



# Governance in Afghanistan

## Looking Ahead to What We Leave Behind

Colin Cookman and Caroline Wadhams May 2010

Center for American Progress



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# Introduction and summary

The United States' top strategic objective in Afghanistan over the past nine years has been defeating the Al Qaeda network. Strengthening and sustaining the Afghan government was a second-tier priority at best that was ranked far behind military operations, and when the United States took any efforts to strengthen government they were done only as a means of “dismantling, disrupting, and defeating” the Al Qaeda terror network.

But building legitimate, responsive, and self-sustaining Afghan government institutions is essential if the United States and its NATO International Security Assistance Force allies are to withdraw their military forces from Afghanistan and keep them out over the long term without the country descending into civil war and regional proxy fighting. To accomplish this, Congress, the Obama administration, and the American public need a clearer understanding of the full dimensions of Afghan governance and the many international actors and programs whose activities affect the issue. This paper's purpose is to aid that understanding.

Building even a minimally functioning state in Afghanistan will be incredibly difficult. The task isn't helped by 30 years of war, eight years of Bush administration neglect and mismanagement, and an Afghan government plagued by a lack of capacity and political will. While it is understandable that the Obama administration wants to show quick results to the American people—who are growing increasingly frustrated over the human and financial costs of almost nine years of war—administration officials are paying too little attention to the sustainability of the programs and Afghan state we are creating. They need greater clarity of purpose in defining their end-state goals to achieve coherence in American policy toward Afghanistan.

The Obama administration began to focus on the state-building effort in 2009 to a much greater extent than the Bush administration, and it placed a stronger rhetorical emphasis on strengthening governance at all levels in Afghanistan as part of its overall strategy. It asserted that state institutions are essential to weaken the insurgency and extremism more broadly. Under U.S. General Stanley McChrystal's command NATO's International Security Assistance Force identified the need to “separate insurgent influence from the populace and support Afghan Government sub-national structures to establish rule of law and deliver basic services” as one of the three principal efforts in its current campaign plan.<sup>1</sup>

President Barack Obama's announcement of a July 2011 departure date for some American military forces has added greater urgency to U.S. policy and has led to a renewed

focus on training Afghan national security forces in addition to continued support for local militias and partnerships with local powerbrokers. These actions are meant to create short-term military stability across as much of the country as possible. But military operations alone will not create long-term stability in the country.

We believe the current Afghan formal government is in need of serious political and economic reforms to survive over the medium to long term. The Afghan population currently has few means of expressing dissent regarding policies carried out by the international community and the Karzai government, which operates on a highly centralized patronage model in which power and resources are channeled through Hamid Karzai's personal and political allies. The system lacks the connection, rules, and checks and balances necessary to make leaders truly accountable to the domestic population, which invites corruption, rent-seeking, and a hemorrhaging of domestic legitimacy. Local governmental bodies are the appropriate places for representing Afghans and responding to their needs, but these currently suffer from a lack of capacity, confusion over their roles and authorities, and little legitimacy.

The system's continued survival is also dependent on large flows of international support, and the international community has struggled to change the Afghan government's increasing dependence, governmental weakness, and rampant corruption. In fact, in many cases it has fostered these negative dynamics.

These problems are further complicated by the Taliban, who today is engaged in aggressive political maneuvering. In the Taliban's initial rise to power in the mid-1990s and in its current incarnation it has been adept in exploiting the competitive local landscape of Afghan politics to overcome its rivals and mobilize support. This is carried out through a combination of violence and intimidation, a political-ideological message casting the internationally supported Karzai government as illegitimate and the Taliban as a purifying movement, and the establishment of parallel government structures to displace the influence of both the central government and local rivals for power.<sup>2</sup>

The Taliban movement, like many insurgencies before it, appears much more dependent on domestic support—or at least acquiescence—for its continued operations than the Karzai government. And it has correspondingly appointed parallel “shadow governors,” roving courts for dispute resolution, and public complaints commissions to convey a message of responsiveness to the Afghan people. The Taliban's experience with popular mobilization makes it a formidable enemy for the Afghan government and the international effort to bring its leadership to justice, and may allow it to once again overcome the patchwork of local power brokers as it did in the mid-1990s.

Another hurdle to building effective governance in the country is the United States' and international community's circumvention of the Afghan government at all levels. While the United States supports the government it also bypasses it in favor of key local powerbrokers, favored actors, and local militias who provide it with intelligence, security assis-

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tance, and aid project implementation. This circumvention weakens the government and fragments the political system without establishing any coherent, sustainable alternative.

The international community has refrained from seriously confronting how the systems of formal and ad hoc power and governance it has established will affect Afghanistan after the eventual withdrawal of active large-scale foreign intervention. We also have not sufficiently analyzed how our short-term stabilization efforts—such as supporting local militias and partnering with local powerbrokers—may undermine our long-term security goals. It is time to deal with these issues head on.

This paper will examine Afghan governance structures, highlight their weaknesses mobilizing domestic support and revenue, and describe the international community's conflicted approach to them. We begin with a basic explanation of Afghan governance that outlines the major leadership positions, institutions, and authorities of the government at the national, provincial, and district level to examine how well the government has extended its authority over different parts of the country. We then analyze the government's dependence on international support and the ways that international assistance supports or bypasses Afghan government institutions. This is followed by an assessment of how security-focused delivery programs have affected governance.

The regional and global security implications of Afghanistan's return to civil war and the political and humanitarian pledges made by the international community over the past decade demand a serious commitment to develop Afghanistan into a state capable of living at peace with itself and its neighbors. But the American people as well as other contributing countries will not tolerate an indefinite military occupation in Afghanistan that continues to strain our armed forces and financial coffers in the midst of our own economic crisis. The Obama administration recognizes this fact. But it has not yet outlined a clear plan for transferring control to the Afghan state or sufficiently prioritized the reforms needed to ensure that it can one day stand on its own.

Thus, based on our analysis of current Afghan governance, we believe U.S. policy—as well as the international community—must prioritize the following areas to be able to transfer control:

- **Provide clarity of purpose:** The Obama administration remains vague about what progress looks like in Afghanistan and what our objectives are over the next two to five years. The administration should coordinate with the Afghan government and NATO-ISAF to create a clear end-state goal with a precise set of qualitative and quantitative metrics that attempt to measure our progress toward a sustainable Afghan state.
- **Increase sustainability and reduce dependence:** An ongoing assessment of how current approaches will play out in the “build” and “transfer” stages of the engagement is required to ensure that stabilization efforts do not undermine the wider goals of rep-

representative sustainable governance. The international community should create a path to greater financial independence for the Afghan government from the international community by increasing domestic revenues and condition additional aid on meaningful corruption and governance reforms that show would-be Afghan taxpayers that their contributions will not be lost.

- **Put Afghans in the lead:** Afghans continue to act as bystanders as their state is rebuilt. They must be consulted to a greater extent, given greater budgetary authority, and put in the lead. More international assistance should be channeled through the Afghan government in the form of trust funds monitored by the international community. The Afghan people must have more ways to access and influence the way their country is being run and how their money is being distributed.
- **Push for an institutionalized rather than personalized decentralization of power with greater Afghan participation:** All roads currently lead back to President Karzai, who directly appoints more than 1,000 government officials throughout the country and many more positions indirectly. Decentralizing power by supporting local governing bodies is an important step for increased representation, but it must be linked to a simultaneous process of establishing checks and balances between the branches of government and civil society. It will require negotiating with a Karzai government that is likely to resist changes that reduce its power.
- **Demilitarize development assistance:** The military is receiving and implementing far too much development and governance assistance as part of a short-term stabilization agenda. Afghan civilians with international civilian support should be driving state-building and development assistance. The international community should be aware of the perverse incentives they may be creating by providing assistance to the most insecure areas of Afghanistan rather than the secure areas.

## Glossary of key acronyms

**ANSF:** Afghan National Security Forces—the Afghan National Army and Afghan National Police.

**AAP:** Afghan Auxiliary Police—short-lived program to boost police with minimally trained static defense forces in southern Afghanistan.

**APPP / AP3:** Afghan Public Protection Program—local militia force selected by Afghan Social Outreach Program councils to protect districts from insurgency. This program is directed by the Independent Directorate for Local Governance and the International Security Assistance Force.

**ARTF:** Afghan Reconstruction Trust Fund—World Bank-administered trust funded by international donors. It is the largest single contributor to Afghan government operating costs, and it also funds development programs.

**ASOP:** Afghan Social Outreach Program—Independent Directorate for Local Governance-administered program to appoint local councils in districts following the conclusion of military operations, in the absence of local elections. It contributes to the District Delivery Program and Afghan Public Protection Program.

**CERP:** Commander's Emergency Response Program—special funds that U.S. military commanders can disburse for quick-impact reconstruction projects.

**CDC:** Community Development Council—community-level bodies elected through the National Solidarity Program to identify community priorities for block development grants.

**CDI / LDI:** Community / Local Defense Initiative—International Security Assistance Force program to train local militia groups to resist insurgent activities that is conducted primarily by U.S. special forces in partnership with the Independent Directorate for Local Governance.

**DDP:** District Delivery Program—a district-level development plan developed by Afghan Social Outreach Program councils, district governors, and international military and civilian advisors to be implemented by local line ministry offices. It is intended to rapidly increase government service delivery in postconflict areas.

**ECC:** Electoral Complaints Commission—the chief body responsible for adjudicating claims of electoral fraud. Under a new law President Hamid Karzai appoints all five commission members, but he has allowed the United Nations to select two representatives.

**IARCSC:** Independent Administrative Reform and Civil Service Commission—government agency responsible for establishing guidelines for Afghan government civil servants, merit-based recruitment, and the public administration reform process.

**IDLG:** Independent Directorate for Local Governance—government agency headed by a presidential appointee responsible for coordinating subnational governance policy and controlling the appointments process for most government offices below the national level.

**IEC:** Independent Election Commission—the Afghan government organization responsible for carrying out elections at all levels. It is headed by a presidential appointee.

**ISAF:** International Security Assistance Force—the NATO security mission in Afghanistan operating under U. N. mandate since December 2001. Gen. Stanley McChrystal is the current commander.

**LOTFA:** Law and Order Trust for Afghanistan—United Nations Assistance Mission in Afghanistan-administered trust funded by international donors to pay for salaries and operating costs for the Afghan National Police.

**NATO:** North Atlantic Treaty Organization—the transatlantic military alliance through which the International Security Assistance Force has gradually expanded its security responsibility outside Kabul to cover the entire country.

**NSP:** National Solidarity Program—nationwide program administered by the Ministry of Rehabilitation and Rural Development that establishes Community Development Councils and funds aid projects.

