Afghanistan: Can Meaningful Transition Succeed?

Anthony H. Cordesman,
Arleigh A. Burke Chair in Strategy
“Transition” Must Address Seven Centers of Gravity

• Defeating the insurgency not only in tactical terms, but by eliminating its control and influence over the population.

• Creating an effective and well-resourced NATO/ISAF and US response to defeating the insurgency and securing the population.

• Building up a much larger and more effective (and enduring base for transition) mix of Afghan National Security Forces (ANSF).

• Giving the Afghan government the necessary capacity and legitimacy (and lasting stability) at the national, regional/provincial, district, and local levels.

• Creating an effective, integrated, and truly operational civil and civil-military effort. NATO/ISAF, UN, member country, and NGO and international community efforts.

• Dealing with Pakistan both in the NWFP and as a potential failed state. Finding stable relations in India, Iran, “Stans,” Russia, and China.

• Making effective trade-offs with other US domestic and security interests.
Will the Resources be Available to Implement the New Strategy and Achieve "Transition"?

Finding the Right Priorities within Credible Time and Resource Levels
**Afghanistan: Getting the Inputs Right**

### Concepts & Approach
- Comprehensive Civ-Mil Campaign Plan
- Unity of Effort and Partnering
- COIN Guidance
- COIN Contracting Guidance
- Tactical Directive
- Tactical Driving Directive
- Guidance on Reintegration
- Joint Night Raids Guidance
- Local Security Initiatives
- Transition Concept

### Organizational Structure
- USFOR-A
- ISAF Joint Command
- NATO Training Mission
- Rule of Law Task Force
- Force Reintegration Cell
- Combined Special Ops Command
- Intel Fusion Cells
- Info Ops Task Force
- Anti-corruption Task Forces

### People
- Amb Eikenberry
- Staffan de Mistura (UNSRSG)
- Amb Sedwill/Gass (NATO SCR)
- Amb Ušackas (EU Special Rep)
- LTG Rodriguez
- LTG Caldwell
- VADM Harward
- MG Jones
- AfPak Hands

### Resources
- + ~93,000 ISAF Forces
- + ~1,000 Civilians
- Additional CERP Funding
- Afghan Infrastructure Fund
- Accelerated ANSF Growth
- Persistent ISR Platforms

Source: US Experts
Anaconda Strategy vs. Insurgents in Afghanistan

Source: US Experts
Must Show Can Reverse Insurgent Momentum at a Broader Level: Struggle for the Rest of the Population

**Most Threatened Population Areas**

**Essential Security Influence**

---

**Prevent GIROA development and influence**

Limit population ability to choose

**Elements of Insurgent Influence**

- Shadow governance
- Population intimidated and/or coerced
- Insurgents have Freedom of Movement
- Friendly Freedom of Movement limited
- Infrastructure development disrupted
- Economic capacity truncated

---

**Create time and space**

Enable population opportunity to choose

**Elements of Security Influence**

- National thru local governance improved
- Security in key population centers
- Security connected between regions
- Friendly Freedom of Movement assured
- Major infrastructure projects ongoing
- Economic corridor sustainable

---

ISAF, May 2010
GIROA Control by Key District: June 2010

Source: IJC July 2011
During ISAF’s Winter Campaign, operational efforts focused on consolidating the gains made against the insurgency in the fall of 2010 in the following critical areas:

1) the Central Helmand River Valley in RC-SW, where comprehensive civil-military efforts were aimed at expanding Afghan Government security bubbles while bringing improved governance, development, and security to the more than 500,000 Afghans in the region;

2) Kandahar City and its environs, where the Taliban-led insurgency originated;

3) Afghanistan’s eastern border with Pakistan, where the insurgency continues to benefit from neighboring sanctuaries;

4) Baghlan and Kunduz, where ISAF is clearing insurgent areas of operation; and

5) Badghis, where ISAF continued expansion of the security bubble.

