International Aid in Afghanistan: Examining the Effectiveness of Traditional Aid and Development Programs

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International Aid in Afghanistan:
Examining the Effectiveness of Traditional Aid and Development Programs

By

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ABSTRACT

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The US-led invasion of Afghanistan in 2001 brought to light the comprehensive destruction of the Afghan state. Twenty years of continuous war had ravaged the country, and with the Taliban’s expulsion of western aid agencies, Afghans were further deprived of their basic needs. The international community has rallied around this cause, donating nearly $40 billion in aid since 2001 to help develop Afghanistan. However, this international investment has not yielded optimal results; fundamental mistakes have limited the growth in capacity of the Afghan government and its people. Through analyzing the effectiveness of the major donor programs, a key lesson was learned: the absence of a unified development program has undermined the growth and capacity of the Afghan government. International aid programs in Afghanistan have revealed that providing a service of need trumps increasing the capacity of governance and rule of law. The status quo cannot persist—short-term humanitarian efforts have been maxed-out and need to shift to long-term sustainable projects. To ensure the success of the Afghan state and remove its dependence on international aid, it is imperative to learn from past international aid mistakes and apply the proper changes to Afghanistan.
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<td>ABP</td>
<td>Afghan Border Police</td>
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<td>ADB</td>
<td>Asian Development Bank</td>
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<td>AIA</td>
<td>Afghan Interim Administration</td>
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<td>ANA</td>
<td>Afghan National Army</td>
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<td>ANAAC</td>
<td>Afghan National Army Air Corps</td>
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<td>ANBP</td>
<td>Afghan New Beginning Program</td>
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<td>ANDS</td>
<td>Afghanistan National Development Strategy</td>
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<td>ANP</td>
<td>Afghan National Police</td>
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<td>ANSF</td>
<td>Afghan National Security Forces</td>
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<td>ARTF</td>
<td>Afghanistan Reconstruction Trust Fund</td>
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<td>ASFF</td>
<td>Afghanistan Security Forces Fund</td>
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<td>ASOP</td>
<td>Afghan Social Outreach Program</td>
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<td>CDC</td>
<td>Community Development Council, Afghanistan</td>
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<td>CERP</td>
<td>Commander’s Emergency Response Program</td>
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<td>CENTCOM</td>
<td>US Central Command</td>
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<td>CNTF</td>
<td>Counter-Narcotics Trust Fund</td>
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<td>CSTC-A</td>
<td>Combined Security Transition Command – Afghanistan</td>
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<td>DAA</td>
<td>District Development Assemblies</td>
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<td>DDP</td>
<td>District Development Program, Afghanistan</td>
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<td>DDR</td>
<td>Disarmament Demobilization and Reintegration</td>
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<td>DFID</td>
<td>Department for International Development, UK</td>
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<td>DoD</td>
<td>US Department of Defense</td>
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<td>DoD CN</td>
<td>US DoD Drug Interdiction and Counter-Drug Activities</td>
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<td>DoS</td>
<td>US Department of State</td>
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<td>DST</td>
<td>District Support Team</td>
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<td>DRA</td>
<td>Democratic Republic of Afghanistan</td>
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<td>EFT</td>
<td>Electronic Fund Transfer System, Afghanistan</td>
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<td>EQUIP</td>
<td>Education Quality Improvement Plan, Afghanistan</td>
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<td>EPS</td>
<td>Electronic Payment System, Afghanistan</td>
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<td>ESF</td>
<td>Economic Support Fund (USAID)</td>
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<td>EU</td>
<td>European Union</td>
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<td>FATA</td>
<td>Federally Administered Tribal Areas</td>
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<td>GAO</td>
<td>US Government Accountability Office</td>
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<td>GIRoA</td>
<td>Government of the Islamic Republic of Afghanistan</td>
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<td>IED</td>
<td>Improvised Explosive Device</td>
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<td>IFC</td>
<td>Intelligence Fusion Centers, Afghanistan</td>
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<td>IFI</td>
<td>International Finance Institutions</td>
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<td>INCLE</td>
<td>International Narcotics Control and Law Enforcement</td>
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<td>ISAF</td>
<td>International Security Assistance Force</td>
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<td>ISI</td>
<td>Pakistani Inter-Services Intelligence</td>
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<td>JCMB</td>
<td>Joint Coordination and Monitoring Board</td>
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<td>KMTC</td>
<td>Kabul Military Training Center</td>
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<td>Acronym</td>
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<td>LOTFA</td>
<td>Law and Order Trust Fund of Afghanistan</td>
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<td>MLOT</td>
<td>Military Liaison Observation Teams</td>
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<td>MoCN</td>
<td>Afghanistan Ministry of Counter Narcotics</td>
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<td>MoD</td>
<td>Afghanistan Ministry of Defense</td>
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<td>MoI</td>
<td>Afghanistan Ministry of Interior</td>
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<td>MoF</td>
<td>Afghanistan Ministry of Finance</td>
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<td>MOT</td>
<td>Military Observation Teams</td>
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<td>NABDP</td>
<td>National Area-Based Development Program</td>
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<td>NDCS</td>
<td>National Drug Control Strategy</td>
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<td>NIM</td>
<td>National Implementation Modality</td>
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<td>NMT-A</td>
<td>NATO Military Training – Afghanistan</td>
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<td>NSP</td>
<td>National Solidarity Program</td>
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<td>OEF</td>
<td>Operation Enduring Freedom</td>
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<td>OSC-A</td>
<td>Office of Security Cooperation – Afghanistan</td>
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<td>PDPA</td>
<td>People’s Democratic Party of Afghanistan</td>
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<td>NGO</td>
<td>Non Governmental Organization</td>
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<td>PRT</td>
<td>Provincial Reconstruction Team</td>
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<td>QRF</td>
<td>Quick Response Force, Afghanistan PRTs</td>
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<td>SSR</td>
<td>Security Sector Reform, Afghanistan</td>
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<td>UNAMA</td>
<td>United Nations Assistance Mission in Afghanistan</td>
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<td>UNDP</td>
<td>United Nations Development Program</td>
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<td>USAID</td>
<td>United States Agency for International Development</td>
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Maps

Afghanistan By Ethnicity, 2009

“Afghanistan’s ethnic diversity,” CNN Asia, August 19, 2009
"ISAF Maps & Logos," International Security Assistance Force, NATO.
http://www.nato.int/isaf/docu/epub/maps/index.html
Chapter 1: Introduction

Afghanistan is a highly diverse and comprehensively destroyed country. Since the US-led invasion in 2001, there have been ongoing development and aid practices that need to be analyzed for effectiveness. However, Afghanistan is a very complex country, and in order to launch a successful development program it is important to note Afghanistan’s diverse demography and recent political history. Powerful entities are spread throughout Afghanistan, ranging from ethnic groups to tribes and power brokers. The first chapter aims to outline the overarching goals of international aid, while providing a brief historical analysis of the modern Afghan state, 1978-Present. Understanding the political history of Afghanistan is of fundamental importance in order to maintain a strong and effective aid program in Afghanistan.

Over the last ten years nearly $40 billion has been invested in the Afghan state from international donors. This massive international investment is dependent on Afghanistan developing governmentally, economically, and socially. To ensure that this investment is effectively utilized, aid must be analyzed based on where it is has been spent, what projects it has supported, and what results or achievements this aid has yielded.

Aid was analyzed from donor-managed and Afghan-managed entities, examining the major development projects of each entity to deduce if projects and the aid funding them are achieving positive results—further developing the Afghan state. This research revealed glaring problems in the international approach to development in Afghanistan, starting with a fundamental neglect of nation-building activities in Afghanistan during the first eight years, 2001-2008. While aid has increased over the past five years, the
majority of this aid is still controlled and managed directly by the donor-nation, bypassing the Afghan government. The international community continues to pledge to increase funding through the Afghan government, but in practice fails to do so. This action, coupled with a continuing shortfall between pledged and allocated aid, has resulted in lack of growth and development in capacity of the Afghan government. Afghans are constantly left out of discussions and efforts to develop their country, a fundamental flaw in development policy. As more aid is funneled into Afghanistan, efforts need to be taken to ensure the government develops rule of law, specifically the future capacity to tax its people.

As large amounts of aid remain in control of the donor-nation and military projects receive the bulk of financing, efforts to stabilize and develop Afghanistan governmentally, economically, and socially will fail. To ensure effective aid and development programs, and the greater success of the Afghan state, the international donor community needs to take immediate steps to fundamentally change international development practices. While poor relations between the US and the international community with Afghanistan have directly led to concerns about fraud and corruption within the Afghan government, increasing aid and international oversight of the Afghan government will increase its accountability. Increases in aid through the Afghan government and through international trust funds need to be implemented immediately, followed by increased government capacity building activities.

Aligning aid and development practices with the priorities of the Afghan people is the only way to achieve sustainable and durable development. Afghan-managed programs have suffered from a lack of international support and financing. Increasing
aid through the Afghan government will allow the Afghan government to allocate funds where it sees fit, all while being closely monitored and regulated by the international donor community. Strengthening the capacity of the Afghan government both to direct development initiatives and provide for the needs for its people is the only way to achieve sustainable development. The more the international community supports the growth of the Afghan government, the greater the chance international aid programs will succeed in developing Afghanistan.
Chapter 2: International Aid and Afghanistan

Challenges with International Aid and Development

International aid and development projects serve an important role in developing state institutions, infrastructure and economies. Over the past ten years the international community has created a fiscally complex development and state building project in Afghanistan. The process for allocating international aid and development is incredibly difficult and challenging. While the goal of every international development project is to benefit the nation at hand, aid practices often reinforce “patrimonial elements” within the recipient state at the expense of the donor nation.1 In other words, if donor projects are mismanaged or poorly integrated into a nation’s government and social system, they serve to promote anti-developmental practices. In essence, a paradox can form as these state building and development projects often undermine state capacity. Moss’ essay further argues that if government or local officials are withheld from involvement and a voice in development projects, the citizens and public institutions of that nation view the projects as "scarce private goods to be allocated.”

With these concerns about the potential unintended detriment aid projects can have on a state, it is important to evaluate these projects to ensure they are building up state apparatuses and not rendering them ineffective.

Two major effects of international aid and development in nations are on state revenues and the political regime. First, in terms of state revenue, a major aspect of

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international aid is to build up the state apparatus such that the state can eventually tax its people and operate independently of international aid. Nicholas Kaldor argues that the key for a state to move away from dependency on aid and towards economic self-sufficiency is the ability a state has to tax. When a state develops the capacity to effectively tax its people, the need for aid diminishes in the long-term. However, the large influx of international aid into a country, an alternative form of finance, replaces the need for a state to collect domestic taxes in the short term. While this is not always the case, countries that receive high amounts of annual aid—and Afghanistan is a strong example—may see the aid as a substitute for state revenue and taxing.

Second, political regimes or state governments face serious challenges in remaining strong and rational institutions in the face of increased international aid. As the international community provides financing to foster basic state function, including paying the recurrent budget and rebuilding state infrastructure, it is incredibly easy for the recipient state to take a backseat position and let the international community work directly with the citizens to provide for their needs. Moss, Pettersson and van de Walle point to two major problems arising from this situation: first that the government is rendered ineffective, and second that government ineffectiveness ends the relationship between government and citizens. The state is supposed to function to serve the needs of its people, and increased international aid can often bypass state government, rendering it ineffective. If citizens begin to see the state only as a means for disbursing international aid, or worse if the state has no hand in development projects, what role does it serve?

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Afghanistan represents one of the largest and most complex development projects ever. Creating a functioning state in a country that has essentially been at civil war since 1989 is difficult. Creating a functioning state in a country whose infrastructure was destroyed by the US invasion in 2001 and is deeply divided along regional and ethnic lines is an even bigger challenge. It is important to see the historical context of international involvement in Afghanistan to understand how the international community arrived at its current position in the rebuilding of an Afghan state.

**Framework of Contemporary Afghanistan (1978-Present)**

*Ethnic Diversity*

Afghanistan is a unique nation, combining a diverse population with a complex and constantly changing dynamic of state governance ever since the fall of the Barakzai Dynasty in 1973. Since the non-violent coup of Mohammad Daoud Khan established the Republic of Afghanistan in 1973, there has been constant turnover in the ruling party, leading to constant rivalry among ethnic groups, tribes and warlords. Competition for power at the highest levels of the political spectrum (President, Prime Minister, etc.) has often left the citizens unattended to fend for themselves and live amongst their communities. This modern period of the Afghan state has been marred with political instability and external influence from foreign nations.

Afghanistan is primarily a Sunni Muslim state. 80% of the population, primarily Pashtun and Tajik, is Sunni and a minority population of 19%, primarily Hazara, is Shia. The three major ethnic groups that comprise Afghanistan are Pashtun (38-44% of the
population), Tajik (25%) and Hazara (10%), with smaller minority groups of Uzbek, Turkmen, Aimaq, Baluch, Nuristani and Kizilbash.3

Pashtun:

The Pashtun speak Pashto, a Pashtun dialect of Persian, and primarily live along the Afghanistan-Pakistan border with roughly 10 million people spread across the country from the north in Nuristan all the way to the west in Herat. While the Pashtun are spread across the country, they are primarily concentrated in the Northwest Frontier Province and Northern Baluchistan (Kandahar, Helmand and Zabol Provinces) close to the Pakistani border where an additional 14 million Pashtun live. The two major Pashtun tribes are the Durrani and the Ghilzai, which have provided the central leadership for Afghanistan since the 1700’s.4

Ghilzai Pashtuns ruled the Hotaki Dynasty from 1709-1738, Durrani Pashtuns ruled the Durrani Empire from 1747-1826, and the Zirak tribes of the Durrani clan ruled the Barakzai Dynasty from 1826-1973. Historically, Pashtuns controlled and lead the Afghan state, and that trend continues into contemporary Afghanistan. The Ghilzai’s lead the Democratic Republic of Afghanistan after 1978, the Pashtun Taliban ruled from 1996-2001 and now the current Pashtun rule of President Hamid Karzai.5

4 There is an important distinction between tribal and non-tribal delineation. Barnett Rubin differentiates between the two that a tribe has membership defined by descent from a common ancestor on the male hereditary line, while non-tribal groups have no claim of genealogical relationship among members.
The Pashtun follow a unique legal and moral code called the Pashtunwali. The Pashtunwali details social order and responsibility, much in the way Sharia law directs social and political life for Muslims. The Pashtun ethnic group has been the dominant group in power within Afghanistan since the 18th Century and its long trend of power and control of the state will continue moving forward under the tutelage of President Hamid Karzai.

_Tajik:_

The Tajiks are a non-tribal, Dari speaking, Sunni Muslim ethnic group comprising roughly 4-5 million people in Afghanistan. Originating from what now is Tajikistan, the Tajik people reside primarily in the Panjsher Valley, Kabul, Herat, Mazar and the mountainous regions in the Northeast. The Tajiks that live in urban regions work primarily as merchants, bureaucrats and clergymen. This high social ranking arises from the Tajik’s literacy in Persian, long the language used in government, and high culture that gave them a powerful role in Afghanistan regardless of who was ruling.6

_Hazara:_

Hazaras, the primary Shia minority, live in the central mountainous region of Hindu Kush, which has since been named Hazarajat, the “land of the Hazara.” The Hazaras are often persecuted not only for their Shia practices, but also because of their

different physical appearance being of Central Asian decent. The Hazara are descendents from the Mongol conquests in Iran that controlled Hazarajat until Abdul Rahman seized it in the late 1800’s. Under Abdul Rahman, the Hazaras became victimized and were sold as slaves. With strong history of oppression, the Hazara currently see little social mobility.

_Social and Political Instability:_

With this complex ethnic breakdown of Afghanistan, social stability has been even more difficult since 1973. While Afghanistan did see relative stability under the Durrani and Barakzai Empires, recent political leadership has been marred with political rivalry, armed conflict and an array of other challenges that have created an unstable governing environment. This period of political instability and civil war began in 1978 with the assassination of Mohammad Akbar Khaibar.

From 1973 until his assassination, Khaibar was a leader of the People’s Democratic Party of Afghanistan (PDPA) under the Presidency of Mohammad Daoud Khan, President of Afghanistan from 1973-1978. Uncertainty continues to surround Khaibar’s death, as there is little clarity as to who planned and executed the assassination. Rumors and accusations have ranged from suggestions that Khaibar’s own political party planned his assassination to Gulbuddin Hekmatyar, a warlord and political rival carrying out the deed. Regardless of intent, Nur Mohammad Taraki, a powerful Pashtun warlord, saw this assassination as a weakening of the ruling party

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and as an opportunity to seize power of the Afghan State. Taraki proceeded to lead a successful coup over the People’s Democratic Party of Afghanistan (PDPA) government of Mohammad Daoud Khan. This coup, later named the Sauer Revolution, began with Taraki leading his troops into Kabul, assassinating Daoud and his family and concluded with the establishment of the Democratic Republic of Afghanistan (DRA) on April 28, 1978.

Taraki led a Lenin-style communist state (a dictatorship of the proletariat) with strong relations and ties to the Soviet Union, but had strong internal opponents across the country. Religious individuals held sentiments over Taraki’s banning of beards and shift away from religion and Islam. Taraki also murdered Mujahideen, directly increasing sentiment among religious sects. The Mujahideen being killed were receiving financial and military help to fight against Taraki’s communist government from the United States, United Kingdom and Saudi Arabia, in addition to the intelligence support from the Pakistani Inter-Services Intelligence (ISI).

The DRA faced further internal conflicts over power between rivaling factions, particularly between President Taraki and Deputy Prime Minister Hafizullah Amin. Amin had power struggles with Taraki, which led to Amin ultimately having Taraki assassinated and replacing him as President in 1979. Amin himself was later assassinated by the Russian KGB on December 27, 1979 and was replaced by Babrak Karmal from 1979-1986. This period under DRA rule was marred with external influence from the Soviet Union. The Soviet Union feared what actual power and influence it had in Afghanistan, which led to a Soviet invasion that began the Soviet War

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in Afghanistan, lasting from 1979-1989. The Soviet Union wanted to ensure its influence remained strong, and thus invaded Afghanistan in 1979.\textsuperscript{9}

The Soviet’s tried to model the DRA, under President Karmal, on the Soviet Union, placing Soviet advisors and officers—numbering over 10,000 by 1984—in Afghanistan to implement all important decisions and overrule Karmal whenever necessary.\textsuperscript{10} These acts included writing Karmal’s speeches, interrogating prisoners and creating institutions like the Democratic Youth Organization of Afghanistan (modeled after the Soviet Komsomol). These efforts allowed the Soviets to better control a large portion of the Afghan population. However, continued high-level Soviet action and influence failed to yield a centralized government as warlords and other interest groups still independently vied for power.\textsuperscript{11}

External actors symbolized the Soviet-Afghan war. The Soviets took control of the Afghan state even with Babrak Karmal and Mohammad Najibullah acting as Presidents of Afghanistan from 1979-1986 and 1986-1992, respectively. While the Soviets controlled Afghanistan they faced strong opposition from Afghani Mujahideen. The United States, United Kingdom, Saudi Arabia and Pakistan all fearing the communist expansion, continued to aid the Mujahideen in the fight against the Soviets. The US government was practicing a policy of containment, but Pakistan and Saudi Arabia had communism on their borders and felt a direct threat to national security. As a result, these nations heavily trained, armed and provided intelligence and financial assistance to the Mujahideen. Charlie Wilson, epitomized US Congressman from Texas,

\textsuperscript{9} Ibid, p. 152-158.
\textsuperscript{11} Ibid, p. 119-124.
led congress to pass Operation Cyclone, the CIA operation to provide weapons, including stingers and additional anti-aircraft weapons to the Afghani Mujahideen. These actions proved monumental in forcing a complete Soviet withdrawal from Afghanistan in 1989 under Mikhail Gorbachev. In the Soviet absence, civil war erupted as the victorious Mujahideen shifted their battle to the incumbent communist DRA. Over three years the Mujahideen fought the communist ruling party and eventually forced the resignation of Najibullah and the DRA on April 16, 1992.

