The U.S. mission in Afghanistan is faltering despite the Obama administration’s increased investment to offset its predecessor’s eight years of mismanagement and neglect. Taliban insurgents are co-opting or marginalizing Afghan leaders and their followers by delegitimizing the existing government, promising swift justice and dispute resolution, and intimidating and using violence against those who cooperate with the government and the international community. The Karzai government and its international supporters are being outmaneuvered, and the Taliban is growing in new areas. This insurgent challenge cannot be addressed without progress on securing the Afghan public’s support.

President Hamid Karzai and his government have thus far failed to present Afghans with an inclusive, positive program for the country. And while many surveys of Afghan public opinion and anecdotal reporting find minimal support for the Taliban’s inchoate political program, the Taliban’s successful mobilizations have been fueled by perceptions among Afghan communities that they are marginalized from decision making and have no means to hold their government accountable when it abuses its powers.

Current U.S. policy primarily focuses on military operations against the Taliban and quick-impact development projects intended to incentivize public cooperation against the insurgency. But this policy has failed to combat the insurgency’s central strength: its political strategy.

The upcoming international conference in Kabul scheduled for July 20 offers the Afghan government an opportunity to present development and political reform plans to the international community. It also offers the NATO/ISAF contributing
countries a chance to present clearer plans for how they will support these efforts and the eventual transfer of security responsibilities to the Afghan government. Serious political reforms that focus on institutionalizing public participation and the checks and balances that enforce government accountability are needed for this transfer to be successful.

This document outlines key political reforms international donors should look for when evaluating Karzai government proposals at the Kabul conference and in its performance beyond. The Obama administration should prioritize the following reforms in exchange for continued international support up to and beyond July 2011, when the United States will begin to withdraw some of its forces:

• **Increased Afghan representation** in government to strengthen its legitimacy as a governing body with input from all Afghans—not just a closed presidential clique
• **Decentralization of authorities** to ameliorate Kabul’s overcentralization of control and resulting lack of responsiveness to local concerns
• **Greater checks and balances** within government to introduce measures of real accountability
• A commitment to transparent and inclusive **reconciliation and power-sharing**
• A commitment to **domestic revenues and self-sustainability** that will help ensure the state’s long-term survival

To be sure, the international community does not possess unlimited leverage over Afghan actors’ behavior and cannot expect to dictate a new balance of power in the country without meeting resistance. But the United States does—through the Obama administration’s renewed commitment and by virtue of its role as Afghanistan’s largest single donor of both aid and combat power—hold levers that should be focused on these reforms. If the Afghan government and its international partners can’t seriously resolve the conflict’s political drivers no amount of large-scale military investment will alter the course of the conflict.

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**Increase representation and legitimacy**

Afghanistan’s 2004 constitution heavily centralizes power in the national executive and the person of President Hamid Karzai. Karzai was most recently reelected in August 2009 in a vote tainted by widespread institutionalized corruption charges, and he either directly or indirectly controls hundreds of appointments throughout the country, from provincial governors to city mayors.
to Supreme Court justices to district police chiefs. The system lacks the connection, rules, and checks and balances necessary to make leaders truly accountable to the domestic population, which in turn invites corruption, rent-seeking, and a hemorrhaging of domestic legitimacy.

The Taliban’s principal means of recruiting new fighters and expanding the insurgency is the political marginalization of many Afghan communities not tied into the current patronage system. The disconnect between the Afghan public and their appointed government severs the social contract, stalls the delivery of basic services, directly encourages and enables official corruption, and seriously harms efforts to mobilize Afghan citizens against the insurgency. Afghan citizens’ participation in government and the introduction of checks and balances through that participation is the key to restoring the government’s legitimacy as well as providing services.

Below are a few steps the international community can take to help increase citizen participation in government.

Press for changes to Afghan electoral law

The international community largely refrained from publicly condemning President Karzai’s unilateral rewrite of the country’s electoral law at the beginning of 2010. He introduced new restrictions on those standing for office and gave himself the power to appoint all the Electoral Complaints Commission members who adjudicate fraud claims (though he subsequently agreed to name two U.N. representatives to that panel). Despite the lower house of parliament’s resounding protest vote against those changes, the upper house failed to take action on the measure, and the country’s Independent Election Commission confirmed it will operate under the new guidelines during the upcoming parliamentary elections now scheduled for September 2010.