**PAA:** Provincial Administrative Assembly—prospective body under the new subnational governance policy intended to coordinate policy on security and administrative matters. The provincial governor chairs the assemblies, and they include security service representatives and provincial prosecutors but have no directly elected members.

**PDC:** Provincial Development Council—provincial forum for donor coordination and development planning but lacking budget authority. Provincial governors chair the councils with representatives from line ministries and the elected provincial council.

**PRT:** Provincial Reconstruction Team—a civil-military development unit intended to provide recovery assistance to their respective provinces ideally in partnership with local government organizations.

**UNAMA:** United Nations Assistance Mission in Afghanistan—the U.N.-appointed office responsible for helping oversee U.N. assistance programs in Afghanistan and supporting the government in its peace- and state-building efforts.

**UNDP:** United Nations Development Program—the United Nations' global development arm that focuses aid in Afghan democratic governance, poverty reduction, crisis prevention and recovery, and environment and energy.



# Afghan government structure

Afghanistan is not an “ungoverned” vacuum, but since Afghanistan’s creation in 1747 a constant tension has existed between a centralized formal state structure and competing informal structures, individuals, and groups at the local level. This tension is evident today in the Karzai government’s efforts to establish more control in the executive by co-opting provincial, tribal, and local powerbrokers into its administration.

This same history is also responsible for the persistent decentralization of political power in the country where a complex and fragmented mix of traditional community councils, religious networks, landholders and hereditary elites, armed militias, criminal mafias, and other groups serve a governance role at the local level—often preserving high degrees of autonomy from the central state.<sup>3</sup> These powerbrokers all command varying degrees of coercive power to enforce rules of behavior, but the past 30 years of war have severely weakened many traditional authorities and increased the power of armed actors.

The following section summarizes formal government structures established in Afghanistan since the 2001 international intervention. But the reality is often complicated by the “politics of relationships” and actors nominally incorporated into the formal system who still possess considerable independence.

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## The presidency

One of the many ironies of post-2001 Afghanistan reconstruction is the fact that President Hamid Karzai, often derided as a “mayor of Kabul” with limited command outside the capital city, in fact possesses constitutional and legal authorities that make Afghanistan, in the words of one assessment, “in theory, fiscally and administratively one of the most centralized countries in the world.”<sup>4</sup> This arrangement was given force of law during the 2004 drafting of Afghanistan’s constitution by the then-interim government led by Karzai and the constitutional loya jirga gathering. At the time it was intended to establish a clearly identifiable Afghan leader with whom the international community could deal and who could in theory begin to rein in regional strongmen.

Proposals were floated for a parliamentary or hybrid prime ministerial-presidential system. But fears that parliament would emerge as a fragmented body dominated by local

factions and a push by Karzai for greater authority led to the strong centralized presidential system Afghanistan operates under today.<sup>5</sup>

Under the constitution the president has the power to unilaterally adopt emergency legislation during parliamentary recesses on matters other than budgeting and finances.<sup>6</sup> The principal means by which Karzai has exerted his influence, however, is his power of appointment. The president appoints all national line ministry heads, the attorney general, supreme court members, the National Security Directorate intelligence service head, provincial police chiefs, and the national bank head—all of whom are subject to confirmation by both houses of parliament.<sup>7</sup> Additionally, he appoints one-third of the upper house of parliament, provincial governors, district governors, the mayor of Kabul and all other municipalities, and the heads of a number of independent offices of commissions. All in all, Karzai controls more than a thousand direct appointments and many more indirectly controlled positions countrywide without any parliamentary oversight.

His power base—which mostly derives from the backing he receives from the international community—has allowed for a gradual, albeit incomplete, process of consolidation in the executive at the expense of the other bodies in the central government such as the parliament and the judiciary. Neither body can provide a sufficient check on President’s Karzai power, which leads to a highly imbalanced power dynamic.

Since Karzai’s initial election to the presidency in 2004 his administration has heavily focused on co-opting veteran regional and local commanders. In both campaigns for the presidency to date he has eschewed creating a national political party organization through which to mobilize supporters.<sup>8</sup> The result is that many of his mobilization efforts consist of personalized negotiations with local power brokers that are carried out through the patronage mechanisms of the government rather than an independent political organization.

There is, of course, a real gap between theory and practice in Karzai’s actual ability to exercise his constitutional powers and the degree to which these co-opted figures have become institutionalized with a government framework. His authority has been limited by dependence on the international community and the persistence of local entrenched power brokers scattered across Afghanistan’s highly fragmented political economy. Many of these individuals retain independent power bases through their command of armed groups, ability to tax local licit and illicit commerce, or their own direct access to international actors, including the United States.

These co-optation agreements’ sustainability over the long term has yet to be tested, but efforts by past Afghan governments to rapidly induct local power brokers into their service were generally met with rising prices for cooperation and minimal expressions of loyalty in the face of serious challengers. And the ability of these governments to resist the Taliban movement’s mobilization was largely unsuccessful until the intervention of the international community in 2001.<sup>9</sup>

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## Basic institutions of Afghan governance at a glance

**Presidency:** The head of government that is currently held by Hamid Karzai, most recently re-elected to a second five-year term in August 2009 in a vote tainted by widespread fraud accusations. The president has extensive de jure powers over government rulemaking, budgets, and appointments, though he is dependent on international donors and domestic power brokers for support.

**Parliament:** A bicameral legislative body. The lower house is directly elected in a nationwide vote, and the other is a combination of Karzai appointees and nominees by provincial and (yet-to-be constituted) district councils. Parliament confirms ministerial appointments and some other positions, and it approves the national budget. But otherwise it possesses weak powers of oversight.

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**Independent Directorate of Local Governance:** An office established in 2007 that is headed by a presidential appointee. It has extensive powers over appointments, assessments, and funding of subnational governing bodies, and works with the ISAF to support local councils and militias as part of the internationally supported counterinsurgency campaign.

**Independent Administrative Reform and Civil Service Commission:** Principal body in charge of recruiting the Afghan government civil service, bureaucratic reconstruction, and public administration reform. It will have some control over district governors' appointments under new subnational governance policy.

**Special Advisory Board on Appointments:** Independent body that vets prospective presidential appointees to senior posts, principally cabinet ministers and provincial governors.

**Line ministries:** The cabinet ministries responsible for delivering services in Afghanistan whose heads are confirmed by parliament. Central ministries hold extensive control over the budgeting process for their offices all levels of the country.

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**Provincial governor:** Appointed by the president in consultation with the IDLG and Special Advisory Board. The governor is required to testify before provincial council at least once monthly under the new subnational governance law, but otherwise this person is not directly accountable to provincial constituents.

**Provincial administrative assembly:** Weekly forum chaired by the provincial governor that is intended under the new subnational governance policy to coordinate administrative and security policy between local offices of the line ministries and security services. No directly elected representatives are members.

**Provincial development council:** Monthly forum chaired by the provincial governor that is intended to coordinate the development and assistance activities of local line ministries and international aid organizations. The provincial council chairman is a member. The PDC also prepares and submits a provincial budget plan to be reconciled with line ministry budgets at the national level.

**Provincial council:** Directly elected bodies (most recently in August 2009) intended to serve an oversight function on provincial government, but have weak powers of enforcement. The council approves the provincial budget proposed by the PDC before its submission to the central government.

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**District governor:** Government official at the district level with considerable power as a "gatekeeper" to government services. The governor is appointed by the president in consultation with the IDLG, IARCSC, and provincial governor.

**District council:** Yet-to-be-elected bodies mandated by the Afghan constitution who are intended to serve an oversight function on district governors and identify needs at the district level for consideration in provincial planning. In their absence other forms of ad hoc councils have been established by IDLG and the National Solidarity Program.

**Mayor and municipal council:** Positions with control over municipal services and legislation and the power to retain revenues for municipal activities. No elections have yet been held for any of these positions and they are instead appointed by the president and IDLG.

**Village and community councils:** Yet-to-be-elected bodies intended to identify needs at the lowest level, administer development projects, and oversee government activity in their areas. In their absence traditional forms of community organization, National Solidarity Program-established councils, and armed conflict actors form the principle governance institutions at the lowest level.



AP PHOTO/PRESIDENTIAL PALACE

## Parliament (National Assembly)

President Karzai addresses the February 2010 opening session of parliament.

The National Assembly, or parliament, was inaugurated in 2005 and is a bicameral body with a mixed record of acting as a constraint on presidential power. If political reforms strengthened parliament's powers it could potentially act as a channel for the Afghan population's demands, infusing greater accountability into governance and "institutionalizing political competition."<sup>10</sup> But it remains weak—one of its fundamental failings is the absence of political parties, which prevents parliamentarians from organizing into voting blocs.

Parliament's members reflect Afghanistan's diversity. The body consists of reformers, hardline conservatives, former warlords, drug traffickers, and women, and it represents the country's numerous ethnic groups. The upper house of parliament, the Meshrano Jirga or House of Elders, has 102 members, one-third of which are appointed by the president for a five-year term. The other two-thirds are elected by the provincial councils. The most recent provincial council vote to select upper house representatives took place in 2005, but with new provincial council elections in August 2009, a new vote of upper house representatives should take place after the parliamentary elections in September 2010.<sup>11</sup> Since one-third are directly appointed by President Karzai the body remains dominated by presidential loyalists, leading to a lack of independence.

The lower house of parliament, the Wolesi Jirga or House of the People, has 249 delegates who are directly elected by a single nontransferable vote in each district.<sup>12</sup> As the more

powerful and more independent of the two houses, it has the ability to confirm or reject the president's appointments for ministers, the attorney general, the Central Bank governor, and more positions.<sup>13</sup> It also can impeach sitting ministers, and it has used this authority on a number of occasions. Yunus Qanooni, its current speaker, served as education and interior ministers during the interim Afghan government but broke with Karzai in 2004 and ran an unsuccessful campaign against him in the country's first presidential elections. But this body remains weak. It is often sidelined, and its members are frequently bought when a crucial vote is necessary.

The lower house recently rejected a presidential decree designed to change the country's electoral law and concentrate control of the Electoral Complaints Commission, responsible for adjudicating fraud, in the office of the presidency. The upper house, however, refrained from bringing the motion up for consideration, and Karzai's decree still stands. Parliamentary elections for the lower house are currently scheduled for September 18, 2010, and registration of candidates under the new electoral law enacted by Karzai began in late April.