The following day, April 17, 1992, the victorious Mujahideen created the Islamic State of Afghanistan. Barhanuddin Rabbani, leader of Jamiat-e Islami, a group of Tajik and Uzbek Mujahideen, assumed control as President in May 1992. Strong tensions existed throughout Afghanistan between Rabbani, Gulbuddin Hekmatyar and Abdul Rashid Dostum and intermittent fighting took place between the three rival warlords. The Taliban, another rival group of radical Islamists saw this tribalism and conflict between ruling parties as an opportunity to seize control of Afghanistan. The Taliban began its push in 1994 by capturing Kandahar, Heart in 1995 and eventually Kabul in 1996, overthrowing the Islamic State of Afghanistan, torturing and publically hanging former President Najibullah, and creating the Islamic Emirate of Afghanistan. Mullah Mohammad Omar, Emir (essentially the de-facto President) of the Islamic Emirate of Afghanistan, led a brutal regime founded on strict Sharia law combined with Pashtunwali, the code of conduct for Pashtuns. Women and Shia minorities were oppressed, drought ravaged the country, infrastructure was non-existent and living conditions were poor.

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conditions were some of the worst in the world. The brutally oppressive Taliban regime ended abruptly in 2001 with the United States invasion under Operation Enduring Freedom (OEF). The United States easily overthrew the Taliban regime, forcing them to flee to Kandahar, the Northwest Frontier Province and Pakistan. The US invasion set the precedent to create a new Afghan state that functions effectively, provides for its people and contributes to the international security environment.

Afghanistan has a long history of political instability coupled with external international influence. The destructive years of Taliban rule has made state building measures immediately important but increasingly difficult. The Afghan state has a long history of international aid and support, but this aid in contemporary Afghanistan, 1978-Present, was focused primarily on arms, intelligence and finance, not state building or development. As the United States currently leads one of the largest and most difficult nation and state building projects, it is important to see the historic impact and involvement of international actors in the Afghan state. Examining these past projects and involvement will best introduce new and effective development projects to help contribute to an independent, effective and modern Afghan state.

**The History of International Aid in Afghanistan**

Afghanistan has been a rentier state since its inception as a modern state under Emir Abdul Rahman Khan in 1880. From that point on, the functioning and stability of

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the Afghan state were directly dependent on foreign aid. Foreign aid, according to Barnett Rubin, “culminated the century long project of creating a foreign aid-funded, Pashtun-led, centralized buffer state.” The British feared Russian expansion into southwest Asia, and used Afghanistan as a buffer to stop Soviet expansion. The British then financed and armed Abdul Rahman Khan in order for him to seize power and control of Kabul, followed by the rest of the Afghan state following the Second Anglo-Afghan War in 1880. From that point on, Rubin argues that Afghanistan could not function as a state entity without foreign aid and assistance. Rubin argues the recent roles of foreign powers in providing weapons, finance and training to modern Afghani Presidents Daoud (1973-1978), Taraki (1978-1979), Amin (1979-1979), Karmal (1979-1986) and Najibullah (1978-1992) were a major reason the nation survived as a state entity. The United States and Soviet Union ending all forms of aid to Afghanistan by 1992 was a determining factor in the fall of the central state and eventual start of civil war.

Soon after Gorbachev’s resignation on December 25, 1991, the United States and Soviet Union agreed to measures to end involvement in Afghanistan. While a toppling USSR had little ability to continue to have a hand in Afghanistan, the two nations (through a series of Baker-Shevardnadze meetings from 1988 to January 1992) laid the framework for each nation to stop deliveries of weapons to Afghanistan, stop all aid to all Afghan parties and expedite the UN solution to the Afghan civil war. The removal

16 US Secretary of State James Baker and Soviet Foreign Minister Eduard Shevardnadze held a series of meetings from March 1989 through December 1990 discussing US-Soviet relations, arms control, human rights, regional conflicts, and bilateral ties. A major aspect of these talks discussed the involvement of
of international aid to fund and build the state of Afghanistan removed the purpose of Afghan Presidents, who served as intermediaries for militias and mujahidin to receive aid. Once the aid was removed, there was no need for a state and the northern militias mutinied against the state sending Afghanistan into a period of civil war.¹⁷

With international aid playing an integral role in state function and operation, it is important to examine the overall mission of international aid in Afghanistan and the manner in which aid is currently being utilized and delivered in the rebuilding and recreation of the Afghan state. The goal of these international development projects is, according to Barnett Rubin, “not to reconstruct Afghanistan... because they are not trying to reproduce whatever existed in 1978. The goal is to build an Afghanistan that will contribute to rather than threaten global security.”¹⁸ Rubin’s definition does clearly show how the Afghanistan project is more creating than rebuilding, but the overall purpose of the international involvement in Afghanistan is to secure a stable, free and democratic state.

With that interpretation of the international role in the creation of an Afghan state, the international community became involved in Afghanistan during Operation Enduring Freedom, which began on October 7, 2001 in retaliation for Al-Qaeda’s attacks against the United States on September 11, 2001. At the time of invasion, the United

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Nations Human Development Report rated Afghanistan as the second poorest country in the world.\(^\text{19}\) In December of 2001, the United States and prominent Afghans met with the United Nations and drafted an agreement outlining the general creation of an Afghan state. The Bonn Agreement was the document created that set the framework for creating an Afghan constitution, a transitional administration and the means to hold free and open elections for President, the National Assembly and Provincial Councils. The agreement set the preliminary measures for the international role in creating a fully functioning Afghan state.\(^\text{20}\) For its own part, the United States passed the Afghanistan Freedom Support Act in December 2002, which authorized Congress to use federal funds for humanitarian, development and security assistance to Afghanistan.

Under the Bonn Agreement a primary measure “called upon the UN Security Council to authorize the deployment of international forces in Kabul, what later became the International Security Assistance Force (ISAF), so that the security of Kabul would be guaranteed by a neutral, international force rather than by a particular faction.”\(^\text{21}\) Authorized by UNSCR 1386, this represented a fundamental shift from having Kabul being protected by a warlord to being secured by a neutral outside force. With security ensured for the capital of Kabul, an emergency Loya Jirga was created to hold national meetings, resembling what would later become a national government system. A Loya Jirga is a grand council with representatives from each of the 32 provinces of Afghanistan. Loya Jirgas have often been used throughout Afghan history as a means to


\(^{21}\) “Interview with Barnett Rubin on Afghanistan,” Q&A AsiaSource Interview, Nermeen Shaikh, May 2003.
settle major political instabilities. This particular Emergency Loya Jirga in 2002 was chaired by Ismael Qasim Yar, and had 1,600 delegates from all 32 provinces. This Loya Jirga elected Hamid Karzai the President of Afghanistan with 1,295 votes. The Loya Jirga also voted and drafted a constitution drafted based on political developments that provided the framework for individual legal rights and protection on private property with a fully functioning market economy. During first year elections in June 2002, 76% of the population voted for President and 27 women were elected to the National Assembly.22

As the war carried on and the Taliban was ousted from the country, the need to outline development and aid projects became a necessity. State building is a serious and important matter, and as nations invest resources and time into the building of another, it is important to ensure that the investment is managed and planned wisely. To plan the rebuilding of Afghanistan, five donor conferences were held since 2002 in order to outline necessary state development projects, secure international support and raise money for the development of Afghanistan: 2002 in Tokyo, 2004 in Berlin, 2006 in London, 2007 in Rome and most recently 2008 in Paris:

### Pledges by Donor Conference

<table>
<thead>
<tr>
<th>Conference</th>
<th>Pledged Amount (in $ billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tokyo (2002)</td>
<td>$5.1</td>
</tr>
<tr>
<td>Berlin (2004)</td>
<td>$5.6</td>
</tr>
<tr>
<td>London (2006)</td>
<td>$8.7</td>
</tr>
<tr>
<td>Rome (2007)</td>
<td>$0.04</td>
</tr>
<tr>
<td>Paris (2008)</td>
<td>$14</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$33.4 billion</strong></td>
</tr>
</tbody>
</table>

The pledged total from these conferences was $33.4 billion, which combined with $28.6 billion in supplemental pledging, yielded a total of roughly $62 billion of aid disbursed in Afghanistan from 2001-Present.

**International Donor Conferences:**

**Tokyo, 2002:**

The Tokyo Conference in 2002 was the first major international conference on development and aid in Afghanistan. Japan, the United States, the European Union and Saudi Arabia co-chaired the event with representatives from 61 countries and 21 international organizations. The main goals of the conference were to garner support for assistance to Afghanistan under the provisions in the Bonn Agreement: “establishing

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peace, representative governance and stability in Afghanistan, and eliminating
terrorism and narcotics production and trafficking.”

Thus, the primary focus and concerns of the international community in the first year of development were security-based: removing the Taliban and terrorist insurgents and ending illegal drug trafficking.

Hamid Karzai, then Chairman of the Afghan Interim Administration (AIA) and current President of Afghanistan, highlighted areas the Afghan administration felt were priorities for reconstruction in Afghanistan: paying the government recurrent budget, education, health and sanitation, state infrastructure, establishing a currency system and agricultural development. The World Bank, United Nations Development Program (UNDP) and Asian Development Bank (ADB) conducted outside research assessing areas for Afghan reconstruction, and came to similar conclusions as the AIA.

A major concern voiced at the conference by International Finance Institutions (IFI) and Non-Governmental Organizations (NGO) centered on information sharing. Because donor nations, NGOs, IFIs and the Afghan state were all planning individual programs and projects, there was no central means to see what projects were being conducted, where they were being conducted and who was involved. This systematic lack of communication between donor nations, IFIs and the AIA caused confusion as to where projects were happening and what resources were being utilized. To overcome the information sharing disconnects, the World Bank and UNDP created a central

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databank at the Tokyo Conference. This databank would centrally contain all
information regarding individual development projects from all participating
governments and organizations. Due to pledges and programs instituted at the Tokyo
Conference, more than three million refugees and displaced persons were able to
resettle in Afghanistan.26

Peter Marsden provides a detailed evaluation of the Tokyo Conference in his
journal article “Afghanistan: The Reconstruction Process.” Marsden notes the overall
majority of aid was given directly to UN organizations, IFIs and NGOs and very little
went to trust funds that support Afghanistan’s government operation costs. Marsden
points to the Afghan Assistance Coordination Authorities (AACA) report on September
25, 2002 that revealed three major issues with pledging and donor assistance from the
Tokyo Conference: low percentages of pledged aid from the Tokyo Conference had been
disbursed; low percentages of disbursed aid were being used on transport, power and
telecommunications infrastructure; and the overall per-capita aid received by Afghan
civilians was far less than that received by civilians in other recent development
projects in the Balkans, Palestine or East Timor.27 In terms of disbursed aid verse
pledged aid, as of September 25, 2002 the United States had disbursed $350 million,
117.8% of its pledged amount for 2002, while Europe (all donor nations and the EU)
had disbursed $432 million, only 62% of its pledged amount. Nations were not being

26 “Berlin Declaration,” International Afghanistan Conference in Berlin (31 March – 01 April 2004),
Afghanistan Research Group.
http://www.ag-afghanistan.de/berlindeclaration.pdf
2003, p. 93-94.
held accountable for ensuring that pledged amounts were being disbursed into the Afghan state.

Ahmed Rashid clearly sums up the problems with the Tokyo Conference, as “what Tokyo failed to do was distinguish between money for humanitarian relief and money to rebuilt the infrastructure. ... Most of the funds pledged at Tokyo were to be spent on humanitarian relief rather than real reconstruction projects. No roads were built, no electricity or water was provided to the Afghans. Afghans complained bitterly that there had been no visible reconstruction, while donors would insist they had spent a lot of money.”

Berlin, 2004:

The Berlin Conference in April 2004 took place three months after the ratification of the new Afghan Constitution by the 2003 Loya Jirga. At the time of the conference, great strides had been made in the state and institution building process. Two Loya Jirgas were held which adopted the new constitution, elected Hamid Karzai as President, re-established the Afghan Central Bank, instituted new currency, adopted a National Budget and established Commissions on Human Rights, Elections, Judiciary and Civil Service.

All parties, the Afghan state and the international donor community, agreed on the implementation of the International Security Assistance Force (ISAF) to have a

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presence in Afghanistan until an Afghan military and security team were effectively trained and armed. NATO committed to expand Provincial Reconstruction Teams (PRT) to five additional locations by the summer of 2004. The continued formation and training of the Afghan National Army (ANA), Afghan National Police (ANP) and Afghan Border Patrol (ABP) ran concurrent to the disarmament and reintegration of militia forces throughout the country. This process of reintegrating armed factions throughout the country was carried out under the Disarmament Demobilization and Reintegration (DDR) initiative of the Afghan New Beginning Program (ANBP). This was a Japanese-lead mission to adhere to the principals of the Bonn Agreement, to ensure that "all mujahidin, Afghan armed forces and armed groups in the country shall come under the command and control of the Interim Authority, and be reorganized according to the requirements of the new Afghan security and armed forces." The DDR initiative lasted from 2003 until July 2005, when the Afghan government ended the disarmament and demobilization phase of the DDR. The GirIoA, having felt all of the militia and armed factions it could disarm and reintegrate into the ANA had been reached, ended the program with almost 63,000 former combatants disarmed and demobilized, with up to 53,000 of those having been reintegrated into the Afghan National Army.30

The Berlin Conference was the first conference where donor nations were targeted to increase multi-year funding and support through the Afghan government. Multi-year commitments were stressed because they allow the Government of the Islamic Republic of Afghanistan (GIROA) to plan long-term projects and future projects

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without the fear of lapsed funding. Increased support through the Afghan government, or through contributions to the Afghanistan Reconstruction Trust Fund (ARTF), Law and Order Trust Fund of Afghanistan (LOTFA) and the Counter-Narcotics Trust Fund (CNTF), was also stressed as a means to directly increase the role of the central Afghan state. Each trust fund targets a specific function within the Afghan government, as the ARTF, the largest trust fund in Afghanistan (administered by the World Bank), has two functions: providing funding to cover the recurrent budget of the Afghan Government and creating a separate fund to allow the Afghan Government to create its own development projects. The LOTFA, administered by the UNDP, pays for the training and salaries of the ANP and provides the financing to maintain and develop security equipment and infrastructure. The CNTF, also administered by the UNDP, was active from 2005-2009 and served to provide resources for the Afghan Government to fund projects to follow the National Drug Control Strategy.31

Funding through the GIRoA and trust funds gives the Afghan government a role in its state's development, a necessary measure to ensure the GIRoA develops state functions that eventually can exist independently of international aid.

London, 2006:

The London Conference in 2006 yielded the highest amount of public pledging for the development of the Afghan state at that time. The most important aspect of the

31 The goal of the National Drug Control Strategy, an Afghan created project, was to reduce cultivation and production and disrupt the trade of opium to ensure a transition towards a secure and effectively governed Afghanistan. “National Drug Control Strategy,” Ministry of Counter-Narcotics, Islamic Republic of Afghanistan, January 2006.
London Conference was the creation and adoption of the Afghanistan Compact. This agreement was created in consultation with the Afghan government and the United Nations to create the framework for international aid in Afghanistan for the next five years, from 2006-2011. The four major areas of focus in the Afghanistan Compact were increased security, drug reduction, efficient government and economic and social development. To ensure that projects were being held in the right locations, people were having their needs met and the Afghan government was increasing its function as a state entity, the conference agreed that the GIRoA would be responsible for holding a nation-wide census by the end of 2008. Through security, the Afghan government was responsible for working to ensure that all armed groups were disbanded in all provinces by 2007, while the ISAF and international community would expand its presence across the country and increase PRTs. Measures would be taken by the ISAF to ensure that the ANA reached a ceiling of 70,000 soldiers and the ANP and ABP reached targets of combined forces of 62,000 by the end of 2010.

Under the Afghanistan Compact principle goals were assigned to both the GIRoA and the international community. The Afghan government was responsible for creating a detailed and prioritized Afghanistan National Development Strategy (ANDS), an Afghan-produced plan for state and government development with metrics on how to monitor development efficiency. The GIRoA also was responsible for beginning to expand and legitimize domestic revenue sourcing. This included the expansion, and often implementation, of the state taxation system and customs duties. Afghan responsibilities also included a two-phased approach to international aid through the
GIROI, both reporting on the government use of donor assistance and establishing percentages of donor assistance funneled through the government.

The donor community agreed upon the completion of the ANDS not only to provide more multi-year donor commitments, but also to shift responsibility of Afghan development to the GIROI. With future programs and projects coordinated with the GIROI and in accordance with the ANDS, development better focused on government priorities, rationalized donor assistance, eliminated wasteful projects and increased aid cost-effectiveness. Coupled with increased multiyear commitments, increased proportions of aid would be channeled through the GIROI. This direct government funding included core budget assistance as well as through trust funds (ARTF, LOTFA, CNTF). A fundamental shift was also established among international donors to increase the use of Afghan contractors and materials to help build up the Afghan private sector, instead of outsourcing to contractors and companies within each donor nation.32

The London Conference created an international acceptance that the Afghan state would begin to increase its role in state development. This represented a major shift in policy, as the Afghan creation of the ANDS would provide the means for Afghanistan to take ownership over its own state and increase state function.

Rome, 2007:

The Rome Donor Conference focused primarily on judiciary reforms rather than state development projects as a whole. As a result of the focus on judicial reform, very

little money was raised for state development projects, $40 million. This conference established priorities and projects for the Afghan justice system, including the Supreme Court, Ministry of Justice and Attorney General’s Office. A “National Justice Program” was presented and adopted by the GIROA at the Rome Conference to aid in the immediate and long-term functioning of the Judicial System by providing protocol and mechanisms to ensure effective jurisprudence.

A major aspect of state function is the effective use of a legal system. Establishing the framework for courts and judiciary systems from the municipal to federal levels, allows the Afghan government to serve an important state function in creating and abiding by a code of law. Future meetings were scheduled between the donor community and National Justice Program to monitor the judicial effectiveness and the growth in rule of law in October 2007 as well as additional meetings from November to March 2008.33

Paris, 2008:

The Paris Conference has been the most important conference thus far. Not only did it manage to raise the largest amount of pledged financing, but also the Afghan government revealed the Afghanistan National Development Strategy (ANDS) at this conference. This represented a shift in the international aid and development paradigm where Afghanistan began asserting itself as a state body to announce its own plan of where aid and development should be focused. The international donor community

announced it would follow the program outlines and objectives under the ANDS for the next five years, through 2013. Under the ANDS priority would be given to the agriculture, irrigation and energy sectors. By shifting focus to these industries Afghanistan would be able to start a viable infrastructure system that would stimulate agricultural and energy business within Afghanistan. The ANDS stressed that an increase in internal employment in these sectors would directly stimulate international investment, securing a strong foundation in state infrastructure. The Afghan proposal of the ANDS revealed that the Afghan government did not view security as the primary focus or priority in state building and development. Rather, improving state infrastructure to increase internal and external economic activity was the primary concern. The Afghan-created ANDS shows how the Afghan government wanted to put a stronger emphasis on individual needs through farming, water and infrastructure.

The Paris Conference also saw unilateral support from both Afghan officials and the international community in holding national elections for President in 2009 and Parliament in 2010. While the international community agreed to “provide increased, more predictable, transparent and accountable assistance... as strengthened, and accountable government institutions acquire capacity for management,” no specific thresholds or targets were provided for any of the major donors. A major problem the GIRoA has had in terms of international assistance is that it has been difficult to plan development projects without guarantees from countries on specific amounts of aid and

guarantees on multiyear assistance of that aid. The Paris Conference failed yet again to
hold international donors to a contract of a specific amount of aid provided over a
multiple year period, an issue aired years earlier at the Berlin Conference in 2004.
While the Paris Conference did declare that increased amounts of aid would go through
the GIRoA, it specifically mentions that aid will increase when the GIRoA is
strengthened and accountable. But, without detailing the framework for such a
situation, there is no universal understanding of at what point the GIRoA will be
accountable and when the international community will be held accountable to increase
aid through the GIRoA.