The United States and the international community form the primary source of funding for Afghanistan’s election activities. They need to demand reforms that will make their investments worthwhile, starting with basic changes that would give parliament power to name some Electoral Complaints Commission members and to confirm the Independent Elections Commission director, rather than acceding to the executive branch’s control over both.
Begin preparing for district council elections and reduce reliance on duplicative bodies

Our current strategy recognizes the importance of establishing a local voice in policy planning and budgetary decision making, but we’ve pursued this objective counterproductively. We’ve focused on rapidly establishing new district-level councils in several key districts across the country under the Afghan Social Outreach Program, or ASOP, in partnership with the government’s Independent Directorate for Local Governance, or IDLG. The exact process for forming these councils is still unclear, and the ASOP councils’ value as a forum for channeling local community priorities is uncertain given that neither the IDLG nor the provincial and district governors convening them are themselves elected officials.

District council elections are now being called for in 2011 under the country’s new Subnational Governance Policy, but little preparation is evident at this point. Preparations for real elected district councils need to begin now given the inadequacy of current voter rolls and the fact that many constituencies and district boundaries remain poorly defined. Security restrictions may make district council elections in every area of the country impossible, but even partial elections in safer areas would be better than the continued perpetuation of government by appointees.

Decentralize the unitary state

The Afghan state’s centralization in the executive branch—although complicated by continued constraints on Karzai’s ability to fully marginalize powerful local actors, forcing him to co-opt them into his administration—contributes to the disconnect between government officials and local communities. This centralization was conceived by international and Afghan constitutional drafters in an effort to counteract the historical weakness of Afghan governments’ abilities to exert control over their territory.

Under this arrangement provincial and district governors are accountable to Karzai rather than their nominal constituents, and popularly elected representatives are either largely marginalized in policy decision making and execution—as in the case of most provincial councils—or nonexistent entirely, as in the case of district councils.
This disconnect directly leads to a lack of public accountability, corruption, mismanagement, and a weakening of public trust. As long as Kabul continues to make all local-level decisions—or make them in negotiations with local appointees with no input from the people they are governing—the Afghan government cannot hope to repair its legitimacy deficit and counteract the insurgency’s consistent political campaign against it. Political reforms require reassessing the current unitary state structure and acknowledging that a single executive in Kabul cannot effectively manage the country’s highly heterogeneous political, geographic, and economic conditions.

Reassess the constitutional structure

The United States and its international allies should press for a constitutional loya jirga, or new international conference, modeled on the 2001 Bonn process. It would include representatives from the Karzai government, elected members of parliament, local and provincial representatives, Afghan civil society organizations, and insurgency members who are willing to lay down their arms and join a deliberative constitutional process.

This process will not be successful unless it is an Afghan-led one, and foreigners should not dictate a new balance of power. The process’s general goal should be the shift to a more federalized structure with greater provincial- and local-level autonomy. A wholesale constitutional revision does risk entrenching divisions among regional power brokers. But it at least offers potential power-sharing compromises that are not possible under the current system.

Decentralize authorities within current constitutional framework

Short of this large step the United States can still push for decentralizing authorities within the current constitutional framework. The Obama administration has already pledged to distribute increasing amounts of aid through subnational bodies, including provincial and district governors. But it has not yet pushed for greater oversight on these appointed officials’ activities by elected councils at the provincial and district level.

The new Subnational Governance Policy, which was approved by a partial cabinet in March 2010 but still not publicly released, offers greater clarity on how some
of these institutions are meant to function. But it still leaves the most critical authorities—namely, control over the distribution of budget money and powers of appointments—centered in the Kabul executive.

The new policy calls for expanding “provincial budgeting” initiatives that would allow the elected provincial councils to establish their own alternative budget proposals for their respective areas. The plan, however, provides no timeline for this shift in practice, and it defers decision making on the exact formulas for allocating money between the provincial and ministry plans to a Cabinet Committee on Subnational Planning and Finance comprised of a vice president, the IDLG director, and the ministers of finance and economy—none of whom are directly elected, only two of whom face any parliamentary oversight in their selection, and with no role for the elected leadership of the provinces in the discussion.

Neighboring Pakistan’s National Finance Commission system offers an alternative model for Afghanistan. There, representatives from the provinces and the federal government negotiate overall revenue distribution formulas. The United States and its fellow donors should demand a clear, timely outline for the shift to a provincial budgeting process and a real role for elected provincial officials in the revenue-sharing formula process before committing new money to subnational bodies.