Parliament is responsible for passing legislation into law, which can be proposed from within either house or from the government; ratifying treaties and other international agreements; confirming states of emergency declared by the president; and impeaching the president.<sup>14 15</sup> It also maintains Complaints and Petitions Commissions that can potentially offer some degree of citizen redress.<sup>16</sup> But it exercises few powers of oversight or investigation over the line ministries beyond the initial confirmation process. Afghanistan's parliament also has considerably less "power of the purse" than the U.S. Congress, though its members do vote to approve budget proposals developed by cabinet ministers and the Ministry of Finance and have on some occasions rejected government submissions, forcing a redraft.<sup>17</sup>

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## Ministries and offices

The Afghan cabinet is comprised of 25 ministries that are each headed by a minister appointed by Karzai and confirmed by parliament.<sup>18</sup> The international community has occasionally pushed for consolidating some ministries with duplicative functions, but President Karzai has largely resisted these efforts in order to use cabinet positions as a way to co-opt individuals. Besides basic service ministries such as health, education, or agriculture, key ministries with a specific connection to governance functions include:

- The **Ministry of Interior**, which formerly played a major role in managing the appointment of subnational government officials and still controls the national police services, whose chain of command is independent of provincial and district governors.

- The **Ministry of Justice**, which is responsible for drafting and ratifying legislative texts, registering political parties, managing prisons, and serving as the government's legal advisor. The **attorney general** and **supreme court** are separate entities whose heads are also subject to parliamentary confirmation. The former office is responsible for investigating and prosecuting crimes and the latter is responsible for managing the court system at both the provincial and district levels.
- The **Ministry of Finance**, which collects national customs and taxation revenue, establishes the annual national budget as noted above, and manages the national treasury.
- The **Ministry of Rural Rehabilitation and Development**, which holds a broad mandate of poverty reduction, rural development and access, and social protection, and manages (but largely does not actively implement) the National Solidarity Program (see the section on municipal, community, and village government on page 18 for more).

Thus far, the Ministries of Public Health, Communications, and Finance have received certification to receive direct U.S. government assistance after financial and procurement assessments of each by the U.S. Agency for International Development. The Obama administration's January 2010 Regional Stabilization Strategy—which laid out U.S. government strategy following its intensive review of Afghanistan policy at the end of the 2009—sets a goal of certifying six more ministries by the end of the year, though the criteria for certification is not explicitly laid out.<sup>19</sup>

Additionally, the office of the presidency is served by a range of smaller agencies, commissions, and offices, which were established to take part in the appointment, vetting, and oversight process. As described below, these offices—especially the oversight bodies, which have largely failed to fulfill their roles due to their marginalization—lack independence from the executive and possess inadequate capacity. Key offices include:

The **Independent Directorate of Local Governance**, or IDLG, which was an office established in 2007 separate from the Ministry of Interior. It is currently headed by Director General Jalani Popal, a presidential appointee. This is not a parliamentary confirmed or elected position despite its important role in creating a local governance plan for Afghanistan and building legitimacy for the Afghan government at the local level. Critics of the office argue that the body serves as another tool for President Karzai patronage's system whereby he consolidates power within the executive and doles out privileged appointments to political allies.

The IDLG led the drafting of a subnational governance policy for the country in the absence of a clear legal framework at the time of its creation, and it has extensive power over the country's subnational governance structures. After two years in draft phase this policy was passed into law by the government in March 2010 despite the lack of a fully constituted



cabinet. It has yet to be publicly released, and the degree to which the changes proposed in the policy have begun to be implemented has yet to be fully assessed.<sup>20</sup>

Beyond policy formulation, the IDLG is also responsible for social and political outreach to build support for the government at the local level. This is carried out primarily through the IDLG's control over the appointment process for provincial, deputy provincial, and district governors. The office is also responsible for evaluating these appointees' performance and for carrying out internal audit functions for all provincial and district governors' offices, municipalities, and provincial, district, and village councils.<sup>21</sup>

The IDLG also runs the **Afghan Social Outreach Program**, which pays community leaders identified and appointed by the IDLG in exchange for their support fighting Taliban insurgents and for serving on district councils that disburse aid money (see the section militarization of assistance on page 29 for more details)

The **Independent Administrative Reform and Civil Service Commission**, or IARCSC, was established by presidential decree in 2002 with support from the international donor community. It contributes to the Public Administration Reform process launched at the same time, which works on technical advising, bureaucratic restructuring, and merit-based recruitment and salary reform for civil service members working in the various ministries and offices of the Afghan government.<sup>22</sup> But its ability to carry out this ambitious mission has been compromised by the establishment of other offices that have gradually reduced its power and influence as well as by the lack of priority most international donors and Afghan government leaders place on its work.

As of 2007—the most recent year for which estimates were available—the Afghan government employed approximately 348,000 civil servants, including police and nonuniformed civil servants but not including military personnel. The overwhelming majority of its civil servants are teachers as the Education Ministry is one of the few ministries that directly implements programs rather than relying on NGO contractors for service provision.<sup>23</sup>

The **Special Advisory Board to the President for Senior Appointments** was established by presidential decree in 2006 to vet ministerial and other high office appointments at the insistence of international donors, particularly the United Nations and the European Union. The board's establishment and functions are a key benchmark in the 2006 Afghanistan Compact—a political commitment between the United Nations, Afghan government, and international community at the London Conference on Afghanistan in 2006—but it has laid idle for most of its existence, given little opportunity to pursue its objective.

The scope of the board's vetting authority has been contested during its existence—its rules of procedure, agreed to only in 2008, claim jurisdiction over provincial and district governors' appointments. The IDLG's subnational governance policy, however, only specifies a role for the board in the appointment of provincial and deputy provincial

governors.<sup>24</sup> As of November 2008 the Special Advisory Board had been consulted on 75 appointments, including three provincial governors and 23 district governors. But subsequent assessments suggest that this may have been a peak and that the board is still regularly bypassed.<sup>25</sup>

The **High Office of Oversight and Anti-Corruption** was established in 2008 by presidential decree to meet international demands for greater government action against corruption. It is headed by a director general appointed by the president and has a small staff of fewer than 100 employees.

Prior to a March 2010 order by the president expanding its authority, the high office's role was principally limited to a coordination, reporting, and policy formulation role, and it could not directly investigate, arrest, or prosecute government officials. The new order gives the office authority to refer cases to the courts and act as a prosecutor. Still, it is too early to tell whether it will finally be given the authority it needs to be effective.<sup>26</sup>

The high office's expansion of authority followed the establishment in November—shortly after Karzai's swearing-in to a second term—of a new **Anti-Corruption Unit and Major Crimes Task Force** in the attorney general's office.<sup>27</sup> Both efforts were preceded by the **General Independent Administration of Anti-Corruption**, established in 2004 by presidential decree and apparently disbanded in 2007 after reports that its head, Izzatullah Wasifi, had been convicted on charges of heroin distribution in the U.S. in the 1980s.<sup>28</sup> These new offices' ability to make good on their mission where past efforts have failed has yet to be determined, but absent genuine institutional independence and the political will to hold corrupt officials to account, it is unlikely that new organizations alone will suffice.

The **Control and Audit Office** of Afghanistan, responsible for carrying out independent assessments of government programs and offices, is also headed by a director appointed by the president. An assessment by the U.S. Special Inspector General for Afghan Reconstruction found a lack of capacity and independence that prevents the office from carrying out an effective oversight function, and the audits it does conduct are not shared with the public or the parliament.<sup>29</sup>

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## Provincial government

Each of Afghanistan's 34 provincial governments consists of a **provincial governor**, a **provincial council**, a **provincial development committee**, and a **provincial administrative assembly**.<sup>30</sup> Additionally, most national line ministries responsible for the delivery of government services maintain departmental offices in provincial centers, as do some national independent agencies and offices. Finally, the provincial chiefs of police and National Directorate of Security chief (responsible for domestic intelligence) are both appointed by President Karzai. These are powerful positions that operate through their own separate chains of command.



Source: Government of Afghanistan—national monitoring system implemented by UNODC. Map adapted from United Nations Department of Peacekeeping Operations Cartographic Section, Map No. 3958 Rev. 5.  
 Note: The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations.

**Governors** are appointed by President Karzai in a process controlled by the IDLG and vetted by the Special Advisory Board on Appointments.<sup>31</sup> Governors are assisted by deputy provincial governors and executive directors to fulfill their responsibilities of coordinating provincial administration policy and operations.

Many governors are appointed to secure the support of prominent local power brokers or otherwise maintain good relations with international military forces, Provincial Reconstruction Teams, or donors. The governor's role was initially conceived as a coordinating one, but in practice they may exercise considerable powers of expenditure approval, dispute resolution, and appointment of other officials and civil servants at the subnational level. The new subnational governance policy confirms this by giving governors power to

chair a newly strengthened **provincial administrative assembly** of provincial line ministry heads, provincial security officials, and the provincial prosecutor that is meant to coordinate the government's administrative and security activities at the provincial level. There are no directly elected officials on this assembly.

The governor has also been given approval powers over some provincial civil servants' appointments and charged with leading alternative livelihood programs for counternarcotics and other areas not covered by a single line ministry.<sup>32</sup>

**Provincial development committees**, or PDCs, are responsible for drafting Provincial Development Plans for their respective provinces. They do not have spending authority, however, and without this authority or consensus on their composition or duties the value of their recommendations as budgeting documents is limited.<sup>33</sup>

The committees are chaired by the provincial governor, and are meant to coordinate service provision and other efforts by line ministry provincial offices, the national government, nongovernmental and international aid organizations, and Provincial Reconstruction Teams. These committees were created after several ad hoc structures had emerged around the country to fill similar roles and were first formalized by a government decree in 2005.<sup>34</sup> Staffing and secretariat duties for PDCs are the responsibility of the local offices of the Ministry of Economy, and the PDCs have few resources with which to conduct their business.<sup>35</sup> Under the new subnational governance policy, the provincial council's chairperson is guaranteed a seat on the PDC, but otherwise their planning efforts take place without the benefit of input from elected officials or the Afghan public.<sup>36</sup>

**Provincial councils** are elected at the provincial level by a provincewide single nontransferable vote. The most recent round of elections was held in August 2009 simultaneous to the presidential elections, but scrutiny of this election process was minimal compared to the attention given to the presidential election.

Twenty-five percent of council seats are reserved for women, but the new subnational governance policy indicates that these seats will go to male candidates "to the extent women are not available to contest these positions."<sup>37</sup> Council membership varies from nine to 29 members depending on the province's size.<sup>38</sup> The IDLG currently oversees these councils despite the fact that they are elected bodies rather than civil servants or political appointees.