**Current State of Affairs**

According to the most recent Donor Financial Review from November 2009 from
the GIRoA, roughly $62 billion has been pledged to Afghan reconstruction since 2002.
Of that $62 billion pledged, $46 billion has been allocated, of which only $36 billion has
been disbursed (see chart below). Thus, only 58% of pledged money over the past 10
years has actually been disbursed to projects in Afghanistan. The United States
overwhelmingly has been the largest donor since 2002, pledging $38 billion from 2002-
2013. The United Kingdom, World Bank, European Union (EU) and Japan have been the
other leaders in donor aid, and full financial figures for amounts pledged, committed
and disbursed are below:
Donors Official Development Assistance to Afghanistan (Figures in US$ Million)\textsuperscript{35}

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>US</td>
<td>38,000</td>
<td>28,366</td>
<td>23,417</td>
</tr>
<tr>
<td>2</td>
<td>UK</td>
<td>2,897</td>
<td>1,810</td>
<td>1,546</td>
</tr>
<tr>
<td>3</td>
<td>WB</td>
<td>2,800</td>
<td>1,883</td>
<td>1,364</td>
</tr>
<tr>
<td>4</td>
<td>ABD</td>
<td>2,200</td>
<td>1,552</td>
<td>618</td>
</tr>
<tr>
<td>5</td>
<td>EU</td>
<td>2,037</td>
<td>1,973</td>
<td>1,576</td>
</tr>
<tr>
<td>6</td>
<td>Japan</td>
<td>1,900</td>
<td>1,378</td>
<td>990</td>
</tr>
<tr>
<td>7</td>
<td>Canada</td>
<td>1,679</td>
<td>1,206</td>
<td>898</td>
</tr>
<tr>
<td>8</td>
<td>India</td>
<td>1,200</td>
<td>1,236</td>
<td>662</td>
</tr>
<tr>
<td>9</td>
<td>Germany</td>
<td>1,188</td>
<td>1,044</td>
<td>584</td>
</tr>
<tr>
<td>10</td>
<td>Norway</td>
<td>938</td>
<td>598</td>
<td>324</td>
</tr>
<tr>
<td></td>
<td>Overall Total</td>
<td>62,035</td>
<td>46,099</td>
<td>35,450</td>
</tr>
</tbody>
</table>

With the United States leading the way as the primary donor in the reconstruction of Afghanistan, 77% of all aid (~$29 billion) has been controlled and used directly by the donor nations. This means the donor aid was controlled and invested directly by the donor without input from the Afghan government. With an overwhelming majority of aid controlled directly by the donor, it allows little to no input from the GIRoA. The remaining 23% (~$8.7 billion) has been delivered directly

through the Treasury of Afghanistan, only $770 million of which has been placed fully at the discretion of the Afghan government. Even after the Paris Donor Conference where the international donors agreed to increase aid provided through the GIRoA, less than \(\frac{1}{4}\) of all aid is managed directly by the Afghan government. This does raise a concern as to whether the aid and development projects, in bypassing the Afghan government, are actually serving to weaken the state. What role does the government have in its state if almost 80% of all aid for development projects is out of their control?

### Modalities of Assistance (2002-2009) (Figures in US$ Million)\(^{36}\)

<table>
<thead>
<tr>
<th>Modality</th>
<th>Disbursement</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Donor Managed Assistance</strong></td>
<td>29,189.55</td>
<td>77%</td>
</tr>
<tr>
<td>a. Military Source</td>
<td>14,867.47</td>
<td>39%</td>
</tr>
<tr>
<td>b. Non-Military Source</td>
<td>14,322.08</td>
<td>38%</td>
</tr>
<tr>
<td><strong>Government Managed Assistance</strong></td>
<td>8,691.07</td>
<td>23%</td>
</tr>
<tr>
<td>a. General Budget Support</td>
<td>3,653.57</td>
<td>42%</td>
</tr>
<tr>
<td>1. Discretionary</td>
<td>770.35</td>
<td></td>
</tr>
<tr>
<td>2. Non Discretionary</td>
<td>2,883.22</td>
<td></td>
</tr>
<tr>
<td>b. Developed Support Through Trust Funds</td>
<td>1,495.00</td>
<td>17%</td>
</tr>
<tr>
<td>1. ARTF</td>
<td>1,430.00</td>
<td></td>
</tr>
<tr>
<td>2. CNTF</td>
<td>65.00</td>
<td></td>
</tr>
<tr>
<td>c. Support to Recurrent Budget</td>
<td>3,542.50</td>
<td>41%</td>
</tr>
</tbody>
</table>

The disbursement of donor aid for fiscal year 2009 was divided among six major sectors: security, governance and rule of law, infrastructure and natural resources, economic governance, agricultural and rural development, and health. Security received an overwhelming majority of aid at 46%, with governance and rule of law at 13% and infrastructure at 11%. Health received 8%, economic governance and agricultural and rural development each received 5%, and the remaining money went to other programs. With security receiving almost half of all international donor aid, it is questionable as to how successful security-based projects have been and if security requires such a high proportion of aid.

Following the most recent guidelines set forth from the Paris Donor Conference in 2008, the international community will follow guidelines and development plans under the ANDS for the next five years, through 2013. Under the ANDS, the Afghan government has agreed with the international community that security is the primary goal and priority interest of the GIRoA, and has been compensated as such:

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. ARTF Recurrent Window</td>
<td>1,774.77</td>
</tr>
<tr>
<td>2. LOTFA</td>
<td>847.00</td>
</tr>
<tr>
<td>3. US DoD</td>
<td>920.73</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>37,880.62</strong></td>
</tr>
</tbody>
</table>

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The Government is fully committed to, and is giving the highest priority, to successfully: (i) implementing an integrated and comprehensive national security policy and strategy; (ii) building a robust security sector reform program; (iii) strengthening civil and military operations and coordination; (iv) increasing the role of security forces in counter-narcotics activities; (v) strengthening the civilian components of security entities.38

After ten years of development and war in Afghanistan it is questionable as to whether Afghanistan will ever be able to function as an independent state. Barry Rubin quoted Marshall Muhammad Qasim Fahim, Afghan Minister of Defense, who claims that he does not believe in institutions (state bodies) and that it will be a long time before ‘zawabit replaces rawabit in Afghanistan,’ or institutions replace personal relations.39 With this challenge in changing the fundamental dynamic of Afghanistan, Barnett Rubin has further argued that Afghanistan has always been a rentier state, and without the influx of international aid, the country as a central state will fall. In order to continue effective state-building measures of the Afghan state, it is important to see exactly where aid has been given, what development projects exist and what the success of each project has been to date. By analyzing development projects managed directly by the donor community, through both military and non-military means, and those managed by the GIRoA, both through trust funds and support to the recurrent budget, conclusions can be drawn as to the overall effectiveness of development projects. Analysis will be conducted to review the state of nation building apparatuses and what changes need to

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be made at both the micro and macro levels of Afghanistan. If Afghanistan is going to be a functioning and stable Islamic democracy, it is imperative that current development projects, donor managed and government managed, be implemented in the proper fashion so as to build-up the Afghan state so it may function independently of international aid in the future.
Chapter 3: Donor Managed Aid

Introduction

Donor managed aid comprises the vast majority, roughly 77%, of all international aid in Afghanistan. Nearly $30 billion has been disbursed from donor-managed entities, either through military or non-military sources, from 2001-2009. The breakdown, between military and non-military sources, is relatively even with military sources receiving $14.87 billion and non-military sources receiving $14.32 billion over the same time period.40

Non-military projects—projects with aid funding state-building, infrastructure, education and other social, economic and governmental programs—include Provincial Reconstruction Teams (PRT), Commanders Emergency Response Program (CERP), Afghanistan Social Outreach Program (ASOP), District Delivery Programs (DDP) and USAID’s Economic Support Fund (ESF). Military projects—projects where aid is used directly to finance military programs, training, arms and weapons purchases, and security infrastructure—include the US Department of Defense Afghanistan Security Forces Fund (ASFF), US Department of Defense Drug Interdiction and Counter-Drug Activities (DoD CN), US Department of State International Narcotics Control and Law Enforcement (INCLE) and the Combined Security Transition Command – Afghanistan (CSTC-A).

These donor managed programs account for the vast majority (~80%) of international aid to Afghanistan. While these development programs and international

financings are aimed to create a functioning central government with thriving provinces in Afghanistan, by not involving the Afghan government in these donor managed projects the international community cannot fully hold the Afghan government accountable for its future success. The Afghan government is given little to no say in what projects or programs are conducted, and even less involvement in where money is spent throughout the country. The international community will not always be present in Afghanistan to oversee aspects of rule of law, and again with a vast majority of development efforts being run outside of the Afghan government, with little input by the Afghan people, long-term sustainability in Afghanistan remains a major question and concern.

To ensure the development of Afghanistan is sustainable it is imperative to examine the major donor managed projects. Researching both the non-military and military donor programs and analyzing the successes and challenges of each program, will help to develop a future plan for increased success of donor managed projects in Afghanistan.

**Non-Military Aid**

*Provincial Reconstruction Teams (PRT):*

Provincial Reconstruction Teams are one of the largest development projects in Afghanistan, with currently 26 PRTs covering 32 of Afghanistan’s 34 provinces. PRTs were created in 2003, a few years after the ISAF seized control of Kabul in 2001, in order to create joint military-civilian organizations in provinces. PRTs are controlled by an outside nation or coalition of nations that creates programs to eliminate the
insurgency from the province in question in the short-term, and create the framework to ensure the province does not fall back into the hands of the insurgency in the long-term.41

The day-to-day practices PRTs engage in are to create projects that deliver basic needs and services: security, law and order, justice, healthcare, education, etc.42 In order to create and outline the leadership and operational responsibilities of PRTs the PRT Executive Steering Committee was created on January 27, 2005. Ambassador Karl Eikenberry currently heads the committee. To further outline programs, practices and responsibilities, the PRT Executive Steering Committee created the “PRT Terms of Reference,” a document which outlined the role of PRTs, noting that “PRTs will assist the Islamic Republic of Afghanistan to extend its authority, in order to facilitate the development of a stable and secure environment in the identified area of operations, and enable Security Sector Reform (SSR) and reconstruction efforts.”43 These guidelines created nine leadership roles within the PRT system: PRT Commander (a Lieutenant Colonel or Colonel), Military Commander, Diplomatic Officer, Development Officer, Police Officer/Advisor/Mentor (may be EUPOL, military or contractor personnel), Civilian Experts, Deputy Commander, Chief of Staff and CJ9 Section.44

While PRTs are primarily focused on providing quick impact projects, specific security sector objectives were outlined for PRTs as well, including compound security, force protection escorts and tactical reserves or a Quick Response Force (QRF). Ideally,

42 Ibid, p. 4, 8-9.
44 Ibid, p. 24-25
these security forces would integrate members of both the ISAF with Afghani security forces. Another major aspect for security operations in PRTs is mobile patrolling. Military Observations Teams (MOTs) or Military Liaison and Observation Teams (MLOTs) are the groups sent out to conduct mobile patrolling, a key in strengthening the GIROA’s outreach across the country. Mobile patrolling allows the PRT to share information with the people, conduct mediation across the province and best identify needs and project priorities.45

With leadership teams in place and guidelines outlined, the first four PRTs were created by the US under OEF: Gardez, covering the Paktia and Lowgar Provinces, Kunduz, covering both Kunduz and Takhar Provinces, Bamian, covering the Bamian Province, and Mazar-e Sharif, covering the Balkh, Sar-e Pol, Jawzjan and Samangan Provinces. The first four PRTs were strategically placed to cover provinces with large populations of each of the four largest ethnic groups: Pashtun (Gardez PRT), Tajik (Kunduz PRT), Hazara (Bamian PRT) and Uzbek (Mazar-e Sharif PRT).46

The Kunduz PRT, which has been led by Germany since December 2003, has been very successful in creating information technology and infrastructure over the past five years. Specifically, Germany oversaw the creation of a Dari language radio station and the creation of a three-language newspaper (printed in Dari, Pashto and English), which has directly resulted in increased ethnic cohesion within the province.47

45 “PRT Playbook: Tactics Techniques and Procedures,” Center for Army Lessons Learned, No. 07-34, September 2007, p. 68.
The Mazar-e Sharif PRT, led by Sweden since March 2006, achieved a major success through settling the Dostum-Atta conflict, a major problem that led to armed conflict and division between two of the largest tribes within in the province. The Dostum-Atta conflict began soon after the removal of the Taliban from power in 2001. Abdul Rashid Dostum, currently an ANA general and Hamid Karzai’s Chief of Staff to the Commander in Chief of the ANA, was a military leader of the Northern Alliance during the conquest of Kabul in 2001. Dostum’s forces, primarily Uzbek, often clashed with forces loyal to Tajik General Ustad Atta Mohammed Noor. General Atta’s men kidnapped and killed a number of Dostum’s men, and Dostum’s men responded with their own killings of Atta’s forces. Each side reciprocated the killings and constant agitation between the warlords and ethnic groups led to a major conflict in Afghanistan. With Swedish mediation through the Mazar-e Sharif PRT, the conflict between two powerful warlords has ceased and Dostum and Atta have worked together on a federal project to ensure that benefits and care are provided to Afghan war veterans.48

The next four PRTs created by the US represented a dynamic shift in intentions and goals. These PRTs were specifically created not to best reach the Afghan people, but rather to create an international presence in strategic provinces for military gains.49 The PRTs were created in Bagram, covering both the Parwan and Kapisa provinces, Herat, Jalalabad, covering the Nagarhar province, and in Kandahar. The Bagram PRT was created to protect and utilize the Bagram Air Base, a key military asset for the international community. Herat is the second largest city in Afghanistan and is the

home to Northern Alliance warlord and US ally, Ismael Khan. Jalalabad is the province into which insurgents and warlords and now terrorists cross into Afghanistan from the south, making it militarily strategic to the task of blocking the flow of any insurgents into Afghanistan. Kandahar is of course the spiritual home of the Taliban and the focal point of the ongoing military objective in Afghanistan.

The Kandahar PRT was taken over by Canada in August 2005, which has since handled an incredibly challenging province with poise and success. General Rick Hillier, chief of Canada’s Defense Staff, specifically advocated for Canada to takeover the challenging Kandahar PRT. Hillier specifically chose the Kandahar PRT for several reasons, primarily because it put Canada in a high-profile role that received a great deal of international attention and exposure. Also, the Kandahar PRT is geographically close to the Kandahar Airfield, which made retrieving incoming shipments of weapons, ammo, or equipment very simple and at the same time was convenient in case of the need to evacuate. Militarily, it allowed Canada to take part in combat and shed its image as a peacekeeping nation, while working closely with the US and repair its relationship.  

The Canadian PRT in Kandahar set out to work on three main projects: repairing the Dahla Dam, eradicating polio, and increasing education. Repairing the Dahla Dam not only would fix the Afghans’ primary source for irrigation, but would also create 10,000 seasonal jobs. Canada pledged $50 million over three years to repair the Dahla Dam.  

50 The United States was not pleased with Canada after it refused to join the international forces in the overthrow of Saddam Hussein in Iraq and did not take part in the continental ballistic missile defense initiative. By taking this highly important PRT, Canada not only could improve relations with the US, but also prove to the international community that its military is still strong and capable as it had not engaged in combat since the Korean War in 1953. “The Canadian Provincial Reconstruction Team: The Arm of Development in Kandahar Province,” Kenneth Holland, American Review of Canadian Studies, Summer 2010, Vol. 40, Issue 2, p. 279-280.
Dam, focusing repair efforts on the water values, gates and canals, but also to finance educational programs to teach the local farmers about water management and crop growing techniques.\textsuperscript{51} The Polio Eradication Project sought to immunize upwards of 7 million Afghan youth, 350,000 specifically in Kandahar, through an investment of $60 million over three years. Polio is most prevalent in the southern regions of Afghanistan, and through targeting this region, Canada hopes to eliminate any traces of the disease in three years.\textsuperscript{52} The Education Signature Project invested $12 million over three years to repair 50 Afghan schools and increase the function and mobility of the Afghan Ministry of Education. With additional funding, or any funds leftover, Canada pledged to build new schools.\textsuperscript{53}

Through these primary projects of the Canadian PRT in Kandahar, there have been four overarching accomplishments of the Canadian mission: increased education opportunities, increased economic opportunity, increased relations with civilians and increased safety and detention of insurgents. In addition to opening 13 new schools and constructing an additional 20 schools, Canada has increased education opportunities through opening the Kandahar Teacher Training College. This college was established to ensure that all teachers were properly trained for the classroom, having an immediate positive effect on the Afghan children. Canada also increased vocational education, through training and educating over 150,000 Afghans in mine risks and safety as well as an additional 2,000 Afghans in vocational and skills training.\textsuperscript{54}

\textsuperscript{51} Ibid, p. 282.
\textsuperscript{52} Ibid, p. 282.
\textsuperscript{53} Ibid, p. 281-283
\textsuperscript{54} Ibid, p. 286.
The Canadians have bettered relations with local Afghans in Kandahar, evident as civilians no longer are throwing stones at Canadian operatives and are cooperating with the Canadian mission. This is revealed clearly with the reporting of improvised explosive devices (IEDs), as 70-90% of all IEDs turned-in or reported are from Afghan civilians.\(^{55}\) The renovation of the Kajaki Dam on the Helmand River has begun to provide flowing water to farmers, enabling individuals to grow stable crops and agriculture. To increase ability to purchase and finance farming operations, 500 microfinance loans have been given to Afghan clients from Canada. Lastly, increased civilian security has been provided through the reconstruction of the Sarposa Prison. The Taliban raided this prison on June 13, 2008, freeing 1,200 prisoners, 1/3 of which were Taliban fighters. Renovating this prison and beginning a police-mentoring program with active Canadian police officers have directly resulted in increased security and detainment of insurgents.\(^{56}\)

Since the initial creation of PRTs, stark differences in management and operation by the leading nation have emerged, leading scholars to refer to PRTs as following the American Model, German Model or the British Model. While the explanations of PRT models of operation are incredibly different, comparing and contrasting the effectiveness among the models is near impossible to do and will be explained later in the chapter.

The American Model uses less than 100 personnel, stresses force protection and primarily finances quick impact projects. The US also prefers to create and control PRTs primarily in the east and south of Afghanistan where the Taliban and insurgents are

\(^{56}\) Ibid, p. 284.
densely populated. The US has built and still controls PRTs in Asadabad, Khowst, Ghazni and Qalat, provinces in the east and south of Afghanistan where it could easily operate and create bases to target the Taliban and insurgents.\textsuperscript{57} The US has been effective in rapid-reward programs, providing contractors and money for small and quick reconstruction and development projects, but the overuse of —and often over emphasis on—the military has drawn criticism. The US PRTs’ focus on military operations has overlooked the role of the local community and governing body, through not including them in development discussions and excluding the Afghan voice from provincial-level reconstruction. This combat-stabilization model has come to define US PRT practices, further expanding poor development policy. Through rogue military operations, the US has not isolated the insurgents the ways conducive to military success. While the innocent Afghan civilians are provided short-term fixes of food, safety and electricity, sustainable long-term development projects are passed on in favor of military operations. To garner the support of the Afghan people and increase the capacity of the Afghan government at the local and federal levels, it is imperative to give them a role and say in development practices, directly legitimizing the US-led efforts to rebuild Afghanistan. Not including the local population in projects and overlooking development projects have also had negative consequences in strengthening the so-called “power brokers” of Afghanistan.\textsuperscript{58} With a primary focus on military operations, the US has formed relationships with regional militias, supplying them with both

\begin{footnotesize}
\footnotesize
\textsuperscript{57} Ibid, p. 278.

\end{footnotesize}
weapons and money. These alliances with militias and power brokers directly weaken the power of the Afghan-controlled ANA.

The German PRT Model utilizes more than 300 personnel, stressing a strict separation between military and civilian projects with separate civilian and military bases. The German’s stressed this separation to reveal a relaxed security environment so the local Afghans who need assistance from their PRTs would feel welcome and safe. The German PRTs are focused on three primary areas: diplomacy, security and development, in that order. These foci distinguish the German model from that of the US, as the German PRT model is not focused on counter-insurgency tactics, but rather on stabilization and reconstruction that will result in short and long-term development. However, self-imposed restraints by the German government have limited German PRTs from achieving full effectiveness in development projects. The massive bureaucracy of the German government often leads to indecisiveness and caution, leaving rapid decision-making to perish. While bureaucracy limits speed and efficiency, the German PRT Model has been effective in increasing relations with the Afghans and increasing Afghan rule of law particularly through the Kunduz PRT where Germany has instituted a joint civil-military command, where the German Foreign Minister appoints the civilian head. This method allows development and diplomacy matters to be handled by a foreign policy expert, and security and counter narcotics issues to be handled by a military expert.

The British Model practices with over 100 personnel per PRT to stress Security Sector Reform (SSR). The UK sees PRTs as a civil-military instrument, which through development and reconstruction could strengthen the GIROA. The British PRTs followed the five pillars of the SSR, which through targeting the general security situation would yield positive end results. The British believed that stressing security would “defuse confrontations between rival warlords.” However, the British focus on defusing conflicts between power brokers has had an adverse effect, often strengthening the position of influential power brokers. These power brokers have begun to enter into the Afghan government while still maintaining a military arm of their operation. Power brokers have used this military arm to either integrate into the ANA and gain a powerful role in the state military apparatus, or have dissolved the military arm in return for a powerful political position. The Afghan power brokers have exploited this situation to use their current regional influence to gain increased power at the national level. This concern is prevalent not only in British-operated PRTs, but throughout Afghanistan, and is a major issue that needs to be addressed in the future development of sustainable government reform.