Support an increase in checks and balances within the government

Almost all power in the Afghan government lies in the executive due to the weakness of both the parliament and the judiciary. The national parliament is not a perfect institution, and its membership’s ability or interest to represent public priorities should not be overstated. Increasing the parliament’s representativeness will only occur with broader electoral reforms, described in part above. Moreover, the judiciary suffers from major weaknesses that prevent it from checking executive power, tackling corruption, or holding government officials accountable.

Still, the United States and other international donors should demand concrete commitments from the Karzai government, the parliament, and the judicial system in exchange for greater shares of international aid passing through the Afghan national budget, rather than international donor-managed processes. These commitments are aimed at strengthening parliament and the judiciary, and increasing their ability to hold the executive branch accountable.
Empower the parliament

U.S. priorities for reforms in the parliamentary-presidential relationship should include greater parliamentary checks on senior appointments in addition to expanded support for parliamentary training programs on budgetary review and oversight. The parliament holds constitutional authority to approve all presidential nominees for the federal cabinet, but many key offices and agencies responsible for carrying out or setting government policies are headed by Karzai appointees selected without any say from either house of parliament.

Of particular concern is the lack of any parliamentary say in who heads the powerful Independent Directorate for Local Governance, which holds extensive authority at the subnational level; organizations responsible for conducting basic oversight on the government’s activities such as the High Office of Oversight and Anticorruption and the national Control and Audit Office; and the leadership of the new Joint Secretariat meant to coordinate and implement the government’s new Peace and Reintegration Program for insurgent reconciliation efforts.

Karzai took over six months to put forward new nominations for 13 ministerial posts after the parliament rejected many of his two initial rounds of nominees. Seven positions remain unfilled after the most recent round of nominations. Conditioning U.S. assistance to any Afghan ministry or organization on its being led by a minister or director confirmed by an independent parliament would be a basic step toward breaking this deadlock.

Strengthen the judiciary

Afghanistan’s lack of justice and absence of rule of law feed the insurgency—delegitimizing the government, reducing its capacity to provide services and security, undermining economic development, and, in turn, increasing insurgent popularity. The absence of justice, pervasive corruption, and Afghans’ inability to hold government officials accountable for their abuses have indeed driven some Afghans into the militants’ arms. Taliban insurgents have exploited this Afghan grievance in their propaganda and through offering mobile courts in areas they control that provide swift, if brutal, justice under a comparatively transparent code of rules.

The Obama administration has increased its efforts to strengthen Afghan’s formal justice system through support of the Supreme Court, the Office of the Attorney
General, and anticorruption bodies such as the High Office of Oversight and Anticorruption and the Justice Ministry. It has also encouraged traditional dispute resolution mechanisms in the informal justice system, such as the shura and the jirga, and revamped the Afghan police program.

Unfortunately, inadequate progress has been made on justice reforms efforts thus far due to insufficient pay for judges and legal counsel, lack of training for officials that leaves them ill-equipped to settle cases, and overall difficulties in synthesizing the informal and formal justice systems in Afghanistan.

The international community and the Afghan government must place a higher priority on justice reform. Some potential reforms include:

- Increased support for local-level pilot projects to determine what community-based dispute resolution systems work best and can potentially be multiplied
- More training of Afghan judges, prosecutors, and defense attorneys
- Increased salaries for judicial staff
- High-level pressure on President Karzai to empower anticorruption bodies and implement anticorruption reforms as he promised

Push for reconciliation and power-sharing

President Karzai’s latest peace plan hopes to broaden his support base to include former Taliban fighters by using money to co-opt support rather than revising the centralized constitutional set-up. This is the same strategy he used in past attempts at reconciliation and reintegration. But it is difficult to see how enduring reconciliation with any of the insurgency factions will take place without political reforms that offer rival political groups a role in the Afghan government beyond serving as President Karzai’s clients.

Support reconciliation as a transparent political process rather than ad hoc deals

Major outreach efforts to insurgent factions seriously test President Karzai’s ability to balance the demands of his existing domestic support base, which is already divided over the distribution of resources and appointments.
Karzai’s second Vice President Karim Khalili sat out the recent peace jirga, protesting what he says is government indifference to the plight of ethnic Hazaras in their recurrent annual clashes with Kuchi nomads. And the resignation of long-time National Directorate of Security Intelligence Service Director and Northern Alliance veteran Amrullah Saleh, and his public rejection of Taliban talks afterward, signals additional dissension within Karzai’s fractious coalition over efforts to bring Taliban commanders into the government. These tensions are only exacerbated by the lack of clarity surrounding who is eligible to be reintegrated and the Karzai government’s conduct of negotiations largely out of public view.