2010-2011 Winter Campaign was executed within the existing key terrain and area of interest strategic framework. To prioritize coalition efforts, 80 key terrain districts (KTDs) and 41 area of interest (AOIs) districts were initially identified with Afghan Government agreement. Last quarter, the number of KTDs and AOIs was revised upward to 94 and 44, respectively, for a total of 138.

Key terrain is defined as areas the control of which provides a marked advantage to either the Government of Afghanistan or the insurgents. AOIs are defined similarly, but are of secondary importance to KTDs. They are areas in which ISAF and the ANSF operate in order to positively impact KTDs and meet operational objectives.

The purpose of KTDs and AOIs is to ensure that limited resources are applied to areas where they will realize the greatest advantage.

Improvements in GIROA Control: June 2010 vs. June 2011

JUNE 2010

Source: IJC July 2011. This slide demonstrates clear improvements in overall GIROA control in Central Helmand River Valley in RC South West, P2K region of RC East ad the Baghlan Kunduz Corridor in RC North.
GIROA Control by Key District: June 2011

Source: IJC July 2011
Mission Improbable: ISAF Goals for Stable Areas by March 2012 Before President’s July Reduction Announcement

Source: ISAF and Center for a New American Security, June 2011
The Threat in 2011

Ongoing Leadership and Tactical Losses in a War of Political Attrition
Islamic Movement of Uzbekistan (IMU): Leaders based in Pakistan; operational presence in northern Afghanistan

Hezb-Islami Gulbuddin (HIG): Longest active but least effective of Afghan insurgent groups; led by Hekmatyar Gulbuddin; strongest operational presence in northeast

Pakistani Militant and Terrorist Networks:
- Harakat ul Jihad-e Islami, Harakat ul-Mujahidin, Lashkar-e Jhangvi, and Jaish-e Mohammad; conduct attacks against the Pakistani Government and cooperate with terrorist groups

Lashkar-e Tayyiba (LT): Multi-faceted terrorist group based in Pakistan; planned and conducted the 2008 attacks in Mumbai, India

Al-Qaida (AQ): Primary Safe Havens in North/South Waziristan; supports the Afghan insurgency; allies include HQN, Taliban, and TTP

Haqqani Network (HQN): Taliban affiliated insurgent group founded by Jalaluddin Haqqani; focused on Paktika, Paktiya and Khost provinces in RC-East and based in North Waziristan; responsible for several high-profile attacks in Kabul

Taliban (TB): Largest Afghan insurgent group; ruled from 1996-2001; operates throughout country but strongest in south and east; Led by Mullah Omar and senior leaders in Pakistan

Tehrik-e Taliban Pakistan (TTP): Loosely affiliated groups that operate in several agencies across the FATA and in the settled areas; responsible for failed 1 May 2010 Times Square Attack
The most volatile area, again, has been Loya Paktya (P2K) plus Ghazni - which corresponds to some of ISAF RC-EAST and AOG Miramshah Shura - which has seen an averaged growth rate of 287% per province. All four provinces in this area are ranked as "extremely insecure" and are likely to remain so throughout 2011. The northern half of ISAF RC-EAST (Nuristan, Kunar) remains ranked as "extremely insecure", with at least one district (Waygal) entirely under AOG command. In the south, Uruzgan and Helmand are seeing above average growth rates, as AOG counter ISAF offensives, while Kandahar and Zabul remain steady and Nimroz sees decline. We continue to rank four of the five as "highly insecure" or above, with just Nimroz being slightly more accessible. The four provinces of the west have seen an averaged growth rate of 82% and we rank Herat as "deteriorating" as it is slated for early transition while seeing a 115% increase in attacks. In the north west, Faryab is ranked as "moderate" having the regional highest attack rate in absolute terms. Jawzjan and Balkh rank as "deteriorating" due to them having the regions highest percentage growth rates (175% & 121% respectively). Sar-i-Pul's Sayyad district causes it to also be ranked as "deteriorating". In the north east all provinces but Badakhshan have seen lower attack rates than Q1 last year but continue to be ranked as "moderate" and "deteriorating" due to the very high likelihood of a fresh AOG campaign in Q2.
In the east, the Haqqani Network (HQN) remains the most significant threat. HQN continues its efforts to increase influence and control in traditional operating areas in Khost, Paktika, and Paktiya Provinces, and to expand its influence in Kabul and its environs in order to conduct attacks in the capital. A series of high-profile attacks during this reporting period demonstrate HQN’s continued capabilities.

