded the “LOGCAP III” contract in 2001 for work in Afghanistan as well as other countries. This type of contract, named after the Army’s “Logistics Civil Augmentation Program,” is a multi-year, multi-purpose “umbrella” contract. Then in 2007, three of the biggest contractors in Afghanistan—Fluor, Dyncorp, and KBR—were together awarded the LOGCAP IV contract. These companies conducted various logistics and construction activities, including building and operating U.S. Army bases, with Fluor alone employing 26,000 staff in Afghanistan at the peak of operations.<sup>13</sup> Other operations undertaken by these three companies included maintaining unmanned aircraft; operating air traffic control; operating dining facilities; supplying various types of equipment; and other logistics and construction activities. In addition to directly carrying out their contracts, each of these companies also sub-contracted goods and services from other companies.

Beyond the LOGCAP contracts, some of the other large contractors performed a range of additional tasks. Firms like Blackwater (also known as Triple Canopy) provided security guard services; Columbia Helicopters provided transportation; Raytheon was one of the companies that trained the Afghan National Security Forces (ANSF) as well as sold weapons through the “Foreign Military Sales” program; Farrell Lines and American President Lines transported cargo; AC First maintained and repaired vehicles and other equipment for the Army as well as provided armed security services.

In addition to the services provided by the largest firms, thousands of smaller contractors provided a wide variety of goods and services, including food and fuel, transportation and lodging, and mission-critical services such as weapons maintenance and security, as well as training national security forces. Many of the companies that performed these tasks are labeled as “undisclosed” in the data, including those which

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<sup>13</sup> Projects. (2022). *U.S. Army Logistics Civil Augmentation Program (LOGCAP IV)*. Fluor. <https://www.fluor.com/projects/contingency-operations-logistics-construction>

operated army bases, provided fuel, trained the ANSF, served as armed security guards, and more.<sup>14</sup>

In short, military contractors provided all types of goods and services that were essential to the U.S. military presence in Afghanistan, including services (such as weapons maintenance and fuel supply) that made the U.S. military dependent on and arguably vulnerable to the performance of contractors.<sup>15</sup>

Most contracts for work in Afghanistan ended or were rescinded by August 31, 2021, when U.S. troops fully withdrew. Some contractor presence may remain, though it is difficult to know which companies and how many employees could still be working in service of the U.S. government in that country. In 2019, KBR was one of the awardees of the LOGCAP V contract,<sup>16</sup> which was awarded to four different companies for an initial five-year term, with possible extensions for 10 more years. KBR received task orders to provide logistics support in Afghanistan.<sup>17</sup> In theory, there would also be a continued presence by other contractors who are carrying out some of the reconstruction work undertaken by the DoD, Department of State, and USAID. Yet the quarterly census of contractors, issued regularly by the Defense Department, shows zero contractors in Afghanistan as of October 2021.<sup>18</sup> As of January 2022, the quarterly report omits mentions of Afghanistan but does show a continuing presence of nearly 19,000 contractors in the U.S. Central Command (CENTCOM) Area of Responsibility, which includes Afghanistan, Iraq, Syria, and other countries in the region.<sup>19</sup>

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<sup>14</sup> While the tasks themselves are identified in the USASpending data, the names or identifying information of the companies performing the work are not.

<sup>15</sup> See, for instance: McFate, S. (2016, August 12). America's Addiction to Mercenaries. *The Atlantic*. <https://www.theatlantic.com/international/archive/2016/08/iraq-afghanistan-contractor-pentagon-obama/495731/>; <https://www.washingtonpost.com/outlook/2021/10/07/militarys-longtime-reliance-contractors-fueled-loss-afghanistan/>; Weisgerber, M. (2022, January 18). "Declassified Report Details Afghan Air Force Reliance on Contractors." *Defense One*. <https://www.defenseone.com/threats/2022/01/declassified-report-details-afghan-air-force-reliance-contractors/360858/>

<sup>16</sup> Army Sustainment Command Public Affairs. (2019, April 15). *LOGCAP C Performance Contractors selected*. U.S. Army. [https://www.army.mil/article/220353/logcap\\_v\\_performance\\_contractors\\_selected](https://www.army.mil/article/220353/logcap_v_performance_contractors_selected)

<sup>17</sup> The announcement of LOGCAP V was made in April 2019, though there has been controversy over the contracts and as of the writing of this paper

<sup>18</sup> Department of Defense. (2021, October). *Contractor Support of U.S. Operations in the USENCOM Area of Responsibility*. Acquisition & Sustainment: Office of the Under Secretary of Defense. [https://www.acq.osd.mil/log/ps/.CENTCOM\\_reports.html/FY21\\_4Q\\_5A\\_Oct2021.pdf](https://www.acq.osd.mil/log/ps/.CENTCOM_reports.html/FY21_4Q_5A_Oct2021.pdf)