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63 The five pillars of SSR reform were established in April 2002 at a security donors conference in Geneva, Switzerland. A donor state supports each pillar of SSR: military reform (US); police reform (Germany); the disarmament, demobilization, and reintegration of ex-combatants (DDR) (Japan); judicial reform (Italy); and counter-narcotics (UK).


Two of the more recent PRTs, Panjshir and Kala Gush, both controlled by the United States—created in October of 2005 and November of 2006, respectively—represent a unique change in US PRT operating style. While both still operate in the security-first mantra, the Panjshir PRT was the first and only civilian-led US-PRT. The full list of operating PRTs is below, including location, opening date and the current nation leading the PRT.
Provincial Reconstruction Teams (Chronological Order)  

<table>
<thead>
<tr>
<th>PRT</th>
<th>Provinces Covered</th>
<th>Region</th>
<th>Opening Date</th>
<th>Creating Nation</th>
<th>Current Lead Nation</th>
</tr>
</thead>
<tbody>
<tr>
<td>12.</td>
<td>Qalat Zabul</td>
<td>South</td>
<td>Apr 2004</td>
<td>U.S.</td>
<td>U.S.</td>
</tr>
<tr>
<td>13.</td>
<td>Feyzabad Badakhshan</td>
<td>North</td>
<td>Jul 2004</td>
<td>Germany</td>
<td>Germany</td>
</tr>
<tr>
<td>16.</td>
<td>Farah Farah</td>
<td>West</td>
<td>Sep 2004</td>
<td>U.S.</td>
<td>U.S.</td>
</tr>
<tr>
<td>21.</td>
<td>Qala-i-Naw Badghis</td>
<td>West</td>
<td>Jul 2005</td>
<td>Spain</td>
<td>Spain</td>
</tr>
<tr>
<td>22.</td>
<td>Chaghcharan Ghowr</td>
<td>West</td>
<td>Aug 2005</td>
<td>Lithuania</td>
<td>Lithuania</td>
</tr>
</tbody>
</table>

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PRTs are operating across the entire country of Afghanistan, but are led by a variety of nations, raising concerns as to the overall effectiveness and cohesion of PRTs. As Markus Gauster notes,

The insurgency is multifaceted, but the efforts to fight it seem to be even more diverse. Each PRT has a different set of goals and caveats and different perceptions of success... The problem is that each nation and each command has incentives to proclaim that its approach is uniquely effective, and that there is very little in the way of objective evaluation of results.67

With 14 countries currently leading PRTs in three very different operational approaches, it is incredibly difficult to facilitate cohesion between PRTs and its leading country. That is, with different programs and focuses, success not only is defined differently from country-to-country, but PRTs have the ability to affect one another, both positively and negatively due to these differences in leadership and operational approach.

The Senlis Council Security and Development Policy Group of London created a system for measuring provincial security in 2006, and in 2007 created a table designating a security level for each of the provinces in which a PRT is present. This study allows a clear estimation of security in each PRT, revealing an efficiency comparison across the three PRT models.

<table>
<thead>
<tr>
<th>No.</th>
<th>Province</th>
<th>Region</th>
<th>Start Date</th>
<th>Leading Country</th>
<th>Leading Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>25.</td>
<td>Vardak</td>
<td>Vardak</td>
<td>Nov 2006</td>
<td>Turkey</td>
<td>Turkey</td>
</tr>
<tr>
<td>26.</td>
<td>Lowgar</td>
<td>Lowgar</td>
<td>Mar 2008</td>
<td>Czech Republic</td>
<td>Czech Republic</td>
</tr>
</tbody>
</table>
## Instability Scale for PRTs

<table>
<thead>
<tr>
<th>Level</th>
<th>Characteristics</th>
<th>Provinces</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td><strong>Open War</strong>: Evacuation of PRT personnel</td>
<td>None</td>
</tr>
<tr>
<td>9</td>
<td><strong>War Zone (A)</strong>: Situation similar to civil war; daily guerrilla attacks on local civilians, police and internationals; combat operations of OEF/ISAF against MOF on a daily basis; provision of humanitarian aid impossible</td>
<td>Helmand, Kandahar</td>
</tr>
<tr>
<td>8</td>
<td><strong>War Zone (B)</strong>: Civil war tendencies; systematic attacks on local civilians, local police and internationals; increased combat operations of ISAF and OEF against MOF; political motivated violence; massive alienation between local population and GoA; security in the PRT complex only guaranteed by outside support; ordinary PRT-patrolling not possible; population in rural areas depends on the opium crop; PRT or NGO induced development cooperation not feasible</td>
<td>Uruzgan, Zabul, Khowst</td>
</tr>
<tr>
<td>7</td>
<td><strong>Transition from Post-Conflict into War Zone</strong>: Areas of high risk; increased attacks on local officials, police stations, international forces including PRTs; population consult Taliban Shuras for legal advice; reconstruction projects cannot be carried out without protection element; very few NGOs operating; ordinary PRT-patrols (&quot;showing the flag&quot;) with light armament very restricted</td>
<td>Kunar, Paktya, Paktika, Ghazni, Nuristan</td>
</tr>
<tr>
<td>6</td>
<td><strong>Instability</strong>: Targeted violence and threats of violence against civilians and members of the military; illegal road blocks; danger of hijackings; cross-country trips without a convoy very dangerous; some NGOs operating; realization of aid projects very difficult; attacks on PRTs e.g. during violent demonstrations</td>
<td>Nangarhar, Laghman, Farah, Faryab, Ghor, Badghis, Wardak</td>
</tr>
<tr>
<td>5</td>
<td><strong>Not Calm and Not Stable</strong>: Scattered attacks and threats of violence against government representatives and international forces; attacks on election candidates; increase of violent crimes; organized anti-government demonstrations can turn violent; movement only advisable in convoy; Roadside Bombs and suicide attacks possible</td>
<td>Parwan, Kunduz, Takhar, Badakhshan, Heart, Balkh</td>
</tr>
<tr>
<td>4</td>
<td><strong>Calm, but Not Stable</strong>: Hidden threats against, and intimidation of, local population; anti-GoA and anti-Western propaganda; cultivation of opium regarded as a generally tolerated source of income for the population; massive corruption</td>
<td>Bamiyan, Jawzjan, Sar-e Pol, Samangan, Baghlan, Takhar</td>
</tr>
<tr>
<td>3</td>
<td><strong>Calm</strong>: Insufficient border control leads to increasing tendency towards violent crimes in connection with illegal trade (drugs, weapons, human trafficking)</td>
<td>Nimruz</td>
</tr>
<tr>
<td>2</td>
<td><strong>Calm and Stable</strong>: Minor violent crime; government controls most of the borders and key areas; civilian administration works; development projects can be realized without security problems</td>
<td>None</td>
</tr>
<tr>
<td>1</td>
<td><strong>Overall Stability</strong>: Governmental control of the whole area; increase of legal activities</td>
<td>None</td>
</tr>
</tbody>
</table>

The majority of provinces with PRTs are still experiencing high levels of insecurity and armed conflict. With all of the independent security and development programs and projects being implemented around the country, it is difficult to deduce if PRTs are achieving sustainable results. Out of the 10 provinces that received a security level of 7 or above, the United States controls PRTs in 7 of the 10 provinces. Thus, questions regarding the effectiveness of the US PRT Model with its security-first approach are unfair. As the US controls PRTs in the most dangerous provinces, it is imperative to maintain a security-first approach to quell the insurgency. The US does not have the freedom or option to approach the violent and war zone provinces with a model other than security-first. Thus, comparisons across the three PRT Models are impractical as each functions differently due to different safety environments, ethnic breakdowns, regions, and degree of preexisting development and infrastructure. All that can be done it to evaluate the success of programs and hope to learn from the successes to avoid future challenges and setbacks.

PRTs are an important aspect in the development of Afghanistan, as each PRT individually can achieve large goals with few resources. While each individual PRT has its own accomplishments, the Provincial Reconstruction Team program as a whole does have some serious flaws that need to be addressed. First, PRTs, while one of the largest development programs in Afghanistan, need to serve as a supplementary program to the central and local Afghan governments, to aid in development and state building measures—they cannot replace state institutions. PRTs can only be effective if they

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69 In addition to shuras and loya jirgas, traditional governing bodies in Afghanistan, there are active provincial-level governing bodies in addition to Community Development Councils established by the National Solidarity Program.
give support to the local population and leadership—employing Afghan civilians and companies and giving autonomy and power to Afghan institutions ensures effective development. However, with 14 countries running independent PRTs with independent goals and priorities, not all PRTs are giving equal priority to local ownership, thereby jeopardizing the success of the province and country as a whole. The Afghan Ministry of Finance specifically highlighted these concerns in 2009:

Most of the projects PRTS implement are planned and discussed at the grassroots level with community elders, and do not involve views of the central government. Although PRTS have actively participated in the reconstruction of Afghanistan and implemented development and humanitarian projects in some of the most difficult and remote areas, there is a perception among Afghan people that most of the projects were not aligned with the government priorities and plans, and have no delivered sustainable results.  

PRTs, while designed to provide short-term progress and rapid relief programs, have often overlooked the long-term success of the province. Increased emphasis on the short-term does not correlate to proper long-term state building and political success. With these overarching principles, PRTs need to increase their roles in five key areas: increasing the number of outposts to ensure a country-wide presence, increasing local ownership by shifting the focus to Afghan autonomy and leadership, increasing the civilian presence in PRTS—thereby decreasing the amount of military personnel, increasing the training of Afghan administrators, politicians and security forces to

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increase state authority, and finally an increase in development projects in agriculture and rule of law.\textsuperscript{71}

*Commander's Emergency Response Program (CERP):*

The Commander’s Emergency Response Program (CERP) is a project of the US Department of Defense with a broad goal of providing funds for small projects in areas in need of humanitarian relief and reconstruction. The program was created while the US was involved in military operations in Iraq in 2003.

While conducting raids and patrols in Baghdad, Soldiers of the 3rd Infantry Division found a reported 1.2 billion dollars in American currency that former Ba’ath and Republican Guard officials had hidden away in various false walls and hidden containers. …

The U.S. Central Command determined the seized funds belonged to the State of Iraq and were not the personal property of a select group of its citizens… making the seized money available to coalition forces for humanitarian assistance under the name Brigade Commander’s Discretionary Recovery Program to Directly Benefit the Iraqi People…

The ensuing Coalition Provisional Authority subsequently renamed this program the Commander’s Emergency Response Program (CERP).\textsuperscript{72}


In order to receive funding, a CERP project must be a rapid relief program that immediately assists the local population, in this case in Afghanistan. Secretary of Defense Robert Gates described the use and goals of CERP in February 2007, “by building trust and confidence in the coalition... these CERP projects increase the flow of intelligence to commanders in the field and help turn local Iraqis and Afghans against insurgents and terrorists.” While Secretary Gates chose to focus on the military objective of these projects, CERP projects and financing is also a means to allow the quick allocation of finances to urgent projects all across Afghanistan. All of the funding for CERP projects is channeled through the local Provincial Reconstruction Team. While funneling all CERP finances through PRT programs seems like a waste of a program, however establishing a separate program that allows for immediate distribution of finances is imperative in local development. Most local projects will not require more than $500,000 USD, and creating this separate entity allows for allocation of funding to be streamlined through circumnavigating PRT bureaucracy.

Former US Under Secretary of Defense Tina W. Jonas highlighted the areas in which CERP financing can be applied: water and sanitation; food production and distribution; agriculture; electricity; healthcare; education; telecommunications; economic, financial and management improvements; transportation; rule of law and governance; irrigation; civic cleanup activities; civic support vehicles; repair of civic and cultural facilities; repair, or payment for repair, of property damage that results from US, coalition, or supporting military operations that is not compensable under the Foreign Claims Act; condolence payments to individual civilians for the death or

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physical injury resulting from US, coalition, or supporting military operations, made to
the surviving spouse or next kin; payments to individuals upon release from detention;
protective measures, such as fencing, lights, barrier materials, berming over pipelines,
guard towers, etc.; and other urgent humanitarian or reconstruction projects.74

While this list is quite substantive, the Under Secretary for Defense also
specifically outlined areas in which CERP financing was prohibited: direct or indirect
benefit to US, coalition, or supporting military personnel; providing goods, services, or
funds to any and all security forces; weapons buy-back programs or purchasing or
firearms; entertainment; reward programs; removal of IEDs; duplication of services
available through municipal governments; salaries, bonuses or pensions of Afghan
military or government personnel; training, equipping or operating costs of Afghan
security forces; and conduction psychological operation, information operations or
other security force operations.75

With specific guidelines for where funding can and cannot be spent, US
commanders in Afghanistan are in charge of the allocation of CERP resources.
Responsibilities in disbursing, executing and evaluating CERP projects is broken down
as follows:

74 “Memorandum for Secretaries of the Military Departments: Commanders’ Emergency Response
75 Ibid, p. 3.
## Roles and Responsibilities in CERP Projects

<table>
<thead>
<tr>
<th>Role</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brigade Commander</td>
<td>Responsible for the overall implementation of the CERP within the brigade’s area of responsibility (AOR). The BCT commander appoints Project Purchasing Officers (PPOs) and Paying Agents (PAs). The Brigade Commander identifies and approves projects within his spending authority and ensures the proper management, reporting, and fiscal controls are established to account for CERP funds.</td>
</tr>
<tr>
<td>Battalion/Task Force Commander</td>
<td>Responsible for the overall implementation of the CERP within the battalion. Battalion Commanders nominate their designated PPO to manage battalion-level projects and PAs to make disbursements for project payments. Battalion Commanders identify and approve projects within his spending authority and ensures the proper management, reporting, and fiscal controls are established to account for CERP funds. Upon project completion, the commander ensures the facility is turned over to local authorities in accordance with established policies.</td>
</tr>
<tr>
<td>Civilian Affairs Officers/S-9 Staff</td>
<td>Develop plans and programs and recommend policies to build the relationship between the unit and local civil authorities. Provide advice on the prioritization of allocated CERP funds. Conduct the daily management of the unit CERP and oversight of the unit PPO. Facilitate project coordination with other U.S. government agencies, non-governmental organizations, international organizations, and regional organizations operating within the unit AOR.</td>
</tr>
<tr>
<td>Staff Engineer</td>
<td>Offer engineering and technical capabilities to review projects funded through the unit CERP.</td>
</tr>
<tr>
<td>Brigade Staff Judge Advocate</td>
<td>Review project nominations, investigate, and recommend adjudication of civilian claims for battle damage of personal property.</td>
</tr>
<tr>
<td>Project Payment Officer</td>
<td>Manages the project budget and CERP project nominations.</td>
</tr>
<tr>
<td>Paying Agent</td>
<td>Responsible to receive and disburse cash payments for CERP projects.</td>
</tr>
</tbody>
</table>

With relegation of responsibility falling primarily in the hands of US Commanders, these individuals have the authorization to disburse up to $500,000 per project.

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project. In select cases where project costs exceed the $500,000 ceiling, US commanders can appeal to the Commander of US Central Command, currently General James Mattis, for increased spending authorization. In order to receive funding, a project must be selected. Once a project is found, a “letter of justification” must be submitted to the General. If the project is preliminarily selected, an additional “purchase request and commitment” form must be submitted followed by letters of endorsement of the project from local officials. Once all of the paperwork is submitted and approved, the project begins to occur and the financing can be given to one of two recipients, Afghan civilians or Afghan contractors. This measure was created to ensure that Afghans take charge of their own development. While the development is occurring, individuals, as previously mentioned in the chart above, are in place to monitor the projects and financing. However, additional steps are required to ensure project efficiency and monitoring, including project coordination meetings, where all involved members meet to discuss the progress of each individual CERP project, a mechanism designed to ensure project success.

CERP was created in 2004 and since its inception has disbursed $1.24 billion as of June 30, 2010. Over the same time period CERP has appropriated $2.64 billion from the US DoD, meaning the program was only able to spend 47% of its allocated resources.

on these “urgent humanitarian relief and reconstruction requirements.”\(^8\) With low utilization of funds, CERP has fallen victim to issues similar to other development programs in failing to utilize all appropriated funds. Critiques and evaluations of CERP center around inefficiencies and failures to address long-term development issues. A report by the Center for Global Development noted that CERP is a highly decentralized program, is highly dependent on the judgment of one commander, and is occasionally vulnerable to fraud and abuse. The report also critiqued the short-term focus of CERP programs, missing an opportunity to “lay the foundations for accountable governance and sustainable development... the United States could improve its long-term effectiveness by involving governance and development professionals from USAID and the State Department in the design of specific CERP projects and in the evaluation of CERP impacts on security, political stability and economic recovery.”\(^8\)

Other critiques of the CERP program note an insufficient monitoring system and minimal financial oversight, which allows little tracking of how CERP financing is spent.\(^8\) However, the project goals to have Afghans take charge of their countries development should be noted as a project success. As CERP makes changes to address project management and long-term efficiency Afghans will increase their role in involvement in the development of the country.

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\(^8\) There currently is not an electric system in place to track and monitor all past and current CERP projects, including financing, execution and location.

Afghanistan Social Outreach Program (ASOP):

The Afghanistan Social Outreach Program was created in 2008 by the IDLG (Independent Directorate of Local Governance), a body created in 2007 to supervise governance at the provincial level. The program aims to build local governance through setting up district councils in districts that have been identified as “strategically important.” Once formed, the members of these district councils can receive financial compensation from the US government for cooperating against the insurgency and ridding the district of insurgents. To achieve this rather substantial task of separating a district from the insurgency is quite difficult and ASOPs work collectively with the ISAF, USAID, district governors and Afghan government officials to rid the district of insurgents. This collective process helps to later develop District Delivery Programs (DDP).

ASOPs are reportedly active in the Nawa district of the Helmand province and in the Baraki-Barak district of the Lowgar province. While there are only two reported active ASOPs, the US has announced that it will expand ASOPs to 100 districts in the next two years, as of late 2009. In a report from the Office of the Special Representative to Afghanistan and Pakistan in February 2010, it was noted that ASOPs “bridge the gap between communities and district authorities through the creation of temporary district-level shuras, the establishment of local community councils, and

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performance-based funds for governors.”86 The district level councils, or shuras, help to bind the formal and informal systems to solve district-level problems within Afghanistan. Establishing district councils is imperative to the long-term development of Afghanistan. Not only does it provide the means at the local level to provide the needs of Afghan citizens, but also at the larger level it provides the framework for provincial-level government to strengthen the arms of the central Afghan government.

The ASOP in Helmand province has increased provincial governance through bringing together the district governor, prosecutor and local elders—all through local elections. The combination of the above individuals has combined the formal (government) and informal (local elders) to work collectively to solve district-wide issues. This combination of the formal and informal is imperative in ASOPs because it “combines the legality of state rule with the legitimacy of local elders.”87

While ASOPs have been active and again nurture a bond between elected state officials and local elders, there are some fundamental flaws with the program. This combination of elders working with elected officials of local and state government creates a system driven by personal relationships, making it increasingly difficult to sustain as officials are rotated through each ASOP.88 Another major problem with the ASOP is the lack of citizen and civilian participation. Particularly at the district level it is imperative to garner the support of the local population, as it further supports the state governing system, directly isolating the insurgency. Appointments to ASOP district
councils are elected, but still are subject to approval by either the provincial governor or the IDLG, both of whom are non-elected officials. It is counterproductive to push a program of rule of law and state governance when the population at large still has no say or voice in politics, even at the local level. However, even with these concerns ASOPs still lay the foundation to create district and provincial level governing bodies which, when functioning effectively, will be the local bodies of the Afghan government which can report to Kabul and to the federal government and create the structure of a modern democracy.

_District Delivery Programs (DDP):_

District Delivery Programs are district-level development plans created by ASOP councils, district governors and international military and civilian advisors. Local Afghan ministries run these programs to rapidly increase government development and aid in districts cleared of the insurgency. DDPs are not meant to replace development programs in a given district, but rather supplement those projects to improve government capacity at the local level. DDPs deliver services from the GIRQ through the DDP in order to empower local governments. DDPs were originally piloted in the districts below, but are scheduled to be active in 80 key districts, where nearly 70% of

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the Afghan population resides, to garner the outright support of the Afghan populace for the GIRQoA.