Council powers were initially limited to a development planning, monitoring, and advisory role, with no control over budgets. But the new subnational governance policy takes some steps to strengthen councils' oversight powers.<sup>39</sup> Although councils' mechanisms for enforcement are still limited they will now be responsible for monitoring and evaluating government service delivery and citizen complaints, and governors will be required to testify before them at least once monthly. They also gain the power

to approve Provincial Development Plans and provincial budgets developed by the provincial development committees before their submission to the national government.<sup>40</sup> Again, it is too soon to tell whether these powers proposed by the subnational governance policy will be implemented.

Councils have to date relied on the governor's office for staffing and budget and have limited powers to enforce consultation. The IDLG is identified as their source of operating funds under the new subnational governance policy.<sup>41</sup>

Provincial leaders generally have had little control over how money is allocated within their provinces, as noted above. Provincial line ministry offices receive funding in quarterly programmatic allocations from the Kabul parent ministry.<sup>42</sup> This funding is determined by how provinces are graded on a scale of I-III, theoretically on the basis of their population and geographic size as well as other factors. Surveys have shown wide discrepancies in per capita spending across the provinces, however.<sup>43</sup> And the presence of international military and NGO actors has the potential to exacerbate these uneven disbursement patterns by allocating funding in an ad hoc manner based on security concerns without interest in equitable distribution among provinces.

The Afghan government has instituted pilot programs to introduce provincial-level budgeting processes, and the new subnational governance policy calls for an expansion of provincial budgeting processes to all provinces and all ministries, though no timeframe is established for this shift.<sup>44</sup> Under the new policy, PDCs and line ministries will each prepare parallel budgets (the former approved by the provincial council before submission) that are then reconciled by the central government. The exact process for reconciliation remains unclear, however.

The new policy requires that a minimum of 25 percent of provincial-level spending be used on projects identified by the PDC plan, but control over the formula for splitting revenues between the national, provincial, district, and municipal level will fall under the control of a Cabinet Committee on Subnational Planning and Finance. The committee will be chaired by a vice president and co-chaired by the IDLG director, the Minister of Finance, and the Minister of Economy—none of whom are directly elected or accountable to the provincial level.<sup>45</sup>

The new law does require provincial line ministry offices to provide information to provincial councils and the provincial governor about their activities and policies. And it grants power to the provincial council—in consultation with the governor and the central office of the ministry—to enforce a range of sanctions against provincial ministry officials who do not meet performance standards, potentially up to and including their dismissal.<sup>46</sup>

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## District government

District governments principally consist of a **district governor** appointed by the presidency through the IDLG. The provincial governor generally makes recommendations on this appointment. The IDLG's new subnational governance policy is vague on exactly how the district governors are to be selected and vetted, but it proposes a future agreement on the process with the IARCSC, which suggests the governors are now considered civil servants rather than political appointees as previously proposed by IDLG.<sup>47</sup>

District governors' powers are formally limited to coordination, like the provincial governor. But in practice they wield considerable power as "gatekeepers" who control access to service delivery as well as to the higher levels of government—making them politically sensitive, sought-after postings subject to high turnover.<sup>48</sup>

The Afghan constitution requires **district council** elections, but these have yet to take place.<sup>49</sup> The new subnational governance policy calls for elections by March 2011 at the latest, but no preparations have been made for these elections by the Independent Election Commission or the international community. Once the councils are established, the new policy envisions a similar oversight relationship for the councils and district governors as that between provincial councils and provincial governors, which is consultative but without enforcement powers.<sup>50</sup> Like provincial councils, a quarter of district council seats are to be reserved for women. But the seats may be contested by male candidates if no female candidates contest the position.<sup>51</sup>

One notable effect of the councils' absence is to throw into question the validity of any prospective amendment of the existing national constitution because the participation of chairpersons from both provincial and district councils—plus the members of the two houses of parliament—are required to form a *loya jirga* to discuss this or other "supreme interests of the country."<sup>52</sup> In some districts, however, the IDLG's **Social Outreach Program** or the Ministry for Rural Rehabilitation and Development's **National Solidarity Program** (see the section on municipal, community, and village government on page 18 and militarization of assistance on page 29 for more information on both) have created "council" institutions that may play some role in determining aid program priorities for their area.

Districts are graded, just like provinces, to determine funding levels from the Kabul central government. Again, their grades are theoretically determined by population and geography, though this does not appear to be applied consistently and there are considerable variations in district size.<sup>53</sup> District and provincial boundaries throughout the country also remain poorly defined—the exact number of districts across the country has not been definitively established, and many "unofficial districts" have been created ad hoc by government officials to claim additional resources or administratively separate communities.

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The highest profile example of such an unofficial district is Marjah, the site of major coalition military operations beginning in February 2010 and home to a new district governor, Haji Bashir. Despite Marjah being declared a district by NATO-ISAF in its military campaign, the appointment of its district governor, and the corresponding influx of resources, it is officially part of the larger Nad Ali district.

The government's subnational governance policy identifies 364 districts in the country. Estimates by the Afghan Research and Evaluation Unit in 2008 put the number between 364 and 398.<sup>54</sup> In the IDLG's initial five-year plan issued in 2008, it set 2013 as its goal for establishing new district boundaries and transitional arrangements for their recognition.<sup>55</sup> These determinations are dependent, however, on the national census's conclusion, which has already been repeatedly postponed. The new subnational governance policy calls for a census before the end of 2010, but as of May 2010 there is little evidence of sustained preparations for this project.<sup>56</sup>

Line ministries may also have offices at the district level depending on the district grade, security, and the political clout of the district or provincial governor. Each district is meant to have its own police department, prosecutor, and district court, all of which officially operate independently of the district governor. But the courts in particular have yet to be fully established across the country.

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## Municipal, community, and village government

The Afghanistan constitution calls for direct mayoral elections for the provincial capitals and rural municipalities of Afghanistan (the exact number of which, like districts, appears to be in dispute, with World Bank assessments identifying 217 municipalities and the Ministry of Finance's budget for 2009-2010 only 159). To date these elections have not been held. Mayors have instead been appointed by President Karzai—a process that like district governor appointments generally takes place under the provincial governor's influence. These elections have most recently been tentatively slated for some point in 2010, but they have not been included on Independent Election Commission calendars and appear unlikely to take place.

Elections for municipal councils have also not taken place. Instead, the mayors appoint and run these councils without a clear legal distinction of their responsibilities.<sup>57</sup> The new subnational governance policy calls for municipal council elections by March 2011, which is another goal unlikely to be met at the current rate. The policy also gives councils powers to enact municipal legislation, approve annual budgets, and set tax rates.<sup>58</sup>

Municipalities are theoretically under the oversight of the Ministry of Urban Development and Housing and the IDLG, who are meant to supervise their budgets and urban planning activities. But accountability appears to be uneven at best.<sup>59</sup> While some rural municipali-

ties report directly to the central government, others exist in a hierarchy with their respective provincial capital municipalities.<sup>60</sup> Municipalities coordinate most service delivery in their areas, which in the case of rural districts remains the responsibility of line ministries and state utilities. This leads to a confusing overlap of authorities.

Municipalities are also the only subnational bodies with the authority to raise their own revenue and retain portions of that money for their own operations and expenditures. But many are reported to fund these costs through public land sales and illegal taxes and user fees. Governance surveys conducted as early as 2004 warned of a “commanderization” of municipalities as armed local power brokers sought to capture the municipal government’s revenue-generating functions for private benefit.<sup>61</sup>

Afghanistan remains a predominantly rural country despite current estimates suggesting that between 20 percent to 30 percent of its population now lives in urban centers. Afghanistan’s Central Statistics Office, for example, counts 40,020 rural villages in the country. Like the districts and municipalities, no elections have yet been held for formal government offices at the community or village level. Many of these communities are instead self-governed by a combination of local shura councils, village maliks who act as recognized intermediaries between the community and the district governor, and community religious leaders. Others remain under the control of armed warlords who have displaced traditional authorities.

The new subnational governance policy calls for establishing village councils by March 2012, which would be given extensive powers of development planning, management and implementation, and oversight within their communities. The development plans would be submitted through the district governor to the district council for consolidation and approval and funded through a portion of ministry budgets set aside for village level development.<sup>62</sup>

Within this mix the National Solidarity Program, or NSP, has established 22,166 **community development councils** from 2002 through September 2009.<sup>63</sup> Some assessments have uncovered cases where councils do not match the boundaries of existing communities, but generally CDC representatives are meant to be elected by constituent “clusters” of approximately 20 families. The councils are responsible for developing communitywide development plans to be funded by two-part NSP block grants. CDCs’ exact structure and composition varies, and some assessments suggest that actual competitive elections are rare.<sup>64</sup> While NSP rules require female participation in the election, the council, and the planning process, the actual degree to which this takes place is unclear.

The NSP is officially administered by the Ministry of Rural Rehabilitation and Development, or MRRD, and principally funded by the Afghanistan Reconstruction Trust Fund (see the section international support and the dependency trap on page 21),<sup>65</sup> though the majority of the program’s work—both in organizing elections and in providing development assistance—is carried out by international NGOs under contract as facilitating partners.

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CDCs are not officially recognized government bodies. The MRRD and some international donors have proposed their eventual conversion into government district councils, but the IDLG has not supported such a move and instead proposes their conversion into civil society organizations following the election of new government village councils. While CDC members may play a role in local dispute resolution, mobilizing community labor to carry out development projects, and providing social assistance to poor individuals and households, their primary purpose is the redistribution of external resources.

The CDCs and the National Solidarity Program are a rare attempt to seriously incorporate the priorities and concerns of local inhabitants in development plans, and this makes them potentially important transitional measures. But they are not a substitute for governing institutions unless stronger local accountability mechanisms are created or the CDCs develop the ability to generate more reliable streams of revenue for continued project work.<sup>66</sup>

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## Policy implications

The Afghan government consists of a wide range of formal bodies at the presidential, parliamentary, provincial, district, municipal, and community levels. As discussed, however, these bodies and leaders are largely ineffective at governing due to conflicting roles and responsibilities, highly centralized decision-making and appointments authority, and few means for the Afghan people to hold their leadership accountable for their actions.

What's more, the Pentagon's latest progress report to Congress on Afghanistan warns of weakening support for the current government system. Defense Department assessments conducted in 121 districts identified by ISAF as strategically critical found the population to be "sympathetic with" or "supportive of" the Afghan government in only 29 districts—24 percent of the total.<sup>67</sup> Counteracting this loss of support requires difficult systemic reforms that are likely to be resisted by the current beneficiaries. But in the absence of public legitimacy the Afghan government will continue to require massive international aid and troops to maintain itself, which is a role the United States and other countries do not want to play in perpetuity.