Over three decades of war and many conflict actors’ continued impunity from any form of justice have contributed to pervasive mistrust between rival communities both inside and outside the government. This suspicion makes prospects for peaceful power-sharing agreements over control of the government and Afghanistan’s scant resources extremely daunting. Further, the United States, the Karzai government, and the insurgent commanders are actors in the conflict themselves, which makes them all poorly positioned to serve as honest brokers in mediating disputes or adjudicating past crimes in ways that their rivals will accept.

Breaking this deadlock requires the United States to work with its Afghan partners and neutral third parties to develop a framework for peace and political reform talks that include a broader range of Afghan actors beyond simply President Karzai and those insurgents whom he selects for reintegration. In addition to discussions of power-sharing arrangements and government reforms, these talks should include a commitment to broader truth and reconciliation conversations that can begin to address the justice and impunity issues on the part of both government and insurgent figures even if prosecution or removal from public office is not immediately possible.

Increase revenues and self-sustainability

Current international funding practices in Afghanistan do not contribute to the medium- to long-term sustainability of the Afghan state. They simultaneously bypass the government and encourage its dependency on international rather than domestic sources of support. Between 70 percent to 80 percent of all international aid spent in Afghanistan from 2001 to the present has been delivered outside government channels through donor-managed “quick-impact” aid projects, layers of nongovernmental organizations or contractors, and direct payments
to local power brokers. The state is already weakened by this array of domestic competitors, yet is still dependent on the international community for almost 80 percent of its own budgets.

This support also allows the Karzai government to avoid the difficult task of mobilizing domestic revenue and legitimacy—it can continue surviving without meaningful power-sharing or checks and balances by other elected public leaders.

Generate greater domestic revenue

The Afghan state’s sustainability and international donors’ limited patience for continued large-scale expenditures require the government and the international community to prioritize domestic revenue generation and reduce the Afghan state’s dependence on foreign aid.

This project is not an easy one to undertake and cannot be accomplished in the short term given the predatory behavior of many government officials already engaged in illicit taxation through bribes and service fees, the informal nature of much of the country’s economic base, and continuing insecurity. International donors may eschew the “nation-building” label, but domestic revenue generation needs to be part of the larger political strategy, and it is regrettable that the subject is not mentioned in the State Department’s January 2010 regional stabilization strategy document, despite some Treasury Department work on the issue.

Afghan officials also must begin to crack down on government officials’ predatory corruption, and conduct civic education and outreach to explain why domestic tax revenues are necessary and how they will be spent. The international community has provided some technical assistance to the Ministry of Finance on domestic revenue generation—particularly on customs duties—and it should continue and expand this work as a main line of effort.

Change how the United States gives foreign aid

More broadly, the international community should restructure its assistance to Afghanistan and prioritize the government’s ability to sustain itself over the long term. This means scaling back large but unsustainable levels of assistance money delivered through contractors and international NGOs and increasing assistance through international trust funds that support the Afghan government’s budget.
Rather than provide this increase in government-controlled assistance as a blank check, however, the international community should match its contributions over a multiyear time period to the Afghan government’s own domestic revenue-generation capabilities. This method would offer an incentive to the Afghans to improve their revenue-generating capabilities, ensure greater predictability in external funding for government budget projections, and provide a clear link between Afghan public contributions toward their government’s efforts and the international community’s own.

Conclusion

Afghanistan cannot be stabilized solely through the ramp-up or reduction of combat forces. And a rapid withdrawal of external support risks the collapse of the current state structure with dangerous consequences for the immediate region and the broader international community.

But indefinitely providing resources to a state fundamentally disassociated from its people is equally dangerous and unsustainable. At previous international conferences on Afghanistan—most recently in London at the start of the year—international donors affirmed their continued support, Afghan partners pledged to do better, and very minimal changes occurred in the underlying political dynamics. The Kabul conference is an opportunity for the international community and the Afghan government to finally outline a clear political reform plan, but success requires moving beyond surface rhetoric and tackling the difficult systemic problems outlined in this memo.