<table>
<thead>
<tr>
<th>April 2010</th>
<th>May 2010</th>
<th>June 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sayyedibad</td>
<td>Nawa</td>
<td>Surkh Rod</td>
</tr>
<tr>
<td>(Wardak Province)</td>
<td>(Helmand Province)</td>
<td>(Nangarhar Province)</td>
</tr>
<tr>
<td>Baraki Barak</td>
<td>Nahr-e-Saraj</td>
<td>Khogyani</td>
</tr>
<tr>
<td>(Logar Province)</td>
<td>(Helmand Province)</td>
<td>(Nangarhar Province)</td>
</tr>
<tr>
<td></td>
<td>Beshud</td>
<td>Qarghah’l</td>
</tr>
<tr>
<td></td>
<td>(Nanagarhar Province)</td>
<td>(Lagman Province)</td>
</tr>
<tr>
<td></td>
<td>Kandahar</td>
<td></td>
</tr>
</tbody>
</table>

These programs are again set-up in post-conflict, insurgency-ridden districts, often resulting from successful ASOPs. Once active, DDPs focus on two primary goals: (1) delivering services to the people and (2) ensuring that these services are provided through a consultative process with the Provincial Governor and District Governors and any involved Ministries.92

The DDPs are a relatively new program, the effectiveness of which is yet to be fully understood. As the DDPs expand to 80 major districts a true evaluation can be completed. However, similar to the ASOP, DDPs need to ensure that Kabul is in fact supplementing ongoing projects and not undermining the power and authority of the local district councils. DDPs are put in place once the insurgency has been ridden from a

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district to ensure the insurgency does not return and to gain popular support for the
GIRoA and local district councils. Thus, DDPs need to be instituted effectively, provide
for the local population, give that population a voice in politics, and not undermine the
expansion and growth of the district councils.

**Economic Support Fund (ESF):**

The Economic Support Fund is a program run by USAID to support both short
and long-term economic, political and security needs all over the world, and in this case,
Afghanistan. By using funding to support counterterrorism activities, local economies
and legal systems, the ESF hopes to create a more transparent and accountable Afghan
government.\(^9\) EFS funding is primarily used to fund PRT projects, but has the ability to
operate independently. As of March 2010, the ESF has been allocated $9.74 billion. Of
the allocated funds, only $5.39 billion has been disbursed, utilizing only 55.3% of
allocated funds. This poor percentage of disbursement versus allocation is a constant
issue in development programs, but more revealing is what contractors are receiving
ESF funding.

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\(^9\) "Quarterly Report to the United States Congress," *Special Inspector General for Afghanistan
Reconstruction*, July 30, 2010, p. 49.
### ESF Funds by Contractor\(^{94}\)

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic U.S. Contractors</td>
<td>69.56%</td>
</tr>
<tr>
<td>International Organizations</td>
<td>26.20%</td>
</tr>
<tr>
<td>Non-U.S. and Non-Afghan Contractors</td>
<td>1.95%</td>
</tr>
<tr>
<td>U.S. Government</td>
<td>1.24%</td>
</tr>
<tr>
<td>GIRoA Ministries</td>
<td>0.84%</td>
</tr>
<tr>
<td>Local Afghan Contractors</td>
<td>0.21%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

99% of ESF contracts are being given to US and international contractors for development work in Afghanistan. This is a major dichotomy in the development of Afghanistan, as the funding that it to be used to develop Afghanistan is rather being invested back into the donor nations. The ESF cannot preach development of the Afghan state when its finances are being invested outside of Afghanistan. Further, the people that need to be responsible for the rebuilding and maintaining of the Afghan state are Afghan. Afghans cannot be held responsible for the long-term development of their country when money is not being invested through the state. ESF must increase funding to Afghan contractors and ministries to spur the Afghan economy and increase future Afghan self-sufficiency.

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Military Aid

*Afghanistan Security Forces Fund (ASFF):*

The Afghanistan Security Forces Fund is a program run by the US Department of Defense to equip and train the Afghanistan National Security Forces. ASFF funding is also utilized to construct and renovate military facilities, with specific construction projects including the Afghan Ministry of Interior’s National Logistics Center and the Ministry of Interior’s Transportation Battalion.95 With this military funding source in place since 2005, $25.23 billion has been made available of which $20.79 billion has been disbursed.96 Appropriations of the ASFF represent 49% of all US reconstruction assistance to Afghanistan. With such high appropriations, the ASFF has been able to spent 82.4% of allocated funds, an incredibly high rate compared to non-military development programs.

Available funds in the ASFF can be utilized in one of three areas: Defense Forces, Interior Forces, and Related Activities. Defense Forces funds are used to fund ANA activities, Interior Forces funds are used to fund ANP activities, and Related Activities fund detainee operations. The breakdown of allocation of funds between the three branches can be seen in the table below:

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### ASFF Disbursement by Group

<table>
<thead>
<tr>
<th>Branch</th>
<th>Disbursement (US$, billion)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Defense Forces (ANA)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Equipment and Transportation</td>
<td>$6.25</td>
<td></td>
</tr>
<tr>
<td>b. Sustainment</td>
<td>$3.69</td>
<td></td>
</tr>
<tr>
<td>c. Infrastructure</td>
<td>$2.48</td>
<td></td>
</tr>
<tr>
<td>d. Training and Operations</td>
<td>$1.21</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$13.62</td>
<td>65.5%</td>
</tr>
<tr>
<td><strong>2. Interior Forces (ANP)</strong></td>
<td>$7.08</td>
<td>34.1%</td>
</tr>
<tr>
<td>a. Equipment and Transportation</td>
<td>$1.94</td>
<td></td>
</tr>
<tr>
<td>b. Sustainment</td>
<td>$1.92</td>
<td></td>
</tr>
<tr>
<td>c. Infrastructure</td>
<td>$1.59</td>
<td></td>
</tr>
<tr>
<td>d. Training and Operations</td>
<td>$1.63</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$7.08</td>
<td>34.1%</td>
</tr>
<tr>
<td><strong>3. Related Activities</strong></td>
<td>$0.09</td>
<td>0.4%</td>
</tr>
<tr>
<td>a. Detainee Operations</td>
<td>$0.09</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$0.09</td>
<td>0.4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$20.79</td>
<td>100%</td>
</tr>
</tbody>
</table>

To increase oversight over the ASFF, US Congress took two major steps to increase financial oversight and project evaluations. The first, in November of 2009, came after a US Government Accountability Office (GAO) report that called for the creation of a Deputy Commanding General of Programs. This new position would be held by a one-star deputy general to oversee CSTC-A use of ASFF funding (more details on CSTC-A program follow in next section). This position has been assigned and active since 2009, with further responsibilities including broad oversight of the execution of the ASFF budget. The second major step taken was in December 2009, when 26 positions were identified in a report as high priority and needing to be created.

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97 Ibid, p. 45.
immediately. Currently, 16 of the 26 positions have been filled, 9 have given start dates in the future, and only 1 position is under administration review.99

These changes in logistics have allowed the ASFF to shift from using “infantry-centric forces to additional enablers like combat support, logistics, route clearance, military police and military intelligence, directly decreasing dependence on military assistance from international partners.”100 These results correlate to the increase of current troop levels of 171,600 in the ANA and 134,000 in the ANP as of October 2010.101 Future targets, set during the London Conference of 2010, aim to have 240,000 active soldiers in the ANA by 2014.102 ASFF has contributed to the construction of 88 ANP district headquarters, as well as 7 border police facilities.103

However, with these physical achievements there are still concerns regarding the efficiency of the ASFF and the overall success of the programs the ASFF aims to build: the ANA and ANP. Concerns about the ASFF center primarily around corruption, lack of training, and ethnic issues. On a macro level, a US soldier in Afghanistan may have summed it up most accurately, as he described Afghan soldiers as “armed, uninformed and unprepared.”104 This critique follows a major criticism of funding for the ANSF, that US desires for having soldiers solely based on quantity trumps quality

99 Ibid, p. 94.
100 Ibid.
101 Ibid.
control issues of training and literacy. This issue is mirrored in the belief that the ASFF focuses too strongly on issues of arming and training soldiers and overlooks the bigger picture issues of accountability in the GIRoA.

Training and equipping the Afghan army is crucial to the overall counterinsurgency effort, the international community and the Afghan government should invest more in establishing greater accountability. More efforts should be made to recruit and retain experienced Afghan civilian administrators in the MOD. Kabul should also reform legal and administrative structures to counter virulent internal factionalism.\textsuperscript{105}

Focusing back on micro issues, corruption concerns have been prevalent in all facets of military reconstruction efforts in Afghanistan. A recent GAO report in January 2009 found that the ANSF could not account for thousands of missing weapons. In 2007, ANSF received 55,000 M-16’s from the United States, but only 32,000 were fielded in 2009.\textsuperscript{106} This concern raises questions about fraud and corruption, but also brings to light a major issue of illiteracy among ANSF soldiers. As of 2009, the GAO reported that 1 in 4 ANA soldiers is both illiterate and cannot operate automated systems, making electronic accountability impossible.\textsuperscript{107} Illiteracy issues also carry over into concerns about the overall training of the ANA. Reports indicate that 70% of the ANA is illiterate and drug addiction may be as high at 80-85% in the ANA.\textsuperscript{108} With such poor emphasis

\textsuperscript{105} Ibid, p. 10.
\textsuperscript{107} Ibid, p. 18.
on literacy training, development and discipline, it is incredibly difficult for the 171,600 soldier-strong ANA to be an independent functioning body.

Ethnic issues are also prevalent in the ANSF, with strong ethnic representation among soldiers in the ANSF:

### Ethnic Breakdown of ANSF Soldiers

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Percentage of the ANSF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pashtun</td>
<td>44%</td>
</tr>
<tr>
<td>Tajik</td>
<td>25%</td>
</tr>
<tr>
<td>Hazara</td>
<td>10%</td>
</tr>
<tr>
<td>Uzbek</td>
<td>8%</td>
</tr>
<tr>
<td>Other</td>
<td>11%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Thus, at 25% of the ANSF, the Tajiks have disproportionate representation in the ANSF, comprising 40.98% of all security forces. Even more shocking is that 90 of the first 100 commissioned Generals in Afghanistan were of Tajik ethnicity and were all from the Panjshir Valley. This places Tajiks as a disproportionate majority of the ANSF, and while this is not a slight to the skill, patriotism or pride of the Tajiks, it does raise questions about outside influence. As the US, Germany and UK oversee all military training operations, it does raise the question of whether or not Tajik favoritism is

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taking place. The US and NATO-allied nations did partner with the Northern Alliance to topple the Taliban in 2001, and the Northern Alliance has strong Tajik representation densely concentrated in the Panjshir Valley.¹¹⁰

Even with these concerns about the ASFF and the training and operation of the ANSF, the ASFF has yielded clear positive results. Troop numbers in the ANSF have increased faster than anticipated and are on target to reach 240,000 by 2014. The dropout rate of soldiers in the Basic Warrior Training program has declined to 16%. The application rate has risen for positions at the Kabul Military Training Center (KMTC), which is now receiving 3,000 applications for 400 KMTC positions.¹¹¹ Average monthly salaries for ANSF have risen as well, paying an average of $100-$110 per month versus the monthly salary of $16 from the AMF.

With mixed views as to the success of the ASFF, and in broader context the ANSF, it is indisputable that a greater emphasis needs to be placed on funding literacy training and development programs. More money needs to be allocated in larger-picture institutions of the Afghan Ministry of Defense and Ministry of Interior to increase capacity building skills of the central Afghan government, so the ANSF can be monitored and organized by the GIRoA, independent of international military assistance and oversight.

¹¹⁰ Ibid.
¹¹¹ Ibid, p. 18.
The Combined Security Transition Command – Afghanistan (CSTC-A): The Combined Security Transition Command – Afghanistan was effectively created in 2005, evolving out of the former Office of Security Cooperation – Afghanistan (OSC-A) program. In 2005 the United States greatly increased its funding to OSC-A, and with this influx of finance came increased responsibilities, yielding a new program, the CSTC-A, to be the main multinational military provider of training and equipping the ANSF.\textsuperscript{112} The overarching goal of CSTC-A is to create an ANSF that provides security within Afghanistan. To do so, CSTC-A works multilaterally to advise, mentor and train the Afghan Ministry of the Interior and Ministry of Defense. These activities primarily include arming and training the ANA, ANP, ANBP, and ANCOP.\textsuperscript{113}

Lieutenant General William B. Caldwell is the current Commanding General of the CSTC-A, having succeeded Major General Richard P. Formica, and before him Major General Richard W. Cone. CSTC-A is based in the heart of Afghanistan at Camp Eggers in Kabul. From this base, the majority of tasks are carried out by Task Force Phoenix, through authorization by US Central Command (CENTCOM). In this role, the CSTC-A has been responsible for the overall training, arming and practice of the ANSF, having guided the ANSF to its current ranks and size.

As of February 2010 the CSTC-A experienced a shift in role and “was subordinated to the broader NATO Training Mission—Afghanistan (NTM-A)... CSTC-A’s mission was reoriented to building the capacity of the Afghan Defense and Interior [\textsuperscript{112} “A Force in Fragments: Reconstituting the Afghan National Army,” \textit{International Crisis Group}, Asia Report No. 190, May 12, 2010, p. 8.\textsuperscript{113} \textit{Ibid}, p. 2.]
Ministries, and to provide resources to the ANSF.”114 With the change in role, the number of required staff was set to 4,800 personnel. While current staffing levels are below the target, General David Petraeus has received pledges from other countries to fill the staffing void.

Since the program’s inception in 2005 and recent transition in role in 2010, there have been many clear achievements. Former CSTC-A Commanding General, Major General Robert W. Cone, received the Ghazi Wazir Mohammad Akbar Khan State Medal from President Hamid Karzai in 2008 for his development and strengthening of the Afghan National Army. Under General Cone’s guidance, the CSTC-A was effective in expanding the ANA to 26,000 soldiers, a growth rate of over three-times the previous enrollment. An ANP training program was established, which has since trained over 22,000 policemen. And lastly, the Afghan National Army Air Corps (ANAAC) was also a target of CSTC-A training and now currently flies 90% of all air missions.115 Increased arming and training measures, including refurbishing military equipment, has been an effective program for cutting costs, while training ANSF members in engineering. In December 2008, CSTC-A engineers refurbished 6 Mi-17 cargo helicopters for the ANA, helping train the ANAAC on how to fly and repair machinery.116 Another achievement has come in the area that has been at the forefront of corruption woes, weapons accountability. Keeping track of weapon numbers, tracking where weapons are coming

from, and tracking where weapons are assigned have always been a source of confusion from 2002-2007, as the ANSF only counted numbers of weapons and no additional information. Now, the ANSF utilizes a CSTC-A program that scans serial numbers on weapons and reports weapons tracking numbers to the Afghan Ministry of Defense in monthly reports. During a recent random weapons inspection by the CSTC-A, at the request of the US Government Accountability Office, the CSTC-A found that 296 of 330 weapons were accounted for, totaling roughly 90%.117

However, even with these achievements and increases in trained ANSF personnel, there are still major concerns regarding the CSTC-A program. The program as a whole has been stretched to its limits in terms of effective training and equipping. Constant problems with training soldiers, faulty equipment, slow infrastructure development, and poor army attrition rates have led to the CSTC-A exhausting its resources.118 A 2009 US Department of Defense report found that these problems “have stretched CSTC-A’s current train and equip system to the edge of acceptable limits and has jeopardized the army’s force quality and long-term viability.”119

With concerns about overstretching the capabilities of the CSTC-A, further resource constraints have limited CSTC-A involvement and training of provincial and local police commanders. Poor weapons management has decreased amid the CSTC-A

weapons management system, put in place in 2007 after the M-16 fiasco. The high use of international contractors has decreased the accountability of the CSTC-A, as there is little oversight and scrutiny of contractors and their work. At the bureaucratic level, CSTC-A has endured a power struggle with ANA and Afghan Ministry of Defense officials. While the CSTC-A wants to establish an infrastructure system based in Kabul with branches extending to the provinces, many ANA and MoD officials have resisted this change as it directly decreases their power and influence. Therefore, there is an immediate need to work with the Afghan people to strengthen and legitimize administrative structures within the Afghan central government.

As the CSTC-A has just recently shifted its focus to increasing the power and function of the Afghan MoD and other national security institutions, increased emphasis needs to continue to be focused on dissolving factional, warlord power through increasing Afghan accountability and management of its ANSF. The CSTC-A has succeeded in its previous role of building a functioning and active ANSF, as the ANA is currently staffed with 171,600 soldiers and the ANP with 134,000 policemen. These programs were built essentially from scratch, and the CSTC-A has more than achieved its goal in just five years. Accountability, training, and reorienting a strong, central government need to be the focus in the coming months and years, and five years of a short-term rapid increase of ANSF personnel needs to be met with another five years of

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120 In 2007, the ANSF received 55,000 M-16’s from the United States, but only 32,000 were fielded in 2009 raising the concern of corruption and weapons accountability.


122 Ibid, p. 10.
long-term law and order reform in order to ensure the success of CSTC-A programs in the ANSF.

Department of Defense Drug Interdiction and Counter-Drug Activities (DoD CN):

The US Department of Defense Drug Interdiction and Counter-Drug Activities program was put to work in Afghanistan in 2004 to combat its abundant drug-related activities. Drug-related activities became a focus of the United States’ military and development operations as drug production and trade often financed insurgency operations. The Taliban has been known to receive funding through the taxing of drug trade and cooperation with the Pakistani ISI in smuggling drugs across the Afghanistan-Pakistan border. The money from taxing the production and sale of opium has directly financed the Taliban and other insurgency groups. Thus, combating these operations, while strengthening the authority of the Afghan Ministry of Defense and ANBP, is a necessity in building state capacity.

To combat Afghan drug activities, the DoD CN uses funding to support military operations (both by the US and Afghan forces) against drug activities, support Afghan counternarcotics programs, and train and equip Afghan counternarcotics enforcement branches.123 To fund these programs, the US Department of Defense has allocated $1.43 billion since 2004, $1.40 billion of which has been disbursed. Over the past 6 years, nearly 98% of all allocated funding has been spent on counternarcotics activities, a higher percentage than all development programs in Afghanistan.124

Specific DoD CN funding has been spent in four main areas: Military Action, Public Information Support, Law Enforcement, and Interdiction Efforts. Military action spending includes financing US military operations on drug trafficking targets including the use of Apache, Blackhawk and MI-8 helicopter attacks. This branch also includes supporting Afghan military counternarcotics operations. Public Information Support focuses on developing an Afghan public affairs office that announces counternarcotics achievements at the local and international levels, to garner support for the GIRoA and deter insurgency popularity. Law Enforcement spending is primarily used to equip the Afghan Border Police and Highway Police, the primary Afghan security bodies that deal with drug trafficking issues. “Border Police operate in an often hostile environment where heavily armed traffickers or militants are found, and they often need equipment beyond the requirements of normal policemen—equipment such as vests and cold/wet weather gear.”

Interdiction efforts have focused funding and operations on working with Afghanistan’s neighbors and establishing Intelligence Fusion Centers (IFCs), shared counter-narcoterrorism intelligence centers under the control of the Afghan Ministry of Interior. US counternarcotics work at the regional level has involved cooperation with Russia and the Gulf States. Russia recently agreed to the Bilateral Presidential Commission with the US, a joint program “to stem regional drug flows, promote information exchange on threat finance, and reduce demand for heroin that sustains the

126 Ibid, p. 96.
Afghanistan drug trade.”  The Gulf States, with their massive financial market, have been targeted by the DoD CN to use their financing capabilities as a threat to international drug traffickers who often look to the Gulf region for funding.

With this broad range of counternarcotics activities through the DoD CN and other drug interdiction programs, questions still remain as to how successful counternarcotics operations have been. Even as drug fields are torched, drugs are seized and traffickers are arrested, many involved in drug activities often continue their involvement because there is no other alternative for work outside of opium production. Afghans involved in drug activities need an alternative source of income and security to avoid the temptation of drug production. The DoD CN should not only focus on eradication, but also on creating jobs to facilitate the growth of an alternative economy.

**International Narcotics Control and Law Enforcement (INCLE):**

The International Narcotics Control and Law Enforcement program is a joint partnership between the US Department of State (under the International Narcotics & Law Enforcement Affairs division) and Department of Defense. INCLE funds and operates programs within a foreign nation, be it foreign police or counternarcotics, to advance the rule of law and combat narcotics production. INCLE programs are designed to impact the international drug trade through “strengthening foreign government

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129 Ibid.
ability to identify, confront and disrupt the operations.”\textsuperscript{131} This counternarcotics-driven program is structurally and fundamentally different from other programs as there is minimal US or outside influence and leadership. International contractors and US police officers are used through INCLE to train the Counter Narcotics Police of Afghanistan (CNPA). INCLE serves to increase the function and capability of Afghan rule of law, while not rendering the Afghan government branches ineffective. To achieve this objective INCLE has a two-pronged approach: disrupting the overseas production and trafficking of illicit drugs; and developing stable criminal justice systems to strengthen law enforcement and judicial effectiveness.\textsuperscript{132}

Since INCLE was established in Afghanistan in 2004, it has been allotted $2.68 billion of which $1.68 billion has been used.\textsuperscript{133} This results in a 63% use of available funds. While that percentage is not as high as other programs, INCLE has made great strides in spending its money and investing its money in Afghan contractors and sources. This represents a stark contrast to the ESF and other development programs, which overwhelmingly invest finances back into the pockets of American contractors.