Good governance and sustained legitimacy will require policymakers to seriously focus on the current system's overlapping authorities, highly centralized nature, and lack of accountability. It will also require major shifts in how Afghan government programs and policies are paid for—an issue explored in further detail in the following section.

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# Funding a sustainable state

The Afghan government remains heavily reliant on international support for almost 80 percent of its budget despite the international community's circumvention of the Kabul government in most of its assistance to the country. The state's overwhelming dependence on external sources of revenue presents fundamental complications for effective, sustainable, and representative governance.

For one thing, this major reliance on international aid means the Afghan government's key constituency is the international donor community, not its populace. Like the rulers of other rentier states, the Kabul government can use this external support to avoid the hard task of mobilizing domestic legitimacy. The Afghan state's long-term survival requires the generation of domestic revenues and a reduction of dependence on foreign aid.

At the same time, the overwhelming majority of international assistance to Afghanistan is delivered outside government channels, which at best does little to build the state's long-term capacity to stand on its own and at worst actively undermines it by interposing international aid between the government and the people.

The Obama administration has recognized this danger and has called for increasing U.S. assistance through the Afghan managed budget process. But financial mechanisms have not been established within the Afghan government to provide sufficient oversight and transparency over the disbursement of these funds. Those mechanisms will require greater checks and balances than currently exist in the system if corruption and waste is to be avoided.

This section explores these issues in more depth and their implications for U.S. policy going forward.

The Afghan government remains heavily reliant on international support for almost 80 percent of its budget.

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## International support and the dependency trap

International aid to Afghanistan post-2001 has come from more than 70 donor countries and international organizations. Each has their own priorities, favored programs or personalities, and disbursement practices.<sup>68</sup> Accurately tracking where this money is coming from and going to is also a serious challenge for both the Afghan government and the international community.

## Aid bypasses the Afghan government

Afghanistan aid by delivery source, 2002-July 2009, in U.S. dollars

| Source  | Disbursement | Percent of total assistance |
|---|--------------|-----------------------------|
| Donor-managed assistance (external budget)                      | 28,189.55    | 77%                         |
| a. Military source  | 14,867.47    | 39%                         |
| b. Nonmilitary source   | 14,322.08    | 38%                         |
| Government-managed assistance (core budget)                     | 8,691.07     | 23%                         |
| a. General budget support                                       | 3,653.57     | 10%                         |
| 1. Discretionary  | 770.35       | 2%                          |
| 2. Nondiscretionary   | 2,883.22     | 8%                          |
| b. Development support through trust funds (development budget) | 1,495.00     | 4%                          |
| 1. Afghan Reconstruction Trust Fund                             | 1,430.00     | 4%                          |
| 2. Counter-Narcotics Trust Fund                                 | 65.00        | 0%                          |
| c. Support to recurrent budget (operating budget)               | 3,542.50     | 9%                          |
| 1. Afghan Reconstruction Trust Fund                             | 1,774.77     | 5%                          |
| 2. Law and Order Trust Fund                                     | 847.00       | 2%                          |
| 3. U.S. Department of Defense                                   | 920.73       | 2%                          |
| Total   | 37,880.62    | 100%                        |

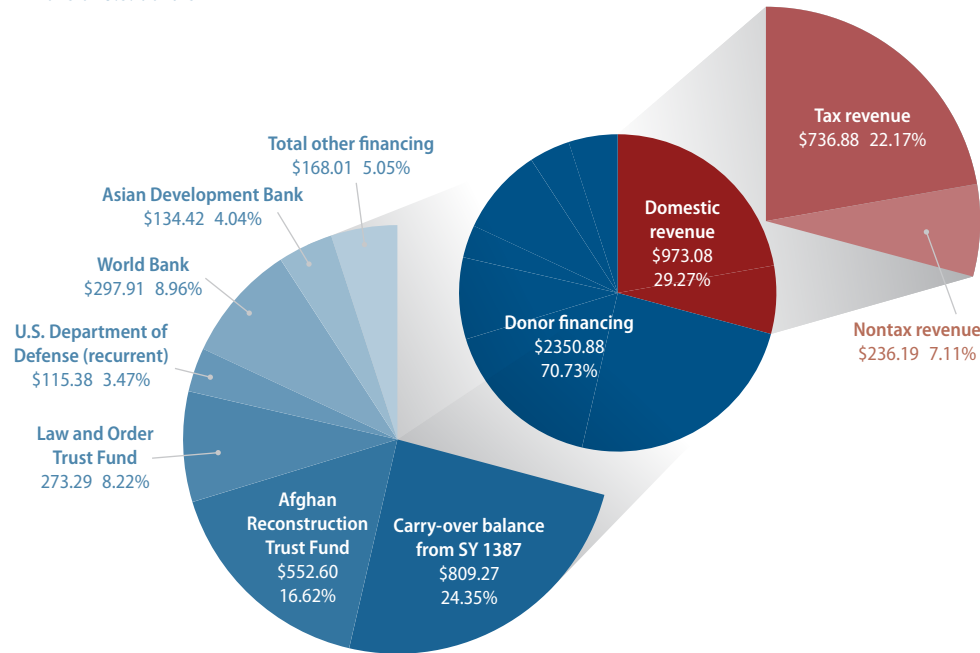
Source: Islamic Republic of Afghanistan Ministry of Finance, "Donor Financial Review" (2009), p. 42, available at <http://www.undp.org.af/Publications/KeyDocuments/Donor%20FinancialReview%20ReportNov2009.pdf>.

The Afghan Ministry of Finance reports in its most recent November 2009 Donor Financial Review report that \$35 billion had been disbursed by donors in Afghanistan as of July 2009 out of \$62 billion verbally pledged in international conferences since 2001.<sup>69</sup> Approximately 6.6 percent of this total was delivered to projects and programs in the governance and rule of law sector compared to 45 percent for security sector assistance and 15 percent for infrastructure programs.<sup>70</sup>

The vast majority (77 percent) of this aid is outside the Afghan government's control due to concerns over corruption and the capacity of Afghan government agencies to disburse funds.<sup>71</sup> The Donor Financial Review reports receiving \$8.69 billion in Afghan government-managed assistance through mid-2009, and 58 percent of this was delivered through internationally managed development trust funds. Of the approximately \$3.6 billion given directly to the Afghan government in this eight-year period, only \$826 million was in the form of discretionary assistance—or 2 percent of all international aid disbursed to the country.<sup>72</sup> For the most recent 2009-10 financial year, 62 percent of money directed to Afghanistan went through the donor-managed "external budget" compared to 38 percent spent through the government-managed core budget.<sup>73</sup>

## Relying on donors

Afghan core government-managed national budget Solar Year 1388 (March 2009-March 2010), by source in millions of U.S. dollars



Source: Islamic Republic of Afghanistan Ministry of Finance, "1388 National Budget," p. 74, available at <http://www.scribd.com/doc/20904187/1388-National-Budget-ENG>.

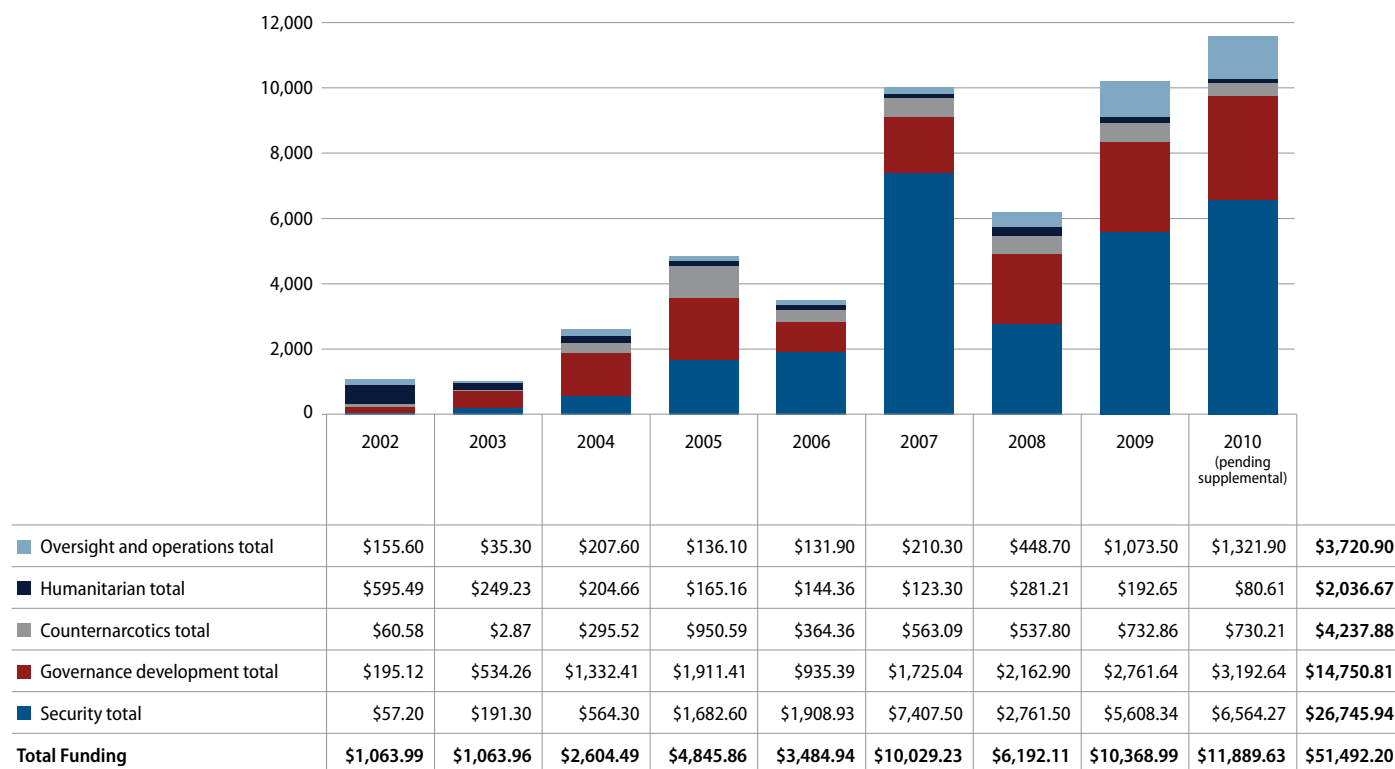
The lack of effective monitoring and accountability mechanisms for much of the international aid that is delivered to Afghanistan makes caution understandable.<sup>74</sup> But bypassing the government on such a large scale complicates aid coordination. It also establishes the international community as an alternative source for both resources and political backing at the local level, which exacerbates the country's already heavily fragmented domestic political landscape. And it further requires the international community to accurately identify the Afghan people's priorities and needs or risk backlash and delegitimization—a challenging task to say the least.