<sup>19</sup> Department of Defense. (2022, January). *Contractor Support of U.S. Operations in the USENCOM Area of Responsibility*. Acquisition & Sustainment : Office of the Under Secretary of Defense. [https://www.acq.osd.mil/log/PS/.CENTCOM\\_reports.html/FY22\\_1Q\\_5A\\_Jan2022.pdf](https://www.acq.osd.mil/log/PS/.CENTCOM_reports.html/FY22_1Q_5A_Jan2022.pdf)



## ***The Waste, Fraud, and Abuse of Wartime Contracting***

Lack of oversight by the Department of Defense, combined with waste, fraud, and abuse on the part of both contractors and government employees, resulted in billions of misallocated and mis-spent taxpayer dollars. Reports by the DoD Inspector General (DODIG) as well as the Special Inspector General for Afghanistan Reconstruction (SIGAR) find regular and ample evidence of fraud and abuse, in some cases by individuals and in other cases more widespread throughout a company or unit. The lack of oversight in wartime contracting creates numerous incentives and opportunities for abuse of the system. A lack of transparency and accessibility to information also hamper the U.S. government's ability to monitor its contractors. The combination of bad actors, along with the opaqueness and lack of oversight of the contracting system, as well as the incentives to waste money or defraud the government, resulted in billions of mis-used taxpayer dollars.

The Department of Defense Inspector General (DODIG) conducted numerous reports and found that wartime contracting in Afghanistan was rife with problems. "The most common deficiencies in contingency contracting identified in these reports were nonperformance and improper payments. Nonperformance occurs when contractors do not provide goods or services in compliance with contractual requirements. Improper payments include instances when contractors are paid more than is justified or stipulated for the goods and services they provided."<sup>20</sup>

One example of this surfaced in a 2018 DODIG report, which determined that over the period 2015 to 2017, "DoD officials did not conduct sufficient voucher reviews for services provided under the LOGCAP IV contract."<sup>21</sup> This meant that all of the 128 LOGCAP IV vouchers submitted during that time period were fully paid, even though later inspection by DODIG revealed that about one-fifth of them had questionable or undocumented expenses, totaling over \$536 million. This is only one small example of waste and fraud in a two-year period. The full extent of wasted taxpayer dollars is many times this.

The overpayment of illegitimate expenses, and the lack of oversight of contracts by DoD was compounded by yet another problem: In some cases, contractors were hired to perform oversight of other contractors, in lieu of the oversight that should have been

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<sup>20</sup> Department of Defense Office of Inspector General. (2020, June 22). *Audit of Army Contracting Command—Afghanistan's Award and Administration of Contracts*.  
<https://www.dodig.mil/reports.html/Article/2227316/audit-of-army-contracting-commandafghanistans-award-and-administration-of-contr/>

<sup>21</sup> Department of Defense Office of Inspector General. (2018, May 11). *DoD Oversight of Logistics Civil Augmentation Program in Afghanistan Invoice Review and Payment DODIG-2018*.  
<https://www.dodig.mil/reports.html/Article/1523033/dod-oversight-of-logistics-civil-augmentation-program-in-afghanistan-invoice-re/>

performed by DoD. A GAO report notes the vulnerabilities and problems associated with this system:

*Some contracts in Afghanistan provided for the contractor to perform functions that closely support inherently governmental functions, such as evaluating another contractor's performance or providing inspection services. However, we did not find evidence that the agencies considered requirements to provide greater scrutiny and an enhanced degree of management oversight in the case studies we conducted. As a result, there was the potential for loss of government control and accountability for mission-related policy and program decisions, which could have resulted in decisions that were not in the best interest of the government and could have increased vulnerability to waste, fraud, and abuse.<sup>22</sup>*

Since its creation in 2008, SIGAR has been tasked with various activities in the reconstruction of Afghanistan, including investigating instances of waste and corruption. Each quarter since its first quarterly report in October 2008, SIGAR has reported evidence of waste, fraud, and abuse that has led to suspension or disbarment of hundreds of individuals and companies involved in committing fraud in Afghanistan. In one investigation mentioned in the January 2021 SIGAR Quarterly Report, a subcontractor of Lockheed Martin submitted fraudulent invoices that resulted in overbilling the Department of Defense millions of dollars.<sup>23</sup> Other examples include incomplete and shoddy construction of school buildings, warehouses, and other facilities (see Oct 2009 and July 2015 reports, for example), bribery of U.S. officials to secure contracts (e.g., the July 2010 report details two Afghan trucking companies giving bribes to DoD officials to receive contracts), and various other instances of corruption and abuse, detailed in each quarterly report. One example of outright waste is summarized in the July 2015 SIGAR report:

*SIGAR published a special project report on May 20, 2015, presenting the results of the agency's investigation of the construction of the "64K building" at Camp Leatherneck in Helmand Province, Afghanistan. SIGAR found that DOD requested funds for this facility on the basis that it was necessary to address an immediate operational need associated with the 2010 military surge in Afghanistan. However, then-Major General Richard P. Mills, the general in charge of the surge in Helmand, requested that the facility not be built because it was not needed: existing resources at Camp Leatherneck were already well-suited to the mission. However, the request to cancel the building was rejected by then-Major General Peter M. Vangjel, who believed*

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<sup>22</sup> U.S. Government Accountability Office. (2021, January 27). *Afghanistan Reconstruction* GAO@100. <https://www.gao.gov/assets/gao-21-32r.pdf>

<sup>23</sup> *Quarterly Report to the United States Congress*. (2021, January 30). Special Inspector for Afghanistan Reconstruction. <https://www.sigar.mil/pdf/quarterlyreports/2021-01-30qr.pdf>

*that it would not be “prudent” to cancel a project for which funds had already been appropriated by Congress. Ultimately, construction of the building was not completed until long after the surge was over and the building was never used.<sup>24</sup>*

Furthermore, as was mentioned in the *Washington Post’s* 2019 “Afghanistan Papers,” surges in spending at various points in the war resulted in a great deal of money flowing too quickly into unknown hands.

*The scale of the corruption was the unintended result of swamping the war zone with far more aid and defense contracts than impoverished Afghanistan could absorb. There was so much excess, financed by American taxpayers, that opportunities for bribery and fraud became almost limitless...<sup>25</sup>*

The waste and fraud involved in contracting are results of multiple factors and multiple actors. It is not only the contractors who defraud the U.S. government, but also misconduct by various U.S. military personnel themselves—including accepting bribes for contracts and enabling wasteful spending—as detailed in multiple SIGAR reports. And as shown by DODIG, SIGAR, *The Washington Post*, and by various others, insufficient oversight, lack of transparency, and too much funding flowing too quickly, resulted in massive losses to the U.S. taxpayer.

## **Conclusion**

This paper has shown that an estimated \$108 billion have gone to U.S. and international companies from the Department of Defense to perform contracts for work in Afghanistan over the past 20 years. The largest 14 companies received more than \$1 billion each, and together they accounted for over 40 percent of DoD spending on contracts. The three companies which earned the most—Fluor, Dyncorp, and KBR—were all recipients of the “LOGCAP IV” contract, a multiyear umbrella contract through which these companies provided logistics, construction, and other services.

In addition, thousands of smaller companies earned billions in contract spending, and about one-third of the contracts (in dollar terms) went to companies that are listed as

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<sup>24</sup> *Quarterly Report to the United States Congress*. (2015, July 30). Special Inspector for Afghanistan Reconstruction. <https://www.sigar.mil/pdf/quarterlyreports/2015-07-30qr.pdf>

<sup>25</sup> Whitlock, C. (2019, December 9). Consumed By Corruption. *The Washington Post*. [https://www.washingtonpost.com/graphics/2019/investigations/afghanistan-papers/afghanistan-war-corruption-government/?tid=bottom\\_nav](https://www.washingtonpost.com/graphics/2019/investigations/afghanistan-papers/afghanistan-war-corruption-government/?tid=bottom_nav)

“undisclosed” or “miscellaneous” in the data. These designations result from the contracts being given to foreign companies without a “DUNS” number, or they are undisclosed with national security or protection as a claimed rationale for secrecy. Whatever the reason, this creates an opacity that makes it impossible to know who exactly received U.S. taxpayer funds, what work was performed, how much profit was earned, and whether the intended purposes of the contracts were served.

Inadequate oversight, coupled with the issue of sub-contracting, results in a system in which the U.S. government pays contractors who then leave a trail of spending that is nearly impossible to follow. In addition, wartime contracting has been shown to be rife with corruption and waste, with multiple sources showing that at least 30 percent—and perhaps much more—of contract spending in Afghanistan was criminally or negligently lost.

USASpending data do not tell us how much profit each company made from the contracts, or exactly how much spending was lost to waste, fraud, and abuse. However, we do know that a few large companies earned billions of dollars from the war in Afghanistan and one-third or more of the DoD’s spending on contracts was lost to fraud and waste. U.S. taxpayers and lawmakers thus have no idea who is profiting from U.S. tax dollars or whether those dollars are being used for their intended purposes.