Nearly 90% of all INCLE funding, roughly $1.5 billion, has been invested in Afghanistan, whether through the Afghan government or Afghan contractors. This represents two clear positives of the INCLE program. One, INCLE is again assisting in, not controlling, the development of the Afghan state and operating with various Afghan Ministries. Second, INCLE is investing its funds into the success of the Afghan state. $1.68 billion US dollars can go very far in a poor country like Afghanistan, and this money directly stimulates and grows a feeble economy in need of investment. It is difficult to track specific INCLE fund spending as INCLE supports INL programs which receive funding from INCLE, US DoS and US DoD. Dennis Keller, retired US Army Colonel, elaborates on this accounting dilemma as “it is difficult to determine how many U.S. Police are

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134 Ibid, p. 50.
contracted by ICITA with INCLE funds provided by DoS INL, and how many are actually contracted by INL/CIV itself using INCLE funds.”

While tracking funding is difficult, the White House Office of Management and Budget was able to give the INCLE program a rating of “Adequate.” This score reflects problems areas of a lack of resources to oversee financial management and lack of clarity if current counternarcotics programs will achieve the most cost efficient results. However, INCLE is working to address those concerns by hiring new staff to oversee all financial management as well as analyze the current INCLE strategy to assure that all resources are devoted to projects with the highest upside.

The format and function of INCLE is one that should be closely analyzed to see if programs that highly support and invest in the Afghan state should be adopted by other development programs. As INCLE adapts to new changes, it still faces an uphill battle in rooting out drug-related activities in Afghanistan. Afghanistan ranked 179 out of 180 countries in Transparency International’s 2009 Corruption Perception Index. While there is clear political corruption present, a great deal of this corruption arises from non-monitored border crossings that allows for the free flow of drug trade. INCLE has begun to focus on this issue, as by 2008 INCLE assisted in Afghan government control of 14 official border crossings. While there are over 1,000 unofficial border crossings,

137 Ibid
INCLE has addressed this issue as a focus of the counternarcotics program.\textsuperscript{138} With INCLE continuing to act in an assisting role and invest in Afghanistan, positive change should continue in the capabilities of the CNPA and ANBP as well as at the Ministerial level in Afghanistan.

Chapter 4: Afghan Government-Managed Aid

Introduction

Afghan government managed aid comprises 23%, a distinct minority, of international aid in Afghanistan. With only $8.691 billion being controlled by the Afghan government, it is increasingly difficult to hold the GIRoA responsible for the development of Afghanistan. Even with a significantly lower percentage of funds, Afghan managed aid has been allocated in two manners: through trust funds and direct budget support. The three major trust funds in Afghanistan are the Afghanistan Reconstruction Trust Fund (ARTF), the Law and Order Trust Fund of Afghanistan (LOFTA), and the Counter Narcotics Trust Fund (CNTF). There are two primary means of providing budget support: providing general budget support, both discretionary and non-discretionary, and through US Department of Defense recurrent budget support. Direct budget support is very difficult to track as it is appropriated through direct transfers and is primarily used towards the GIRoA recurrent budget.

Trust funds, specifically the ARTF, constitute the majority of Afghan government managed aid. But, it is important to note that GIRoA managed aid does not mean the Afghan government has free-range use of the funds. Non-discretionary budget support, as its name suggests, gives funding for specific activities and projects that the Afghan government has no control over. The major trust funds are following the National Implementation Modality (NIM), whereby the GIRoA does control the finances and allocation of resources for development project.
A major issue surrounding Afghanistan’s government controlled aid is the dichotomy of aid allocation; the Afghan government is not truly controlling aid if it does not have the power to direct where the aid goes. While a trend has finally emerged to increase funding through the Afghan government, further measures need to be implemented to involve the Afghan government and include the GIRoA in development and investment activities. Development of Afghanistan should be a joint consultation between the Afghan government and its people; in order to spur development in a foreign land with foreign values and norms, the Afghan people are the most important resource in deciding where best to invest at both the local and national level. In order for capacity building to take place in the Afghan government, increased funding need be channeled through the Afghan government so it can develop and establish itself as an independent body capable of providing for the Afghan people.

**Trust Funds**

*Afghanistan Reconstruction Trust Fund (ARTF)*

The Afghanistan Reconstruction Trust Fund is the largest contributor to the GIRoA budget for both operating and development costs.\(^{139}\) The trust fund was created in May 2002 by the World Bank to support the recurrent budget of the Afghan government. The recurrent budget is the overall operating budget of the government, which includes payment of government salaries, ministries, and basic government operations. However, with more countries and donors providing funding through the

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ARTF, the ARTF increased its range of operation to additionally invest in national programs and development projects.\textsuperscript{140}

Since 2001, the ARTF has allocated $3.7 billion, of which $3.2 billion has been disbursed, yielding a very strong 91.4\% use of available funds.\textsuperscript{141} Currently, the ARTF operates with two financial windows—two specific areas in which funding can be allocated—providing funding to the Recurrent Cost Window and the Investment Window. The disbursed funding provided $1.95 billion to the Recurrent Cost Window and $1.2 billion to the Investment Window, over the same time period.\textsuperscript{142} Thirty-two international donors have provided funding for the ARTF, reflecting strong international support for an Afghan-run and Afghan-operated development program.

The operation of the ARTF is administered by its founder, the World Bank, but is overseen by a joint committee including the Islamic Development Bank, the Asian Development Bank, the United Nations Assistance Mission in Afghanistan (UNAMA), and the UNDP. The Afghan Ministry of Finance also serves an administrative role in the trust fund as an observer to the committee.\textsuperscript{143}

The primary support of the ARTF goes to the recurrent budget costs for Afghanistan, the operational costs for running the Afghan government and funding its continual growth. Increasing the capacity of Ministries and government workers requires funding for the salaries for government employees, teachers, health workers,

and civilian staff throughout the country. The Recurrent Cost Window is fairly straightforward, in terms of investment, as there is a clear understanding of where funding is allocated and why. However, the Investment Window is more complex, with multiple alleys, sectors, and programs through which to invest. In 2009, the financial breakdown for Investment Window operations was $150.78 million for the National Solidarity Program (NSP), $70.42 million for Microfinance programs, $67.45 million for Education Quality Improvement Program (EQUIP), and a combined $91.35 million for energy development projects.144

The NSP is the largest and most prestigious of these national development programs. The NSP was created in 2003 by the Afghan Ministry of Rural Rehabilitation and Development to work with Community Development Councils (CDCs) to strengthen local governance through funding projects at the village level.145 The NSP has received over $600 million since 2001, which it has utilized to finance over 50,788 projects in over 22,000 villages in 34 provinces.146 The core mission of the NSP is to give the Afghans a say in their development by funding projects and activities chosen by the Afghan people through local CDCs. These projects range in size and quantity from a dam project in Behsood in the Nangarhar Province to a large-scale irrigation and crop development project in Shinwar in the Nangarhar Province that received $46,000 from the NSP and raised $5,000 from local villagers.147 A local citizen in the Nangarhar

147 Ibid.
province spoke to the support and success of the NSP through the ARTF, noting, “when there are problems in our communities, with assistance from the National Solidarity Program projects we (the local citizens) can identify the challenges. The NSP is proof that we've learned in this village—when we come across problems we can find a way to solve them.”

EQUIP is a highly successful Afghan-run program that proves to the international community that the Afghan people do want to increase education opportunities for their people. Communities across Afghanistan are working at the local and national level to secure funding for educational projects, building schools and hiring teachers among other initiatives that has helped 6.3 million children return to school, 2.2 million of which are women.

Microfinance loans have been an increasingly effective means to help bring stimulate the Afghan economy and bring citizens out of poverty and into prosperity. Since 2001, these microfinance loans provided through the ARTF have been given to over 1.4 million Afghans, 60% of whom have been women. Energy sector projects include the Kabul-Aybak/Mazar-e-Sharif Power Project, the Rehabilitation of Naghlu Hydropower Plant, and the Afghanistan Power System Development Project. These projects have directly increased Afghan access to electricity, and coupled with a

148 Ibid.
previous project to import Uzbek electricity, an additional 100,000 urban household now have electricity in 2009 alone.\textsuperscript{152}

Nonspecific ARTF Investment Window projects have helped to plant 1,130 hectares of new horticultural orchards (grapes, apricots, almonds, and pomegranates) in 11 provinces, construct over 11,000 kilometers of rural access roads that connects over 27,000 villages across the country.\textsuperscript{153} Not only do ARTF projects provide tangible results, but also the associated work in these projects has employed local Afghans, stimulating new industry and the Afghan economy.

The ARTF has received positive marks both from within Afghanistan as well as outside donors. Marshall Elliot, Country Head of DFID in Afghanistan, remarked, “the ARTF is by far, on the view of the United Kingdom, the most successful program that we’ve had.”\textsuperscript{154} US politicians shared similar views, as William Frej, Mission Director of USAID Afghanistan, stated “we [the United States] have the highest level of confidence that this [ARTF] is a financially sound and capably managed and accountable financial window for our donor resources.”\textsuperscript{155} With such high marks from the two largest donors to the ARTF, the international community began to take note of ARTF success as recently as the London Conference in 2010, pledging to increase funding through the ARTF. From 2010-2013 $2.6 billion will be made available for use by the ARTF, a 32% increase.

\textsuperscript{153} Ibid, p. 58-59.
\textsuperscript{155} Ibid.
increase in ARTF funding from the end of fiscal year 2009.\textsuperscript{156} These positive marks from the international community are representative of the three overarching successes of the ARTF: efficient integration and capacity building of the Afghan MoF, successful community-based development projects, and primarily because this Afghan government-run program has been increasingly accountable in disseminating program information.\textsuperscript{157} The latter is the fundamental key to argue for increased aid through the Afghan government. The ARTF proves the GIRoA can allocate and funds and invest in successful community-based development projects, while providing detailed reports on financial investments and project execution to the donor community. This act of government accountability is paramount, as the ARTF’s successes have correlated with an extension of the program beyond its original end date of June 2006, to June 2020.\textsuperscript{158} Accountability is key—through successful dissemination of ARTF reports, Afghan government can make the claim to increase Afghan-managed aid.

Increasing funding through an Afghan-managed development program represents a fundamental change in international donor policy, as international donors previously have made promises since the Berlin Donor Conference in 2004 to increase funding through the Afghan government, but have failed to do so in a substantial manner. Announcing this shift moving forward reveals a few major changes in international policy: the international community has accepted that the GIRoA can manage its own development projects; the GIRoA can be held financially accountable


\textsuperscript{158} Ibid.
for international aid; and the international community can begin a process of increasing GIRoA responsibility over the development of its state and allow the international community to slowly decrease their presence in Afghanistan.

**Law and Order Trust Fund for Afghanistan (LOTFA)**

The UN Development Program established the Law and Order Trust Fund for Afghanistan (LOTFA) in 2002. The trust fund was created in order to generate funding to support the ANP through the Afghan government. In this capacity the LOTFA has two primary foci: financing the ANP recurrent budget and financing ANP infrastructure projects.\(^{159}\) Through these broad program goals the LOTFA was able to receive $980 million in donor funding, or which $868 million was disbursed from 2002-2010.\(^{160}\) Belgium, Canada, Denmark, the European Commission, Finland, Germany, Hungary, Ireland, Japan, the Netherlands, Norway, Switzerland, the UNDP, the United Kingdom, Australia, the United States, Latvia, Iceland, Italy and the UK Department for International Development (DFID) provided funding for the LOTFA.\(^{161}\)

The LOTFA was created in five phases dated as follows: Phase I (November 2003 – March 2004), Phase II (April 2004 – March 2005), Phase III (April 2005 – March 2006), Phase IV (April 2006 – August 2008) and most recently Phase V (September

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2008 – August 2010).\textsuperscript{162} Upon the completion of Phase V, the LOTFA was ended, having completed its goals and functions. Through its program and mission it has made significant accomplishments over the past eight years.

Through financing the payment of ANP salaries, the LOTFA funneled all resources through the Afghan Ministry of Finance (MoF), in accordance with the National Implementation Modality—meaning the GIRoA nationally manages the finances and operations of the LOTFA.\textsuperscript{163} In this capacity, the LOTFA was able to successfully pay the salaries of over 96,000 police and increase the operational capacity of the Afghan MoF. Of these police the LOTFA was paying, the program placed a large emphasis on increasing efforts to recruit women. While the numbers are not staggering, the LOTFA was able in 2009 to recruit 714 females to join the ANP, of whom 130 became officers, 359 became sergeants and 225 became patrolwomen.\textsuperscript{164}

To increase financial oversight and the accountability of the MoF and MoI, the LOTFA created an electronic payroll system (EPS) and electronic fund transfer (EFT) system in Afghanistan. The EPS allows electronic salary payment, in this case for the ANP, which allows for simple tracking of finances and salary monitoring. With increased financial accountability, 99.5% of all police officers have their salary paid


\textsuperscript{164} The social and cultural restrictions women face make recruiting women for the armed forces and police force far more difficult.
through the EPS through one of the 115 EPS stations the LOTFA built. To ease financial transfers, the EFT system was established by the LOTFA to increase the capacity and ease of using the electronic payroll system. EFT systems are active in 31 of Afghanistan’s 34 provinces, providing financial transfer assistance to over 77% of the ANP. Both of these mechanisms allow for greater accountability from the GIRoA, and with periodic follow-up from the international community the Afghan government will increase its capacity to monitor financial statement through reporting and regulating provincial EPS reports.

Infrastructure was another area in which LOTFA invested and provided financing. In this area, the LOTFA was successful in establish both the EPS and EFT systems and the respective stations for each. But, LOTFA funding was also used on ten primary construction projects, building a 200-bed hospital in Kabul, a fire brigade in Kabul, numerous highway check posts for the ABP, and many more.

Even with these accomplishments, the long-term stability and function of the MoI and MoF remain in question. The LOTFA faces challenges moving forward, primarily regarding the ability of the MoI and MoF to run and oversee budget operations of the ANP without assistance or direct oversight through the LOTFA. The LOTFA was ended on August 31, 2010 and over eight years provided the framework and institutions to allow for the MoI and MoF to function in an effective manner. With

165 Ibid.
166 Ibid.
programs like the EPS and EFT, the LOTFA has accomplished its goals and is at a point where the GIRQA can and must assume all responsibilities to carry on with ministerial duties. This is an essential step that ensures the Afghan government and ministries can eventually function independently of international aid in the future.

The LOTFA poured financial and developmental resources into training and recruiting a strong ANP. Through intensive training programs, creation of the Ministry of Women’s Affairs, and nation-wide recruiting efforts, it is now the responsibility of the Afghan government to ensure trained police officers are retained, and an effort to recruit women to the ANP continues.169

On the macro-level, criticisms are prevalent that the LOTFA represents yet another program delivering increased financial services to the security sector of Afghanistan.

Despite the need for an effective, well-equipped and trained police force, currently the national police personnel operate under severe constraints due in part to limited human and material resources, but also because of the non-traditional roles that it has increasingly been required to assume. The ANP has continued to expand, but the quality of the police has remained questionable.170

This is a valid criticism of the ANP and is an issue that runs through all aspects of the ANSF. However, the broader goal of the LOTFA directly increases central government capacity. At the macro level, a successful, accountable, and proactive MoI will ensure the

success of the LOTFA and ANP. By following the National Implementation Modality, the GIRoA—specifically the Ministry of Interior—has remained in sole control over the LOTFA and focused efforts on increasing accountability and function of central government ministries. If the MoI proves to be a powerful and functioning body, it will oversee ANP operations, ensuring women are recruited to the police force and highly trained personnel are retained. In the event problems arise, through the capacity-building activities of the LOTFA, the MoI has the training and insight to make necessary changes to address the problems it faces.

Counter Narcotics Trust Fund (CNTF)

The Counter Narcotics Trust Fund was created and administered in 2005 by the United Nations Development Program to assist the GIRoA in its implementation of the National Drug Control Strategy (NDCS). The trust fund was closed in December 2008, but was extended one additional year through 2009 to assist in a timely transition of responsibilities to the Afghan government.\(^{171}\) As of July 2009, $99 million had been allocated to the CNTF, of which $62 million was disbursed.\(^{172}\) It is important to note that all financing provided to the Afghan government was funded through the National Implementation Modality (NIM), meaning the GIRoA had full responsibility for the finances.\(^{173}\) In this context, CNTF finances were used for four key purposes: providing


\(^{173}\) Ibid.
resources for GIRoA counter narcotics programs, increasing transparency of counter narcotics funding and project allocations, increasing the GIRoA’s capacity to run successful counter narcotics programs, and increasing cooperation across counter narcotics activities.\textsuperscript{174}

With these overarching principles for CNTF finances, specific funding initiative fell in line with NDCS guidelines, with finances being spent on supporting: alternative livelihoods, building institutions (regional counternarcotics centers), public awareness, law enforcement, criminal justice, eradication, drug demand reduction and treatment of drug addicts, international and regional co-operation.\textsuperscript{175} With these funding guidelines, the CNTF did have many clear achievements. During the four years of CNTF activity, 31 projects were approved for CNTF funding across 17 provinces. Of those 31 projects, 21 were in alternative livelihoods, 4 in drug demand reduction, 1 in public awareness raising, 1 in law enforcement and 1 in institution building.\textsuperscript{176}

Even with 31 projects completed over a 4-year span, the CNTF received very small amounts of funding, relatively unsubstantial when compared to international aid as whole. As a result the CNTF has and still continues to face challenges. Most notable is the lack of program funding for the CNTF. Over the years of operation, the CNTF produced a target budget of 900 million over three years, of which 99 million was committed.\textsuperscript{177} That represents roughly 11\% of what the UNDP deemed necessary to operate a successful Counter Narcotics Trust Fund, and for such a serious issue of counternarcotics, that is simply not effective in sustaining long-term development.

\textsuperscript{174} Ibid. \\
\textsuperscript{175} Ibid. \\
\textsuperscript{176} Ibid. \\
\textsuperscript{177} Ibid.
Reasons are vague as to why there was such a gross discrepancy between requested finances and what was ultimately provided. One problem noted with the CNTF was that there were not enough CNTF-run donor meetings to generate international support and raise money. However, the CNTF was a UNDP program and that alone should have sufficed to generate international support and finance. What I believe is more pertinent to lack of financial support is that the major supplier of international aid to Afghanistan, the United States, was already leading independent military and counternarcotics operations under Operation Enduring Freedom and saw no use investing significant money in the Ministry of Counter Narcotics, when it was already doing what it deemed productive work.

Regardless of funding shortfall, the CNTF did target drug related activity in a productive manner. Barnett Rubin notes that there should not be a short-term focus on eliminating narcotics—Afghan economic growth will stall as individuals fall further into poverty—eliminating narcotics will take well over a decade, and crop eradication is a counterproductive way to start such a program. The CNTF understood this issue, focusing primary counternarcotics efforts on promoting and teaching alternative livelihoods to achieve long-term drug eradication.

Another large challenge that plagued the CNTF has been the low capacity of the GIRoA. The Ministry of Counter Narcotics was stalled with massive delays in completing projects and delivery of counter narcotic needs. Drug production and trade is a major issue within Afghanistan and with only growing power both governmentally and

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178 Ibid.
180 Ibid.
military, the current GIRoA and ANSF are not an equal match to the diverse drug producing community. The recent appointment of Zarar Ahmad Moqbel to Counter Narcotics Minister reflects these concerns. Mr. Moqbel, the former Interior Minister accused of widespread corruption, brings a history of reported auctioning of high-ranking police positions to the highest bidder to the MoCN.\textsuperscript{181} The British openly objected President Karzai’s appointment of Moqbel, and fears of future corruption in a key area such a counternarcotics are rampant.

This issue represents the further need to focus development efforts on increasing the capacity of the Afghan government, particularly at the ministerial level. If accountability is obtained at the Ministerial level, the trickle-down effect can take place, where the Afghan government can operate and coordinate sustainable development and achieve a status quo where efforts and funding are properly managed. Development programs and efforts will fail if the Afghan government branches cannot be held accountable due to lack to capacity building and training. Minister Moqbel represents the fundamental key in ministerial growth, and the future success of the CNTF faces this harsh reality, reaffirming the necessity to shift development and aid focus away from security and towards capacity building of the previously non-existent Afghan government.