The United States is by an overwhelming margin the largest individual donor to Afghanistan in terms of both pledges and actual disbursements. As of January 2010 it had given more than \$51 billion, and more than half of that has gone to Department of Defense-administered training programs for the Afghan National Security Forces.<sup>75</sup> Most U.S. spending on programs intended to foster democracy and governance have taken the form of election support and incentive funding for provinces that show progress on counternarcotics and anticorruption measures.<sup>76</sup> As of early 2010 only about 10 percent of all U.S. assistance to Afghanistan was channeled directly through the Afghan government's budgetary process. The Obama administration's January 2010 strategy report has called for increasing that to 40 percent by the end of the year.<sup>77</sup>



## The United States is a big source of support

U.S. aid to Afghanistan by year, U.S. millions of dollars



Source: Special Inspector General for Afghanistan Reconstruction, "Quarterly Report to Congress" (April 2010), p. 159-160, available at [http://www.sigar.mil/pdf/quarterlyreports/Apr2010/SIGARApril\\_Lores.pdf](http://www.sigar.mil/pdf/quarterlyreports/Apr2010/SIGARApril_Lores.pdf).

Note: Does not include costs of military operations.

The largest single contributor to the Afghan government's budget is the Afghanistan Reconstruction Trust Fund, or ARTF, which is administered by the World Bank in partnership with 31 international donors—including the United States—and the Afghan government.<sup>78</sup> ARTF money funds both recurring Afghan government operating costs and development programs—the National Solidarity Program being the highest-profile example of the latter. The World Bank as an organization also works on microfinance support, customs modernization, and capacity-building for the Ministry of Finance, among other areas.

The United Nations is another key international organization that helps develop Afghan governing capacity. Its principal offices for this work are the United Nations Assistance Mission in Afghanistan, or UNAMA, and the United Nations Development Program, or UNDP, whose work UNAMA coordinates. The United Nations is actively involved in Afghan governance through civil service and public administration reform, parliamentary

legislative training and mentoring, subnational government management and development planning, election support, and administering the internationally funded **Law and Order Trust Fund**, or LOTFA. LOTFA pays national police salaries and operations costs and with the ARTF is one of the principal mechanisms for supporting the Afghan government's recurring budget operations.

The UNDP, like other international aid donors, also contributes indirectly to Afghanistan's governing through economic support programs that help build other service-provision ministries.

Per capita aid to Afghanistan remains low compared to other recent international conflicts,<sup>79</sup> and aggregate totals hide the fact that initial disbursement for the first five years of the conflict was minimal—approximately \$12.41 billion for the March 2001 to 2005 period, or roughly 34 percent of total disbursements received through July 2009.<sup>80</sup>

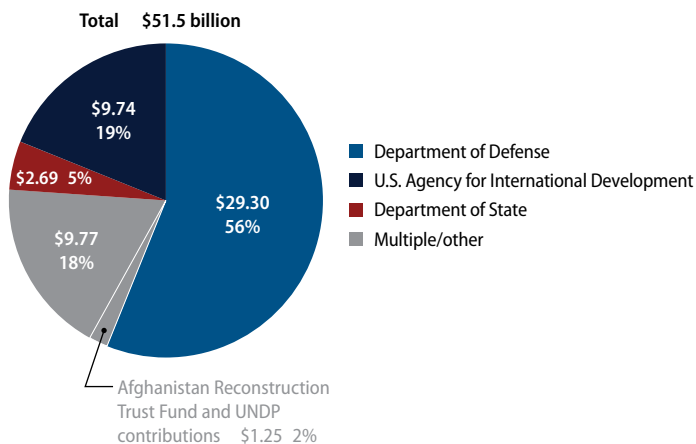
Further, high security overhead costs and layers of subcontractors mean that the actual level of aid that reaches Afghanistan and its people is considerably lower. Studies by the Agency Coordinating Body for Afghan Relief consortium of aid organizations in 2008 found that as much as 40 percent of aid returned to donor countries in the form of contractor salaries and other transaction costs.<sup>81</sup> Pino Arlacchi, a European Parliament rapporteur investigating European assistance to Afghanistan, estimated in March 2010 that as much as 70 percent to 80 percent of all assistance to Afghanistan since 2001 has been lost to corruption, waste, or contractor overhead.<sup>82</sup>

## Generating domestic revenue is a challenge

Many factors have contributed to the international community and Afghan government's limited appetite to cultivate domestic revenue sources, including active insurgent violence, the Afghan government's limited control over local actors, weak popular legitimacy, continued access to foreign funding streams, and the international community's quick-impact security- and humanitarian-focused priorities. The International Monetary Fund, World Bank, and the United Kingdom's Department for International Development are the principal international donors contributing to current revenue generation efforts. The U.S. Treasury is also working on this issue, but it is not mentioned in the Obama administration's January 2010 Regional Stabilization Strategy.

### Defense Department manages majority of U.S. aid

U.S. assistance to Afghanistan by implementing agency, January 2002-January 2010, billions of U.S. dollars



Source: Special Inspector General for Afghanistan Reconstruction, "Quarterly Report to Congress" (2010), p. 39, available at [http://www.sigar.mil/pdf/quarterlyreports/Apr2010/pdf/SIGARapr\\_Lores.pdf](http://www.sigar.mil/pdf/quarterlyreports/Apr2010/pdf/SIGARapr_Lores.pdf).

Tax simplification processes and increased collection efforts over the past few years appear to have produced some progress. Finance Ministry revenue projections for Afghanistan's 2009-10 fiscal year estimate almost \$1.09 billion in tax, customs, and nontax revenues, exceeding \$1 billion for the first time. And preliminary reports for the year suggest revenues may exceed this projection based on higher-than-expected import levels.<sup>83</sup>

But the Afghan government continues to spend much more on development and security programs than it takes in through taxation and customs revenues. The International Monetary Fund reports that in the three fiscal years since 2007, government revenues were equivalent to approximately 6 percent to 7 percent of the country's licit GDP, which is one of the lowest such ratios in the world, even compared to other low-income countries. Meanwhile, government expenditures exceeded 20 percent of GDP.<sup>84</sup> Of the 2009-10 Afghan government-administered core budget of \$2.9 billion, only \$973 million (32 percent) is financed through domestic revenue sources, and if externally managed development projects are included, the proportion of domestic-to-external financing is even less.<sup>85</sup>

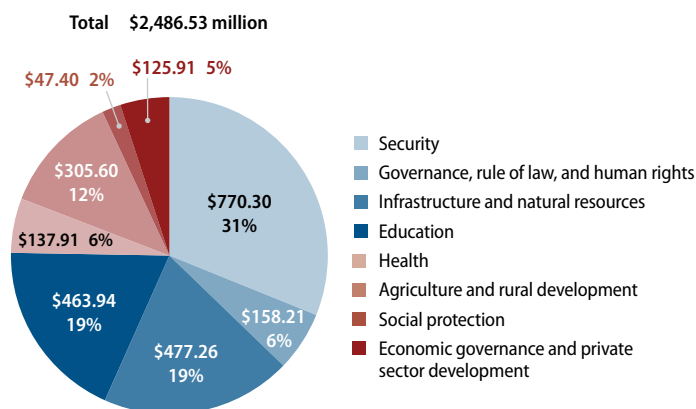
The Afghan state's weakness means that officials responsible for customs revenue collection regularly withhold those funds from the central government. The international community has worked to help the Afghan state crack down on such practices in a few cases, such as that of former Herat governor Ismail Khan. Many other local power brokers have, however, used their influence with either the Karzai government or international community elements more focused on other priorities to evade serious consequences for this behavior.<sup>86</sup>

Revenue collection is further complicated by the fact that opium cultivation, the country's largest economic activity, is illegal. The crop's value shifts from year to year, but estimates by the U.N. Office of Drugs and Crime suggest that opium, smuggling, and other illicit sectors are equivalent to anywhere between a quarter to nearly two-thirds of the country's licit GDP.<sup>87</sup>

Afghanistan produces more opium than any other country in the world despite attempts to provide alternative livelihood support, and the industry provides access to credit and a means of survival for many Afghan farmers. The fact that the government cannot tax this export or the powerful individuals involved in this trade because it remains

## Security, development, and education dominate budget

Afghan government core budget by sector, SY 1388, March 2009-March 2010, millions of U.S. dollars



Source: Islamic Republic of Afghanistan Ministry of Finance, "1388 Budget," p. 79, available at <http://www.scribd.com/doc/20904187/1388-National-Budget-ENG>.

illicit means that the government misses a major opportunity for revenue generation. Bringing some part of this trade into the licit economy could enable the government to reduce its reliance on foreign aid flows.

Balancing security efforts in an active war zone with the intrusiveness of domestic tax collection is not easy. But the Taliban insurgency has shown significantly better success financing its operations than the government.<sup>88</sup> Though international donors are believed to be a significant source of Taliban funding, 2009 intelligence estimates suggest that the Taliban is actually more reliant on domestic sources of revenue for its activities than the Afghan government itself.<sup>89</sup>

The Taliban's taxes on the opium trade form a part of this domestic revenue, but their domestic taxation is not exclusive to the drug economy and includes natural resources like gems and timber, legal and illegal trade, and internationally financed construction projects in areas under their control. These taxes may be collected under some duress, but they still require attention to domestic opinion and help ground the insurgency in the population as classical insurgent strategy advocates. Reports indicate that the Taliban has even appointed local ombudsmen and "shadow governors," and they have established codes of conduct meant to at least partially restrict their field commanders' abusive practices on civilians—which shows they recognize the importance of maintaining this support base.

The Taliban, of course, offered minimal services when they controlled the state during the 1990s and have even fewer expenses as a guerilla force now, so direct comparisons with government tax revenues are not appropriate.<sup>90</sup> This discrepancy in domestic revenue support, however, must be addressed if the Afghan state is to ever escape its dependency on international donors and become accountable to public concerns.

The Afghan state's sustainability requires it to generate domestic revenues and reduce dependence on foreign aid.

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## Policy implications

The Afghan state's sustainability requires it to generate domestic revenues and reduce dependence on foreign aid. And it also requires the Afghan people to gain a greater sense of ownership in the government to increase accountability—they are currently largely passive bystanders rather than active contributors to government operations. They thus lack the investment needed to force internal oversight of government activities. The fundamental contract between the state and its people is made through taxation and the resulting provision of services. If this link is severed, there is little possibility of representation, accountability, or effective service delivery.