Chapter 5: Conclusion

The concluding section is focused to address the overall evaluation of the international development programs in Afghanistan, both from macro and micro levels—addressing actions at the international level as well at the local level in Afghanistan. The international level will highlight international support for government building activities coupled with the problems the international community faces in Afghanistan development efforts. At the state level, problems with specific development programs will be presented, followed with overall recommendations for increasing the efficiency and effectiveness of aid in Afghanistan.

International-Level

International Support for Developing the Afghan Government

After 20 years of continuous war until the US-led invasion of Afghanistan in 2001, Afghanistan was one of the most comprehensively destroyed countries since WWII. Ahmed Rashid vividly describes this dire situation in Afghanistan:

Tragically, the Afghans had done more damage to their own country than had the Soviets. Whereas the Soviets had fought much of their war in the rural Pashtun belt, the Afghanistan civil war in the 1990s had destroyed the cities and infrastructure as warring factions bombarded Kabul and destroyed or looted the infrastructure—right down to selling off telegraph wire and road fences in Pakistan. Roads, power and telephone lines, water and sewer pipes, houses, shops, schools, and hospitals—
everything looked like burned-out shells or upturned carcasses. When the Taliban arrived they had no interest in rebuilding the country or the money to do so.\textsuperscript{182}

Under Taliban rule, international aid was sparse and only the UN, Red Cross and a few NGOs remained committed to providing food, running hospitals and providing accommodations for the over 1 million internally displaced persons in Afghanistan. The Taliban made delivery of western aid increasingly difficult, as “Osama bin Laden persuaded the Taliban to expel all Western aid agencies and impose such restrictive laws on Western aid workers... imposing restrictions on providing health care, education and food to women and then tried to force the UN to discriminate against women.”\textsuperscript{183} Eventually the Taliban outlawed western aid, causing the UN to end all flow of aid right before al-Qaeda’s September 11\textsuperscript{th} attacks. This combination of a war-torn state, people suffering from the lack of basic services (food, healthcare and education), non-existent infrastructure, all coupled with a period of relatively little international aid made Afghanistan a state in desperate need of international aid after the ouster of the Taliban.

When Operation Enduring Freedom began in 2001, there were international pleas for nation-building activities the likes of Germany and Japan. James Dobbins, former US Ambassador to the European Union and lead negotiator of the Bonn Agreement, called for the creation of an Afghan-Marshall Plan, a comprehensive nation


\textsuperscript{183} Ibid, p. 172.
and economic rebuilding program. While many in the policy arena advocated for nation-building activities, President George W. Bush and his conservative staff, led primarily by Vice President Dick Cheney and Defense Secretary Donald Rumsfeld, saw no interest in nation building.

President Bush emphasized his position to end nation-building activities by not extending President Clinton’s Presidential Decision Directive 56 in 2001, an order that “created a cohesive program for educating and training personnel for peacekeeping missions.” In addition, Secretary Rumsfeld shut down the US Army Peacekeeping Institute in Carlisle, Pennsylvania, the War College that educated and graduated former President Dwight Eisenhower and General George Patton. President Bush also cut the staff and budget of USAID, decreasing the staff from 13,000 employees to 2,300 by 2001. In this move, Bush also reassigned USAID as a subsidiary organization under the US Department of State, removing its independence as a non-partisan agency solely dedicated to international development efforts. This issue provoked Robert Finn, former US Ambassador to Afghanistan and Central Asia expert, to comment on these appalling changes to USAID, as he noted “USAID is doing nothing itself now, it has become a contracting agency with layers of bureaucracy that did not exist in the past and too much of the money comes back to the US through consultancies.”

With eight years of neglect towards nation building and development efforts—both from the governmental level and lack of capacity of USAID—President Obama inherited a war dominated by counterinsurgency operations. The Afghan central government was neglected from the local to federal levels, left to fend for itself in an environment historically ruled by corruption and consolidation of power. However, the US was aware of these issues, as concerns about properly rebuilding Afghanistan were raised from the first days of the US-led invasion. Barnett Rubin and Ashraf Ghani, Afghanistan experts who in the early stages of the war were advising the UN and Hamid Karzai, suggested a simple joint development plan (UN-Afghan) to create one central trust fund for holding international donations, which the Afghan government could pool from in development efforts.

This simple plan would allow the donor community to oversee Afghan government development efforts, but would streamline efforts in developing the capacity of the GIRoA. Rubin and Ghani argued that a central trust fund would remove the need for individual donors to set up their own projects and programs, which as seen in practice often duplicate efforts and ignore the big-picture infrastructure necessities. However, through ten years in Afghanistan donors have overlooked this issue and independently invested in and created individual development projects. In doing so, donors undermined their own efforts through not consulting with the Afghan government, and through emphasizing these direct investment projects, rendered the Afghan government ineffective. Francis Fukuyama, Director of the International Development Program at the Paul H. Nitze School of Advanced International Studies at

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Johns Hopkins University, highlighted this problem in what he dubbed the “Parallel Donor Bureaucracy,” where early donor programs directly benefitted the Afghan people, through short-term tangible projects and humanitarian relief, but at the same time undermined the accountability and growth of the Afghan government ministries. Donor projects need to increase the capacity of governance while providing a service of need, but the latter almost always wins because of the incentives facing the donor nations—providing a quick and concrete development success it can pitch to its people.189

With these prior conditions impacting international aid and development practices, it is imperative for the international community—mainly President Obama and the United States, as the overwhelming provider of aid—to make immediate adjustments to how it is approaching the development of Afghanistan. In the path to creating a new Afghan state—including building a complete governing system from scratch—the United States and the broader international community have taken measures to build-up the Afghan state. As stated earlier, to ensure aid and development are used properly, Afghan state capacity must reach a level where it can formally tax its people and generate state revenue, as to alleviate the need for aid. Secondly, donors must work closely with and integrate the Afghan government in aid disbursal, as to supplement and grow government capacity, not replacing its function and rendering it ineffective. With those guiding principles in mind, it is essential to examine the impact of what the United States and the international donor community have done to develop the capacity of the Afghan government through aid programs.

The primary development programs that have targeted the capacity building of the GIRoA have been the Community Development Councils (CDC), District Delivery Programs (DDP), the UNDP National Area-Based Development Program (NABDP), and the three trust funds (ARTF, LOTFA, CNTF). CDCs, an initiative of the National Solidarity Program—funded by the ARTF, are village-level elected individuals who serve as local governing officials and organize aid and development projects for their respective villages. As of August 8, 2009, over 22,000 CDCs had been elected, of which 20,000 had received funding for local development projects. These CDCs are active in over 6,000 villages and have facilitated the development of 31,000 completed projects with an additional 19,000 projects currently being developed.\textsuperscript{190} CDCs function in the short-term as a means to organize local communities and plan development projects, but in the long-term can develop into the local governing bodies and structure for Afghanistan. The ARTF was overwhelmingly supported, both politically and financially, by the United States and United Kingdom, which invested $721 million and $844 million, respectively.\textsuperscript{191} In this capacity the US and UK have supported a structure to provide means at the village level, and develop the capacity of village-level governance.

District Development Programs (DDP) are an initiative of the Afghanistan Social Outreach Program, created by the IDLG. This Afghan-run program is monitored by the Ministry of Finance and creates district-level councils, one level higher than CDCs, to deliver goods and services from the federal government to the local district. There are currently 90 reported DDPs, with 11 in the Zabul Province, 3 in the Logar Province, and

15 in the Kunar Province. DDPs are scheduled to expand to 100 districts in 2011 and seem to be on pace to achieve that target. These district-level councils supplement the village-level CDCs and create the infrastructure to transition these programs from aid and development services into local and regional governing bodies.

The NABDP is another venture of the UNDP, which has created programs to monitor and train the Afghan government in capacity building activities. District Development Assemblies (DAA), a project of the NABDP that helps facilitate capacity building of the local Afghan development efforts. Working at the district level, DAAs have been dispatched to 374 districts to mobilize local communities to work collectively to create development projects for the community at the district level. DAAs are not a precedent for local governance, but supplement the work of CDCs and DDPs to rally community support and legitimize the bodies. However, the NABDP is involved in other capacity-building measures, including government-training programs. It has funded disaster-management training in 30 districts and capacity-building training in 48 districts, to further aid in the development of a functioning Afghan government.

With CDCs, DDPs and NABDP-affiliated programs all addressing government capacity at the local level, the ARTF, CNTF and LOTFA have served to address capacity building at the federal level. All three trust funds follow the National Implementation Modality, meaning that all funding goes through the Afghan Ministry of Finance and is

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194 Ibid.
directly disbursed to the projects and programs the Afghan government selects.

Together all of these projects are working independently to increase the capacity of the Afghan government from the federal to local levels. As the ARTF funds money through the MoF, the CDCs are rallying local support for development projects. These programs are directly related, as CDC activities at the village level are funded by the ARTF, which is controlled by the MoF. These connections help to bridge federal government activity to the local population.

While developing the capacity of the Afghan government at each level is important, attention also is being paid to ensure these levels for government—federal, provincial, district, and village—coordinate efforts and work collectively. While these initiatives and projects are a step in the right direction, as previously mentioned, trust funds suffered greatly from a lack of international financing and support over the first 8 years in Afghanistan. States have been reluctant to invest aid through the Afghan government because of high levels of corruption and decreasing support for Hamid Karzai. The combination of corruption and lack of support has fostered an environment where states do not want to invest in a government with which it has a fractious relationship.

Concerns over Afghan corruption have focused on the Afghan companies that are receiving aid and development contracts. Ahmed Wali Karzai, brother of Hamid Karzai, and Hamed Wardak, son of the Minister of Defense Abdul Rahim Wardak, both have substantial financial investments in private military companies, and have received a
disproportionate amount of security contracts from the Afghan government. The United States, with growing fears about corruption at the highest levels of the Afghan government, launched an anti-corruption investigation of Hamid Karzai and his inner circle. Investigations have revealed potential corruption in ministerial appointments in the aftermath of Karzai’s successful reelection bid in 2009. The United Kingdom expressed their corruption concerns after Karzai’s appointment of Zarar Ahmad Moqbel to Minister of Counter Narcotics in January 2010. Moqbel was the former Minister of Interior until 2008 when he was forced to resign amid international contentions over widespread corruption. Gordon Brown, then Prime Minister of Great Britain, spoke to the concerns over corruption in the Afghan government, noting, “the United Kingdom would not fund any ministries that were failing to tackle graft.”

Even after the most recent parliamentary elections in August 2009, the Afghan parliament rejected 17 of 24 ministerial appointments made by President Karzai that following January. Karzai made appointments to the Departments of Higher Education, Commerce, Transportation, and Public Works, all of which were rejected by Parliament. These appointments were blocked because appointed individuals were

198 Ibid.
199 Ibid.
grossly inexperienced and had ties to warlords and powerbrokers—which were seen as payoffs for supporting Karzai in his reelection bid.200

While international concerns over corruption correlated with deteriorating relations with Afghanistan, the United States maintained poor relations with Karzai through constant turnover with diplomats and oft-changing policies. This created great tension between the nations, increasing international skepticism of President Karzai. Hamid Karzai was a perfect choice for interim President of Afghanistan, as he came from a politically active and prominent Pashtun family and had strong disdain for the Taliban and has most of his life—not to mention growing hatred after the Taliban reportedly assassinated his father in 1999.201 From the early days of the US-led invasion of Afghanistan, Karzai, once appointed the interim President of Afghanistan had a strong relationship with President Bush. Karzai made the infamous statement in 2002, “Afghanistan is a good partner. It will stay a good partner. And I’m sure that the future of the two countries will be good and a wonderful relationship should be expected to come in the future.”202

However that positive relationship has since fractured. Once the Taliban was removed from power and fled, the US shifted its focus to Iraq and left Afghanistan alone for two years, allowing the Taliban to regroup and launch its resurgence in 2003. Coupled with this lack of attention, poor relations with US diplomats and the oft-changing roles and responsibilities of US diplomats made a working relationship difficult. During the first two years, Robert Finn, Bush’s first ambassador to Afghanistan,

200 Ibid.
was ineffective as he was not able to allocate any resources to Afghanistan, as the US was preoccupied with Iraq. Karzai had great relations with Bush’s next ambassador Zalmay Khalilzad. Khalilzad was an Afghan-American, and spoke the same language—both in dialect and rhetoric. Khalilzad was able to jump start financing development projects in Afghanistan following 2003 and specifically criticized Pakistan’s role in supporting the Taliban.²⁰³

However, Bush reassigned Khalilzad in 2005 to run the embassy in Baghdad, removing the one person who understood the situation in Afghanistan and had strong relations with Karzai. In his absence, the US began sending a large number of congressional delegates who all shared differing policy advice and annoyed President Karzai.²⁰⁴ William Wood, the third Bush appointed ambassador, was coming fresh off a successful stint in Colombia where he excelled in combating drug production. Wood brought this approach to Afghanistan, greatly conflicting with Karzai’s priorities. Wood suggested Karzai launch air raids to spray chemicals over poppy fields to diminish drug trade and a main financing mechanism of the Taliban, but Karzai feared a revolt of farmers. By the end of 2008, presidential turnover was taking place, bringing in yet again a new group of diplomats Karzai did not know. Karzai and Holbrooke had lukewarm relations at best. Karzai felt Holbrooke was trying to remove him from office by supporting presidential candidates Abdullah Abdullah and Ashraf Ghani in 2009, when Holbrooke was actually lobbying congress and President Obama to devote more resources to the development of Afghanistan. Relations with Karl Eikenberry have been

²⁰⁴ Ibid.
poor ever since Eikenberry’s comments that Afghanistan “is not an adequate strategic partner” and “continues to shun responsibility for any sovereign burden.”\textsuperscript{205} Stanley McChrystal had an incredibly strong relationship with Karzai as he often deferred to President Karzai in decision-making matters.\textsuperscript{206} Karzai himself begged the United States not to fire McChrystal amid the controversial “Rolling Stone” article.\textsuperscript{207} All of Obama’s top aids, former National Security Advisor James Jones, current ISAF Commander David Petraeus, and Vice President Joe Biden all have suffered poor working relations with Hamid Karzai. James Jones made statements that Karzai was not doing enough to effectively run his country, Obama and Biden have often sent mixed policy messages to Karzai not to mention Obama shunning a visit to Karzai when he was in Bagram in December of 2010. Petraeus may have the worst rapport of any US official, as his aggressive approach of making hard blows to weaken the Taliban runs counter to Karzai’s policy of working with Iran and Pakistan to mediate reconciliation with the Taliban.\textsuperscript{208}

While these tumultuous relationships with US officials seems to remove any blame for President Karzai, that is not the case. Constant turnover of US diplomats and officials, coupled with constantly changing policy objectives have further supported fractious relations with Afghanistan, which are built on Afghan corruption. These issues together have fueled international distrust for President Karzai and the Afghan state, the main reasons why states refuse to invest more money in the Afghan government.

\textsuperscript{208} “How Obama Lost Karzai,” Ahmed Rashid, \textit{Foreign Policy}, March 2011.
Amid these concerns, a greater emphasis needs to be placed on building up the Afghan government in terms of power and legitimacy from the federal to local levels, ensuring sustainable and durable development can continue in the future. A simple way of increasing government capacity and coordination is through increasing the amount of funding through the ARTF. This is the last remaining and active trust fund, which through investing allows the international donor community to increase its role in overseeing the capacity building of the Afghan government, while giving the Afghan government increased resources to expand operations. States need to overlook fears of corruption and dislike for Karzai in hopes that redirected aid will yield a more accountable President and government.

*International-Level Problems in Afghan Development*

As development and Afghanistan experts pushed the need to invest through the Afghan government in a top-down approach, the alternative occurred, as donors invested in individual projects. These uncoordinated, individual efforts established many hurdles over eight years, limiting the overall effectiveness of delivering aid and developing the Afghan government.

Problems arose from the beginning at the Tokyo Donor Conference in 2001. This first international donor conference raised money for the development of Afghanistan, but failed to properly assess the total amount of aid Afghanistan needed. A joint report filed by the UNDP, World Bank, and Asian Development Bank “guesstimated” Afghanistan needed $1.7 billion over the first thirty months plus an additional $10 billion over the first five years. A report generated by the European Union suggested
totals of $9-12 billion over the first five years and $22 billion over the first decade.\textsuperscript{209}

With such differing figures, it is clear that the total costs required to rebuild and develop Afghanistan were unknown.

This is an issue a nation, IFI, or NGO cannot be held accountable for. Afghanistan was a comprehensive mess; no entity could have accurately assessed the budget for developing government at the federal and local levels, rebuilding all forms of infrastructure, plus humanitarian aid. However, the international community can be held accountable for other failures at the Tokyo Donor Conference. Donors failed to differentiate between aid designated for humanitarian purposes and infrastructure; all aid was lumped together in one universal fund. As a result, most aid pledged at Tokyo was designated for humanitarian relief, and no true reconstruction projects were developed. While Afghans insisted no development was occurring in the country, the donor community countered, pointing to the large amounts of money spent in the country. Money was being spent, but in the two years after the Tokyo Donor Conference, no roads were built, no new electricity or water was provided for Afghans.\textsuperscript{210}

The international community not only underestimated the amount of aid necessary to fuel Afghanistan’s reconstruction, but also mismanaged how and where to invest aid. As a result, two major issues occurred and need immediate attention at the international level: examining why little aid is being invested through the recipient government and overcoming the shortfall of pledged aid versus allocated aid.

\textsuperscript{210} Ibid, p. 179.
Since the Berlin Donor Conference in 2004, donor nations have pledged to increase funding through the GIROA, specifically with multiyear investments that would allow the Afghan government to develop and increase its capacity. However, while nations have promised reforms and changes to international aid patterns, little has changed. At the Berlin Donor Conference in 2004, London Donor Conference in 2006 and the Paris Donor Conference in 2008, all donor nations agreed to and signed conference resolutions calling for increases in multiyear donations specifically through the Afghan government. That promise has not occurred, as since 2001 nearly 80% of all aid is still donor managed.

<table>
<thead>
<tr>
<th>Modality</th>
<th>Disbursement (USD, billion)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donor Managed Aid</td>
<td>$29.190</td>
<td>77%</td>
</tr>
<tr>
<td>Afghan Government Managed Aid</td>
<td>$8.691</td>
<td>23%</td>
</tr>
<tr>
<td>Total</td>
<td>$37.881</td>
<td>100%</td>
</tr>
</tbody>
</table>

Richard Holbrooke, former US Special Envoy for Afghanistan and Pakistan, emphasized the need to change US policy by increasing the amount of aid the United States gave through the Afghan government:

When we took office, less than 9 percent of all American assistance went through the government. So we were undermining the government we were trying to strengthen. That was not right. We set a goal of 50 percent of the aid. We’re up to about 14 percent now. It’s a very tough thing because we—because of government congressional requirements

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for accountability, we have to be sure that we certify ministries to receive
the aid directly. And that’s going at pace... which is to strengthen the
government by funneling as much assistance as we can through the
government and encouraging them to improve their governance. ...

We're trying to... use our aid to strengthen the government so the
government... has greater governance capacity and... is less dependent on
us.\textsuperscript{212}

Holbrooke made this statement less than one year ago, and while it shows senior
government officials are supportive of increasing aid through the Afghan government,
the necessary change is not occurring. Aid through the GIROA increased by a total of 5%
over the first 8 years from 2001-2008, making the optimistic goals of 50% seem
incredibly unlikely. However, the US has not been the only nation to neglect investing
aid through the GIROA, and as a result of poor allocation through the GIROA, Afghan-led
development initiatives have greatly suffered.

Two major acts of legislation were created at the London Donor Conference, the
ANDS and the JCMB (Joint Coordination and Monitoring Board). The ANDS, the Afghan-
created national development framework, was created upon the request of the
international community. The ANDS was revealed two years later at the Paris Donor
Conference, revealing the framework through which donors would invest and help spur
the development of the Afghan government. The ANDS requested $50.1 billion to
effectively provide the necessary aid and development Afghanistan needed. However,
the ANDS has since only received $10.2 billion, a fraction of what the Afghan

government deemed necessary to develop its country.\textsuperscript{213} Even with the program being revealed at its international donor conference, the ANDS was only able to raise 20% of its targeted and anticipated budget.