Afghanistan's economic impoverishment, ongoing conflicts, and the fact that its largest export is illegal make mobilizing revenue an extremely challenging prospect. The country's many immediate needs cry out for quick action, pulling policymakers into day-

to-day crisis management rather than planning for the long term. These challenges are further complicated by the continued proliferation of informal networks and actors that exist outside formal government institutions while also using these bodies to advance their own objectives.

This mix of informal and formal institutions presents a serious challenge to the government's ability to consolidate power and resist the insurgent movement, and the international community has shown conflicting responses to these competing power sources. The United States and NATO-ISAF have sought to build formal structures, but they also work outside these structures with individuals and militias to achieve short-term security goals.

The following section explores the impact of these conflicting priorities in further detail.

# International aid delivery methods and consequences for governance

A variety of aid programs direct funding toward subnational government entities or non-government actors. These are driven by concerns about the effectiveness of the Afghan army and police services, frustrations with the Karzai national government, the need for actionable local-level counterterrorism intelligence and assistance, and the desire to “Afghanize” the conflict to facilitate a quicker international withdrawal. Many of these transfers take place outside both the current centralized budget process and a process of governance reform that would increase public representation in the process. These local-level transfers offer ample opportunities for provincial or district governors to develop direct relations with their local Provincial Reconstruction Team or other international donor presence. But this distorts government and potentially replicates the larger national issue of rentier statehood.

The subnational support programs that raise the greatest concern, however, involve the creation of local paramilitary forces that are supposed to defend communities from insurgents. Afghanistan’s serious internal security threats no doubt make service delivery and representative governance extremely challenging, and as mentioned above international actors and the United States have serious concerns about the ability of Afghan police and security forces to protect the population. But the ad hoc nature of many of these programs and their general lack of integration into a legal or government framework that provides accountable and merit-based selection raises serious questions about the long-term impact of these programs on the country’s internal balance of political power, especially with the eventual absence of continued external assistance.

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## Militarization of assistance

The **Provincial Reconstruction Team**, or PRT, has become one of the principal aid delivery mechanisms outside of central Kabul given security considerations and limited deployable U.S. civilian staffing levels in Afghanistan. PRTs are intended to fill a void in service provision in the provinces they are assigned to, and they provide for construction of roads, schools, and other quick-impact aid projects to show tangible improvements to an increasingly skeptical Afghan public and complement the military’s counterinsurgency operations.



The United States leads 12 out of 26 PRTs in Afghanistan.<sup>91</sup> The teams report through the military command structures to brigade combat teams that in turn report to divisional regional commands under the International Security Assistance Force led by Gen. Stanley McChrystal. Ten out of the 12 U.S.-led PRTs are currently based in eastern Afghanistan.<sup>92</sup>

American PRT operations are led, paid for, and primarily staffed by military service members, though each team is meant to have at least one senior State Department, USAID, and U.S. Department of Agriculture representative as counterparts to the military commander.<sup>93</sup> American civilian staffing currently amounts to only 5 percent to 10 percent of the total PRT team, but the January 2010 stabilization strategy calls for deploying “several hundred” additional civilian personnel to join these teams.

Some of these civilian representatives will work alongside forward-deployed military units in smaller **District Support Teams** in recognition of the need to push out from provincial urban centers.<sup>94</sup> While State Department and USAID personnel serving on PRTs frequently rely on military support to move through their area of operations they channel money from separate funding streams and report to their respective agencies for administrative matters.

The Congressional Research Service estimates that PRT-funded projects from FY 2001 through FY 2010 totaled \$949.11 million, but does not disaggregate between economic development programs and local governance programs in that total.<sup>95</sup> Most American PRT aid funds come through the Commander’s Emergency Response Program, or CERP, which PRT team leaders have authority to disburse on individual projects up to \$25,000, or up to \$100,000 per month. Other nations’ PRT team leaders may have more or less leeway in their ability to appropriate funds for local projects.

A total of \$1 billion in CERP funds was appropriated for Afghanistan in FY 2010 compared to approximately \$1.97 billion over the entire FY 2001 to FY 2009 period, presumably because of an intensified focus on the deteriorating security situation.<sup>96</sup> Other American military commanders not serving as part of a PRT team structure may also have access to these funds, though their guidance directs them to coordinate with PRTs in its disbursement.<sup>97</sup>

The **Afghanistan Social Outreach Program**, or ASOP, is another aid program that was established in 2008 by the IDLG and international military and political leaders. Despite a shortage of public assessments of the program’s effectiveness, increasing amounts of American assistance appear to be directed through the fund in order to support a ramp up in counterinsurgency operations.<sup>98</sup>

The program sets up district councils in districts identified as strategically critical, and the council membership receives compensation from the government for cooperating against the insurgency. These councils also work with ISAF, U.S. civilian experts, the district governor, and representatives from Afghan government offices (collectively, the District



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Development Working Group) to develop local **District Delivery Programs** for the provision of critical services in areas recently cleared of insurgent presence.<sup>99</sup>

Thus far, these groups reportedly have been launched in the Nawa district in Helmand province and in the Baraki-Barak district in Logar province. Afghan and U.S. officials have suggested, however, that ASOP activity will be expanded to up to 81 districts within two year's time, including as part of the upcoming Kandahar offensive.<sup>100</sup>

While the need to show results in areas where the Afghan government presence has to date been minimal to nonexistent is understandable, these district councils run the risk of being perceived as illegitimate bodies if they fail to accurately represent the priorities of local residents and deliver on the very public promises of quick service delivery made by national and international representatives.<sup>101</sup> Avenues for citizen participation in the planning process are currently still minimal and indirect, and exact appointments procedures for ASOP district councils are unclear but ultimately appear to be a political process subject to the selection and approval of the provincial governor and the IDLG, themselves unelected officials.<sup>102</sup>

Residents of Marjah, Helmand province, listen to speeches by Afghan government officials. A new council has been established and district governor appointed by the Independent Directorate of Local Governance, but its ability to deliver on Afghan concerns is still to be determined.

International military forces in Afghanistan are increasingly using rapid disbursement of assistance to postconflict areas as a way to win the “hearts and minds” of Afghans and defeat the insurgents. But even though these programs may generate some support from those who directly benefit, there is little evidence that this approach creates long-term stability, let alone good development outcomes. A coalition of development organizations stated in a recent report that development projects implemented or funded by the military often “aim to achieve fast results but are often poorly executed, inappropriate and do not have sufficient community involvement to make them sustainable.”<sup>103</sup>

Just as the central government’s overwhelming dependency on international assistance makes it harder for the government to cultivate local support, so too does the direct provision of assistance by international military forces separate local residents from the need to work with and participate in the broader national government. PRTs were initially conceived as short-term mechanisms for rapid aid delivery, but they remain powerful political actors within the provinces. Their continued presence outside the government structure at best does little to build Afghan government capacity and expertise, and at worst it actively undermines the central government by establishing a parallel structure through which local residents can appeal for resources.

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### The militias return

The United States has engaged in an ongoing practice of directly supporting favored armed actors outside the state structure at the expense of a broader national government in Afghanistan. The Bush administration’s “light footprint” model for the 2001 invasion of Afghanistan and the CIA’s experience funding anti-Soviet mujahedeen parties in the 1980s before it have contributed to this practice.

This tactic—which initially involved delivering aid in suitcases full of unaccounted for money—has been somewhat mitigated by institutionalizing many former warlords and their armed followers into the state security forces and political establishment. But American intelligence and special operations forces are still believed to provide direct funding to local power brokers and militia forces for their support in counterterrorism and counterinsurgency operations—the most high-profile example being Ahmad Wali Karzai, head of the provincial council in Kandahar and brother to the president.<sup>104</sup> Information about overall funding levels for these covert arrangements is not available in the open source.

The United States has also funded a series of paramilitary and militia efforts—few of which have shown lasting results—parallel to these efforts and to training programs for the Afghan military and police services. The Ministry of Interior and the United States led the creation of the Afghan Auxiliary Police force in 2006, a minimally trained and inadequately paid force intended to provide static checkpoint security in six southern

The United States has engaged in an ongoing practice of directly supporting favored armed actors outside the state structure at the expense of a broader national government in Afghanistan.

provinces. It was phased out in late 2008 out of concerns for the force's effectiveness and loyalty to the government.<sup>105</sup>

This was followed in 2008 by the Afghan Public Protection Program, or APPP, under the auspices of the Ministry of Interior and the IDLG through the Afghan Social Outreach Program. A trial version began in Wardak province that paid a few hundred residents of the Jalrez district (selected by the ASOP-established district council) to act as a local militia against the Taliban.<sup>106</sup> The APPP involves more formal training, uniforms, and the provision of weapons, but a planned expansion into Ghazni, Logar, and Kapisa provinces is reported to have been placed on hold by General McChrystal pending further assessment.<sup>107</sup>

ISAF most recently began establishing Community Defense Initiative groups—who have been renamed Local Defense Initiative groups in some press and military reports—in several parts of the country in late 2009.<sup>108</sup> The program is sponsored primarily by U.S. Special Forces, and details on how such groups are vetted, managed, or integrated into Afghan government institutions is scant. Statements from military officials indicate these forces will be trained but not armed, and possibly not directly paid. Early January 2010 reports indicate that the program's expansion has been delayed by concerns, again, from embassy and Afghan government officials. But as of late April, military officials are reported to have expanded the program to at least nine additional districts.<sup>109</sup>

Military and administration officials repeatedly profess awareness of Afghanistan's unique history and conflict parameters, but the "Awakening" model of western Iraq circa 2006 appears to be a primary inspiration for many of these programs and for other efforts at local cooptation outside any government structure.<sup>110</sup> Many of these plans are based on "tribal" interpretations of Afghanistan that do not reflect the country's actual social and political landscape in which tribal kinship is only one of several potential forms of social organization, and not a guarantee of effective social control.<sup>111</sup>

What's more, these officials' recurring attempts to create militia forces do not appear to take into account the preferences of the Afghan people. War-time polling and anecdotal press reports indicate that Afghans are deeply concerned about returning to the warlordism of the post-Soviet civil war period, lack confidence in local militias, and support bringing former warlords to justice.

Polling conducted by the BBC in December 2009, for example, found that 68 percent were either "not very" or "not at all" confident in the ability of local commanders and their militias to provide security for their areas.<sup>112</sup> A 2004 Afghan Human Rights Research and Advocacy Consortium survey at the beginning of Karzai's first term in office also found that 88 percent supported reducing the power of former warlords and commanders,<sup>113</sup> and another Afghan Independent Human Rights Commission poll in the same year found that more than 75 percent said it was "very important" for those who had committed past crimes to be brought to justice.<sup>114</sup>

Creating more armed militias in Afghanistan poses dangers for long-term peace.