The JCMB is a body that was created to increase donor-to-government coordination, an increasingly important role once the ANDS was created. Theoretically, the JCMB would coordinate priorities between the Afghan government and individual donors, but it has failed to become a relevant institution. These Afghan-run initiatives needed international support, but as they never received the integrity and financing they needed to survive, the JCMB provided a service that was not in need.

A similar fate met the CNTF, a trust fund that followed the NIM guidelines and directly supported the capacity building of the MoCN and MoF. Upon its creation, the CNTF requested donations to cover an operating budget of $900 million over five years, but only received $99 million by the time it ended in 2009.\textsuperscript{214} The CNTF received slightly more than 10% of its requested budget, money that would have been controlled by the GIRoA, and utilized to strengthen key government ministries.

Over the past ten years, Afghanistan’s government and development programs have suffered due to lack of funding. Development programs and initiatives are created based on pledged donations, however when pledges are not honored—either with respect to time for delivery or financial obligation, programs cannot function as planned.


### Percentage of Disbursed versus Pledged Aid (2002-2009)\(^{215}\)

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>US</td>
<td>38,000</td>
<td>23,417</td>
<td>61.6%</td>
</tr>
<tr>
<td>2</td>
<td>UK</td>
<td>2,897</td>
<td>1,546</td>
<td>53.4%</td>
</tr>
<tr>
<td>3</td>
<td>WB</td>
<td>2,800</td>
<td>1,364</td>
<td>48.7%</td>
</tr>
<tr>
<td>4</td>
<td>ABD</td>
<td>2,200</td>
<td>618</td>
<td>28.1%</td>
</tr>
<tr>
<td>5</td>
<td>EU</td>
<td>2,037</td>
<td>1,576</td>
<td>77.4%</td>
</tr>
<tr>
<td>6</td>
<td>Japan</td>
<td>1,900</td>
<td>990</td>
<td>52.1%</td>
</tr>
<tr>
<td>7</td>
<td>Canada</td>
<td>1,679</td>
<td>898</td>
<td>53.5%</td>
</tr>
<tr>
<td>8</td>
<td>India</td>
<td>1,200</td>
<td>662</td>
<td>55.2%</td>
</tr>
<tr>
<td>9</td>
<td>Germany</td>
<td>1,188</td>
<td>584</td>
<td>49.2%</td>
</tr>
<tr>
<td>10</td>
<td>Norway</td>
<td>938</td>
<td>324</td>
<td>63.8%</td>
</tr>
<tr>
<td></td>
<td>Overall Total</td>
<td>62,035</td>
<td>46,099</td>
<td>54.3%</td>
</tr>
</tbody>
</table>

Based on the individual donations of foreign nations, IGOs and IFIs, roughly 1/2 of pledged aid was actually disbursed in Afghanistan. Programs cannot function effectively if they never receive 50% of the anticipated funding. Disbursement shortfalls exist beyond donor nations, to donor conferences and individual development programs as well.

Afghanistan is dependent on foreign aid, and when it schedules and plans reconstruction and development efforts around the influx of foreign aid, donors need to be held accountable for the amount of, and timetable for, fund delivery, barring unforeseen circumstances. However, in reality states provide financial support on a

donation basis and cannot be held accountable for pledged donations. At the end of the day, a donation for less than what was originally pledged is still a donation. Holding states accountable for pledged donations will further divide the donor community and potentially alienate a major source of funding.

This major issue of continuing shortfalls between donors’ pledged funding and disbursed funding will always exist. Instead of tormenting states and risking losing potential donors, a solution needs to be created in the face of these problems. Creating a simple back-up fund at the international level is a quick and easy means to provide funding to a state in the event of delayed payment or aid shortfall. Only a few organizations have the organizational capacity and budget to operate a fund of this sort: the UNDP, World Bank or IMF. Each organization can independently fundraise, or in terms of the UN allocate a specific amount of member nation fees to this universal trust fund. States receiving development and aid assistance cannot make the argument that development plans are failing due to delays in aid or shortfalls in pledged amounts. Individual states and organizations are investing too much money and too many resources to see efforts stall due to financial constraints. The creation of this fund would, in the event of aid shortfall or delay, provide the necessary funding for a given project to continue without hiccups. While a simple project, this fund would facilitate the smooth continuation of development projects, and ensure successful development and aid projects.

With these overarching issues of macro-level development, there is a major piece missing from the international level that could have identified these issues and shared information with the at-large donor community, a High Representative. This
position was originally created in the Dayton Peace Agreement during nation building in Bosnia in 1995. The High Representative was created to oversee development and peacekeeping efforts through coordinating activities of NGOs, working with the local government, and diffusing any conflicts that arose in nation building. As such, the High Representative coordinated donor efforts, oversaw all development activities, and reported progress to the donor community.\footnote{216 “Dayton Peace Agreement Annex 10: Agreement on Civilian Implementation,” \textit{Dayton Peace Agreement}, 1995.}

Richard Holbrooke was the chief negotiator of this legislation, the same man who became the United States Special Envoy for Afghanistan and Pakistan in 2009. It was Holbrooke who, quoted earlier in this section, clearly outlined the importance of increasing funding through the Afghan government. Had Holbrooke not passed away this past December, I have strong convictions that he would have stressed and facilitated these changes for the US government. While Holbrooke’s duties ranged far beyond nation building and development efforts, his passing emphasizes the importance of immediately creating an international High Representative to oversee and coordinate development efforts in Afghanistan.

Kai Eide, recently appointed UN Special Representative to Kabul, fills a vacancy and need to coordinate communication between the UN and Afghanistan. However, with such a substantive development program in Afghanistan, an appointment needs to be made for an individual whose sole purpose revolves around international development activities. A High Representative would be able to articulate to all donors the importance of investing in trust funds or other modalities through the Afghan Government, instead of launching individual development projects. Problems with
abundances of donor-run projects have been mentioned earlier, but having a central figure to dictate these issues will further support the need to invest through the Afghan government. The High Representative can also issue what Matt Waldman referred to as a “report card,” an annual report to each donor on where money was allocated, noting all of the efficiencies and deficiencies of their aid involvement.\textsuperscript{217}

**State-Level**

*Aid and Development Problems within Afghanistan*

Focusing specifically within the Afghan state, two major problems have been highlighted throughout development initiatives: far too much aid is being allocated to military-based operations and not enough aid is being invested in Afghanistan at the per-capita level. Since 2001, 51% of international aid has gone to military-based funding, primarily in the forms of training and arming of the ANSF (ANA, ANP, ANBP, etc.). The figures below reveal the most recent Afghan MoF report on donor assistance by modality:

### Donor Managed Funding by Source (2001-2009)

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Total (US$ Billion)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Military Funding</td>
<td>$14,867.47</td>
<td>50.9%</td>
</tr>
<tr>
<td>1. ASFF</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. CSTC-A</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. DoD CN</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. INCLE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. CNTF</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. LOTFA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Military Funding</td>
<td>$14,322.08</td>
<td>49.1%</td>
</tr>
<tr>
<td>1. PRT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. CERP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. ASOP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. DDP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. ESF</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$29,189.55</td>
<td>100%</td>
</tr>
</tbody>
</table>

While this number is staggering—as military-based funding has accounted for over half of all development and aid funding—US military activities, NATO-led activities, and military action of participating nations, plus all CIA-based operations are not factored into the figures above. As a result, military activity spending is far greater than what is solely dedicated through donor funding. Using only reported material, it is clear the international community is creating an Afghan security force based on quantity, rather than quality. Recruitment and retention have trumped proper training as evident by mass illiteracy and drug-use in the ANSF.

This is not to say that Afghanistan does not need security sector activity. Afghanistan has been and continues to be plagued by the militant actions of the Taliban and powerful militias of local powerbrokers and needs a security force capable of protecting its citizens and Kabul from factional takeover. In fact, while the ANDS was

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being created, 2/3 of the 34 surveyed provinces ranked security as the number one priority. This survey reveals that Afghans have noted the importance of security-based activity and wish to address it as a priority.

I am not promoting scaling back security projects; so long as we are involved in military operations in a war-torn state, security and military development are paramount to the success of the Afghan state. However, I do feel time and resources are being wasted in current military development programs. The two Afghan-run military programs, the CNTF and LOTFA, trust funds that theoretically would increase government capacity while targeting insurgents, suffer from a lack of both support and funding. The US runs the DoD-CN and INCLE, two counternarcotics programs with similar project goals. But, each is run by different government branches as one is run by the Department of Defense and the other by the Department of State. These programs do not directly communicate with one another, and through project duplication are not maximizing potential. Working separately towards a common universal goal creates inefficiencies. Simply increasing project coordination would better improve program efficiency and cut operational finances. The CNTF, until its role change in February 2010 (to focus efforts on capacity building of the Afghan MoI and MoD), was mirroring the program goals of the ASFF. Both programs had a purpose to arm and train the ANSF. There was no need to have two programs operating and funding the same end result. This lack of fluidity and poorly streamlined programming drastically increases costs, while decreasing output. Having projects focus on unique goals, designating one area of focus per program, is a start for military programs to expedite efficiency. Another major step is to reevaluate the necessary areas of focus in military development.
Development projects have already recruited 171,600 personnel for the ANA and 134,000 for the ANP, and are on pace to reach a target of 240,000 ANA personnel by 2014.\textsuperscript{219} However, as noted earlier, massive rates of illiteracy plague the ANSF as do increasing levels of drug use. While initial efforts have succeeded in recruiting Afghans for the ANSF, including women, attention now needs to shift to address training. Durable training will tackle illiteracy issues, ensuring sustainable training and more importantly ANSF retention of its soldiers. Attention also needs to be focused at the ministerial level to ensure the MoD, MoCN and MoI receive the necessary capacity building activities to strengthen their function.

Another state-level issue in Afghanistan development practices is the lack of per-capita aid. RAND, a global policy think tank, conducted a comprehensive analysis on international development programs, dating back to the German Marshall Plan all the way through Afghanistan in 2005. This vast project provided immense comparative research on international development programs. This research found that the minimum annual per-capita aid to stabilize a country coming out of conflict is $100.\textsuperscript{220} Afghanistan at its highest point received has $57 per-capita, compared to recent development programs in Bosnia and East Timor, which received $679 and $233 per-capita, respectively.\textsuperscript{221}

\textsuperscript{221} “Falling Short: Aid Effectiveness in Afghanistan,” Matt Waldman, ACBAR, March 2008.
Historians and policy experts improperly argue that assistance in Afghanistan is failing simply by comparing per-capita aid on a country-to-country basis.\textsuperscript{223} This argument fails to realize that each development program is unique and requires vastly different approaches and programs. This argument does not distinguish between UN-led development cases and US-led development cases, the extent of the development

\textsuperscript{222} “The UN’s Role in Nation-Building: From the Congo to Iraq,” James Dobbins et al., \textit{RAND}, 2005, p. 239.

mission (whether light peacekeeping or heavy peace enforcing), or any economic indicators of a country (GDP, purchasing power parity, inflation, etc.). There are far too many factors that can influence the amount of aid per-capita a country receives. The RAND assessment takes these issues into consideration, placing all states on an equal economic continuum by converting all economic statistics into a universal standard. Then from this point, RAND researched development programs from the Marshall Plan to Afghanistan, and discovered that the minimum per-capita assistance necessary to stabilize a country coming out of conflict is $100. Afghanistan is roughly halfway towards the RAND target, and could drastically increase its per-capita aid with a few simple changes. Increasing civilian-targeted development operations, minimizing contract overhead, increasing contracts given to Afghanistan-based corporations, and increasing the amount of aid through the GI RoA will direct correlate with higher per-capita aid in Afghanistan.

**Recommendations for Afghanistan**

*How to Ensure Sustainable Development and a Functioning Government*

Looking at the major development programs below, achievements and criticisms are centralized in very general topics. Achievements are concentrated on successful short-term aid projects, increasing international donor involvement and increasing central government capacity. Criticisms focus on wasting money, investing in expensive foreign contractors, duplicating tasks due to poor coordination, and lacking support to the GI RoA at the local and federal levels.
### Development Program Achievements and Criticisms

<table>
<thead>
<tr>
<th>Program</th>
<th>Achievements</th>
<th>Criticisms</th>
</tr>
</thead>
</table>
| **PRT** | - Operate in 32 of 34 provinces  
- Increase involvement of foreign nations in the development of Afghanistan  
- Yield concrete change in short period of time with minimal resources | - Poor coordination and conflicting priorities due to too many lead nations  
- Fail to align projects with GIRoA plans  
- Do not emphasize long-term sustainable development |
| **CERP** | - Quick, rapid money for projects  
- Separating from PRTs allows immediate funding without financial requests | - Not accountable for funding that goes through PRT projects  
- Highly decentralized and dependent on the opinion of one commander |
| **ASOP** | - Support counterinsurgency activity through building local governance  
- Created by Afghans, but run multilaterally  
- Rewards good governance with aid | - Involvement of local elders in District Councils increases governmental rule by personal relationships  
- Lacks civilian participation |
| **DDP** | - Run by Afghan Ministries  
- Increases GIRoA's local capacity by delivering funds to local government | - New program not yet evaluated |
| **ESF** | - Supports the work of PRTs, facilitating efficient allocation of resources and continual development | - Most of funding goes to local PRT projects  
- Only disbursed 55.3% of allocated funds  
- 99% of funding went to US or International contractors |
| **ASFF** | - Primary means for arming and training the ANA (171,600) and ANP (134,000)  
- Built an additional 88 ANP headquarters | - Received 49% of all US donor aid (~$20 billion)  
- Funds an army of quantity, not quality |
| **CSTC-A** | - Increases the capacity of MoI and MoD, as of a recent change in role in 2010 | - Duplicated responsibilities of ASFF  
- Stretched to maximum capabilities, jeopardizing long-term viability of ANA |
| **DoD CN** | - Targets the industry the Taliban taxes and uses to fund operations | - Primary efforts to seize drugs and destroy land does not solve the drug problem |
| **INCLE** | - Invests 88% of funding through Afghan contractors or Ministries  
- As a DoS program, regularly publishes financial statements and program results | - Is a second US development program focused on counternarcotics issues  
- Poor financial and program oversight |
| **ARTF** | - Increased international donor support with 32 donor nations  
- Disburses 91.4% of allocated funds  
- Supports Afghan-created and Afghan-led development programs (NSP, EQUIP, etc.) | N/A |
| **LOTFA** | - Funded salaries and budget of ANP through the Afghan MoF under NIM  
- Paid the salaries of 96,000 ANP | - Not accountable for the quality of ANP  
- No longer assisting in the capacity building of the MoF |
| **CNTF** | - Followed NIM to increase GIRoA capacity  
- Supported alternative livelihood CN activities in 21 out of 31 projects | - Lacked budgetary support as only $99 million was given for a $900 million budget  
- Did not directly support the capacity |
With achievements and criticisms very clear, the international community and the GIRoA need to take a few steps in aid practices to ensure sustainable development in Afghanistan: Increasing the amount of aid through the GIRoA or trust funds; increasing the role of local government officials; increasing GIRoA domestic revenue; and increasing regional economic cooperation.

The importance of increasing aid through the Afghan government has been made clear. The only way to increase the capacity of the Afghan government is to directly increase the money it has control over. With more money comes more responsibility, allowing the GIRoA to grow and expand. Increasing aid through the GIRoA also directly correlates with an increase in aligning donor aid with GIRoA priorities. This means the ANDS, the Afghan-created development program, can begin to receive the support, primarily financial, that is needed to spur development efforts in Afghanistan. To address this issue I propose an immediate 20% annual increase in pledged aid to the ARTF over the next three years. This 20% international mandate will ensure that the operating budget for the ARTF will increase by 73% by 2014, the year in which the United States, the United Kingdom, and Germany will end combat operations in Afghanistan and withdraw troops.224

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Proposed Fund Increase to ARTF (2011-2014)²²⁵

<table>
<thead>
<tr>
<th>Year</th>
<th>Pledged Amount</th>
<th>Percent Increase from Current Levels</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$1046.71</td>
<td>------</td>
</tr>
<tr>
<td>2012</td>
<td>$1256.05</td>
<td>20%</td>
</tr>
<tr>
<td>2013</td>
<td>$1507.26</td>
<td>44%</td>
</tr>
<tr>
<td>2014</td>
<td>$1808.71</td>
<td>73%</td>
</tr>
</tbody>
</table>

Proposing a change of this magnitude will not require additional donor funds, but rather will force donor nations to cut funding from individual projects and reallocate funds to the ARTF. As more and more aid is funneled through trust funds or directly to the GIRoA, the international donor community will begin to effectively and efficiently transition responsibility over Afghanistan to the Afghan people.

All trust funds and some donor-managed projects, primarily the CSTC-A and to a lesser extent the DDP and ASOP, have supported ministerial-level programs to increase government capacity. While these programs have increased federal-level governance, a new focus needs to be shifted to address the capacity of local governance, specifically connecting the federal government branches to these at the local level. As previously mentioned, the creation of a High Representative to Afghanistan would serve an important role in communicating this change to the international donor community and facilitating this change within Afghanistan.

Afghanistan held provincial council elections in 2005, and now to unite these elected officials with the CDCs and other district-level leaders, it is necessary to increase their involvement with PRTs. PRTs have large budgets, and with outside contributions

²²⁵ Figures for 2011 were taken from the World Bank ARTF Administrator’s Report on Financial Status from January 2011 and additional years were calculated.
from CERP and ESF, allowing the provincial councils to work more closely with their respective PRT will increase provincial cooperation and Afghan ownership of development projects. Not only does this align donor efforts with the Afghans, but it also increases the capacity and accountability of provincial level councilors.

One of, if not the most important aspects of developing a government dependent on international aid, is building its capacity to tax. The LOTFA successfully created the building blocks to lead towards an eventual electronic tax payment and collection system. Creating the Electronic Payment System and Electronic Fund Transfer System set the precedent for the MoF to transfer governmental funds and pay salaries of government employees. Afghan government officials have already mastered this technology. With transition methods in place within Afghanistan, the added bonus of electronic records provides a transparent fund allocation report to the international donor community. An electronic tax system would function on the same basic system as the previous programs and be the means for the GIRoA to collect taxes and generate domestic revenue. Taxing electronically would again provide transparent tax records to ensure accountability and mitigate fraud, but more importantly would be the first step in ensuring Afghanistan can begin a transition of removing dependence on international aid.

Supporting regional economic cooperation is a very diverse but key development initiative that further strengthens Afghanistan’s economy. This step is a complex combination of decreasing counternarcotics activities, while promoting new and alternative economic opportunities. In the counternarcotics realm, following the guidelines set forth by the CNTF reveals that the most effective immediate approach to
solving drug-dependency is the promotion of alternative livelihoods. To truly be able to promote alternative economic opportunities, Afghanistan and the international community need to cement regional trade agreements. From 2001 to 2004 trade with neighbor Pakistan increased from $20 million to $700 million. Additional measures have been taken to spur trade with neighbors, including electricity deals with Iran in Herat, and opening trade routes to both Tajikistan and Uzbekistan by cutting tariffs and building physical roads and bridges into each country. The only way to spur regional trade is to increase regional cooperation and construction of roads and infrastructure, so people can the means to reach new markets.

Successful development efforts have been achieved in Afghanistan as 12,200km (~7,580 miles) of road have been rehabilitated or paved, directly increasing trade access and opportunities. 73% of the Afghan population now has telecommunication access. 6 million children currently have access to primary education, the highest total ever in Afghanistan. Even healthcare has seen dramatic successes, as 85% of the population now has access to basic healthcare, a drastic increase from 9% in 2002.

While these physical changes do speak volumes about the change that has occurred in Afghanistan, changes need to be made from the international level to the Afghan-state level to ensure that the massive financial investment in Afghanistan is secured.

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227 Ibid.
229 Ibid.
230 Ibid.
The international community no longer can neglect the importance of supporting the GIRoA through direct investment, including increased support for trust funds. Decreasing contracts for American and foreign companies, increases available funds for investment and ensures aid is invested in the country it seeks to develop. Individual donor activities from states cannot persist—short-term humanitarian efforts have been maxed-out and need to shift to long-term sustainable projects. Eight years of humanitarian relief and short-term aid projects under the Bush administration have neglected the long-term effectiveness of the Afghan government and the long-term sustainability of the state. Bush’s ideals of removing the Taliban and quelling the support and harboring of international terrorists shares common goals with Obama’s notion of nation-building in a fractious state. In order to succeed in both areas, a successful development program needs to be utilized. Rebuilding and constructing an Afghan state has involved over 40 countries and the work of countless NGOs and IGOs. To ensure the success of this $40 billion investment, change needs to be expedited.
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