In sum, creating more armed militias in Afghanistan poses dangers for long-term peace, and it undermines efforts to disarm and demobilize Afghan militia groups, reduce weapons throughout society, and strengthen Afghan state security forces. Long-term security in Afghanistan will depend on an effective Afghan police force and army as well as local institutions and a rule of law that channels conflict within communities. Adding more independent armed actors to divided, impoverished, and embattled communities has the potential to ignite a combustible mix.

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## Policy implications

We currently have a conflicting approach to Afghan governance. The United States and the international community support Afghanistan's central government and civil service, and yet in the interest of immediate results they regularly bypass the government in favor of key local powerbrokers, favored actors, and local militias outside of government who provide them with intelligence, security assistance, and aid project implementation.

No quick fix for long-term stability exists, however, and these militia proposals ignore the realities of Afghanistan—the tribal system no longer serves as a strong organizing structure for many individuals and hasn't for decades for some areas. The Taliban insurgency has only accelerated this deterioration of the tribal system by targeting tribal leaders. Further, circumvention ultimately weakens the government and fragments the political system without establishing any coherent, sustainable alternative.

Supporting the creation of local, accountable, transparent governance will require patience. But it will also require development and government experts who understand the Afghan context and how to support the creation of sustainable outcomes. Civilians, preferably Afghans, should lead these efforts. The military is not the appropriate organization to be implementing these programs due to its training and culture focused on short-term stabilization. The military has played an essential role entering areas where security does not permit government officials, humanitarian organizations, or unarmed individuals to enter. But political outreach and policy responsibilities should be handed over to civilians as soon as the security situation allows.



# Conclusions and issues for policymakers

This paper seeks to fill a knowledge gap in the U.S. debate over Afghanistan by outlining the structures and financing of Afghan governance as well as showing how the international community's conflicted approach affects the establishment of representative, accountable governance in the country.

There's no doubt that reforming the Afghan government and building its capacity and legitimacy are daunting challenges. And the United States, with its international partners, may fail. The Afghan leadership may not have the political will to disrupt the current system and curtail the benefits they receive, and the international community may not have sufficient leverage, policy coherence, or political will to drive significant reforms forward. But local, accountable, effective governance is the lynchpin for success or failure in Afghanistan—not tactical military victories. The Taliban recognize this reality and are already waging a political war, not just a military one. We must do the same.

Detailed policy recommendations are beyond the scope of this paper, but based on our assessment we believe that future policy formulation in all agencies of the U.S. government needs to be guided by the following principles:

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## Provide clarity of purpose

The Obama administration remains vague about what progress looks like in Afghanistan and what our objectives are over the next two to five years. While focusing on the Al Qaeda threat is understandable, this frame does not clarify our purpose or our strategy in Afghanistan, which requires greater focus on our counterterrorism campaign's effects and an acknowledgement that the country's internal political stability will have an important impact on the broader region.

The process of defining progress has begun with talks in London, Estonia, Washington, and shortly Kabul. But the product of these conferences between NATO-ISAF partners and the Afghan government needs to be a clear end-state goal with a precise set of qualitative and quantitative metrics that attempt to measure our progress toward a sustainable Afghan state.

The presence of American troops in harm's way has made the transfer of security responsibility the leading concern for U.S. policymakers, but dimensions of a transfer agreement need to be broader than just the status of an area's security forces. It will take a sustainable, representative government to enable the United States and the rest of the international community to withdraw the majority of their military forces without unleashing terrible violence, regional instability, and emboldened militant groups.

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### Focus on sustainability and set a pathway for reducing dependency

As the international community shifts its focus to a sustainable state it should move away from short-term fixes that fail to specify concluding end-states. An ongoing assessment of how current approaches will play out in the “build” and “transfer” stages of the engagement should be required, and this will ensure that those stabilization efforts do not undermine the wider goals of representative sustainable governance that can survive the eventual withdrawal of large-scale international support.

The international community must also prioritize domestic revenue generation, including through taxes, so that Afghans can begin reducing their dependency on international resources and manpower. Afghanistan's domestic natural resources, agricultural sector, and booming telecommunications industry offer potential sources of income but clearer plans need to be established for how the government will be able to harness portions of that revenue for public goods. The international community should condition additional aid on meaningful corruption and governance reforms that show would-be Afghan taxpayers that their contributions will not be lost. Finally, it should be cautious about creating security and humanitarian institutions the Afghan government cannot ultimately afford to maintain on its own.

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### Put Afghans in the lead

Afghans continue to be bystanders as their own country is rebuilt. Despite a lack of capacity and problems with corruption, more international assistance should be channeled through the Afghan government in the form of trust funds monitored by the international community. This international accountability will have to be paired with scrutiny from internal, Afghan sources if it is to be effective.

Afghans must be able to participate in their government at all levels and drive the direction of their country. This should be done through creating more avenues for Afghans to influence local bodies, through elections to positions of responsibility rather than appointment, informal consultations with different communities, and the empowerment of lower bodies through greater budget control. The elected provincial councils, for example, should be



given greater authority to provide oversight and determine how money is spent within their provinces. And at the district level and below, until elections occur bodies such as the community development councils should be consulted and empowered, as should other community bodies such as shuras.

Much is made of the corruption in the Afghan political system. But Afghanistan and the Afghan people have no more inherent predilection for corruption or mismanagement of government than any other nation on earth. The corruption should therefore not be seen as an intrinsic feature to the conflict but rather the result of a government structure shaped by international as well as domestic political actors' behaviors and policies. Numerous anticorruption bodies have been established in Afghanistan, but so far they have been powerless to hold Afghan leaders to account. The international community must pressure the Afghan government to undertake what it has already promised—to vet individuals who are appointed to senior positions and to prosecute those who have stolen.

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### Push for an institutionalized rather than personalized decentralization of power outside of Kabul with greater Afghan participation

Currently, all roads lead back to President Karzai, who appoints more than 1,000 government officials throughout the country at all levels of government with minimal public input or oversight. While the Obama administration has emphasized strengthening local governance it has not gone far enough to push the Afghan leadership to improve the capacity and power of local governmental authorities and increase Afghan peoples' access to government decision making.

Building a sustainable state requires the systemic institutionalization of checks and balances at both the local and national level between the branches of government and civil society. While not discussed in depth in this paper, clearly a strong, independent justice system is essential for creating this equilibrium.

The subnational governance plan passed by the government attempts to provide greater budgetary authority to local governing bodies such as the provincial councils and to clarify their different roles. It also states its intent to hold district and municipal elections. The international community must demand that these reforms are implemented and not just proposed, and that a clear plan is established for holding local elections.

The international community's large contributions to the Afghan government offer leverage with which to press reforms, but these changes cannot be taken unilaterally. They will require negotiating with a Karzai government that is likely to resist changes that reduce its power. Policymakers must be cognizant that this shift risks returning to fragmentation absent a serious focus on institutional—rather than personal—decentralization, which establishes means of accountability and oversight on the actions of local authorities.

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## Demilitarize development assistance

Far too much development and governance assistance is being channeled through and implemented by the military as part of a short-term stabilization agenda. The U.S. military has a role to play, but it needs to shift its development assistance where possible so that it moves through state institutions and is distributed by civilians, especially Afghans.

The international community should be aware of the perverse incentives they may be creating by providing assistance to the most insecure areas of Afghanistan rather than the secure areas. And they should recognize that pouring development aid into insecure areas does not necessarily win over hearts and minds or create positive outcomes for development or government legitimacy. Therefore, more effort should be made to ensure that aid is distributed equitably throughout the country based on the development and humanitarian needs and not just security outcomes, as well as by the Afghan government's national development plans. Moreover, greater oversight of Provincial Reconstruction Teams and their projects is required, and a plan should set out a pathway for PRTs to evolve from providing development assistance to focusing on security.

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## Looking ahead

Achieving these goals requires overcoming decades of transitory alliances between the international community and local Afghan military and political leaders. It also means a consensus for reform will need to be developed among both Afghan and international policymakers, who are currently divided on the appropriate way forward.

The Karzai government, for its part, seeks great international support for the current system, in which the formally centralized state attempts to use its powers of patronage and resource redistribution to co-opt the local power brokers it identifies as most important to ward off competitors. In this regard it hopes to succeed where past regimes have failed once international support dried up. Many representatives in the international community, frustrated with Karzai's performance, have instead proposed finding new partners at the subnational level who remain disconnected from the state. They hope that local authorities can maintain a better hold of their areas in order to resist the Taliban insurgency. Both approaches, however, ultimately depend on continued access to large-scale international assistance against a determined insurgent movement.

The international community criticizes the Karzai government for corruption and a lack of responsiveness to public concerns. But they have thus far refrained from pressing specific and serious institutional and systemic reforms. Instead we undertake ad hoc reforms to a highly centralized system of governance that fails to address the basic drivers contributing to this disconnect. And we continue to engage in primarily short-term

crisis management rather than long-term planning for a politically and economically sustainable Afghan nation state, despite recognition that a minimally functioning state is essential to the long-term stability of Afghanistan and the region.

Absent a greater focus on governance reform that gives the Afghan people at all levels greater powers to voice priorities, approve plans, and hold their leaders to account, the sustainability and legitimacy of the Afghan state over the medium to long term is in doubt—with serious implications for regional and international security in the years to come.

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## About the authors

**Colin Cookman** is a Research Assistant for National Security at American Progress. His research and writing at CAP focuses primarily on issues related to Pakistan, Afghanistan, and broader counterterrorism policy. He also provides administrative and organizational support to the range of work conducted by the National Security team. Colin graduated from Boston University magna cum laude with a bachelor's degree in international relations in 2005.

**Caroline Wadhams** is the Director for South Asia Security Studies at American Progress. She focuses on Afghanistan, Pakistan, and terrorism issues. Prior to joining the Center, she served as a legislative assistant on foreign policy issues for Sen. Russ Feingold (D-WI). Wadhams also worked at the Council on Foreign Relations in Washington, D.C. as the assistant director for the Meetings Program and in New York as a research associate on national security issues. Prior to the Council on Foreign Relations, she worked at ABC News in New York.

Her overseas experience includes work with the International Rescue Committee in Sierra Leone and two years in Ecuador and Chile. She served as a U.S. election observer of Pakistan's parliamentary elections in February 2008. She is a 2005 Manfred Wörner Fellow with the German Marshall Fund and a term member at the Council on Foreign Relations. She received a master's degree in international relations from the Fletcher School of Law and Diplomacy at Tufts University. Wadhams has been a guest analyst with numerous international, national, and local news outlets, including BBC, C-SPAN, CBC, Voice of America, Al Jazeera, FOX, Reuters, and NPR.

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