In the north, insurgents have attempted to expand operations to increase influence over the population and create the impression of a nation-wide insurgency while diverting ISAF and ANSF focus and resources away from their main operations in the south and east. However, insurgent capabilities have been degraded by ISAF and ANSF operations in Kunduz and Takhar Provinces, and the effort by the Taliban to expand the insurgency to the north has achieved limited effects.

Finally, in the west, the insurgents’ priority is to divert Afghan Government and ISAF attention away from the main focus areas of Regional Commands South and Southwest by conducting targeted attacks on ANSF and government officials in Herat and Farah Provinces.

The ALP program is also of particular concern to insurgent leaders in Farah, Badghis, and Herat Provinces, as it has been successful in limiting their freedom of movement.

AOG initiated attacks have soared this quarter, up by 51% from last year. This ‘gain rate’ is also larger than the 38% seen between the Q1 of 09-10. March 2011 saw 1,102 attacks, an average of 35 per day, surpassing even the August 2009 summer peak during Presidential elections. The data suggests that the deep winter down turn (noted at Q4 2010) was simply an ordinary operational pause, and was not reflective of a permanently degraded capacity as some had suggested at the time. Considering the variety of IMF tactics and strengths that have been brought to bear against the opposition at different periods throughout the 5.2 years recorded here, it is remarkable how consistent the growth rate has been and suggests that we need to think beyond the linear logic that a stronger IMF equals a weaker AOG, as this is clearly not the case. Instead, it is likely that a more complex ‘co-evolutionary’ relationship exists within which the counter-insurgency actually strengthens and exacerbates the insurgency, through forced adaptation, rather than defeating it. The end result appears to be a perpetually escalating stalemate which could sustain itself indefinitely, or until one side, or the other, transitions out.

Enemy attacks decreased during the winter consistent with seasonal trends. They declined at a slightly greater rate than the decline in overall security incidents. At the end of March 2011, enemy attacks comprised approximately 70 percent of all security incidents. This is lower than the first quarter of 2010 (75 percent), a possible indication of ISAF and ANSF effects on insurgent operations.

Patterns in Major Acts and Sources of Violence Reflect Most Intensive Fighting Yet

Note: No metrics on lower levels of violence, areas of insurgent influence and control, or areas where insurgents are adapting tactics, or shifting AORs and ratlines
Weekly Security Incidents: 1/08-5/11

Security incidents include direct fire, indirect fire, surface-to-air fire, and IED events. IED events include IED explosions, IEDs that were found and cleared, mine explosions, and mines that were found and cleared. Total security incidents26 were higher from October 2010 through March 2011 compared to the corresponding period in 2009-2010. ISAF assesses that this was primarily the result of: 1) the increased ISAF and ANSF troop presence; 2) the higher operations tempo challenging insurgent safe havens in southern and eastern Afghanistan; and 3) mild winter weather combined with Taliban leadership guidance ordering insurgents to continue operations throughout the winter. Direct fire and IED events continued to dominate the overall types of security incidents.

Source: US Experts
Overall, IED activity remained elevated during the reporting period. Elevated IED activity suggests that ISAF and ANSF operations have eroded insurgent capacity to conduct effective direct fire attacks. IED “found-and-cleared” rates currently remain above 60 percent, a level not seen since reporting began in 2007. ISAF assesses that this is attributable to several factors:

• Increased local national assistance turning-in devices primarily in Helmand and Kandahar Provinces;
• Improved detection technologies employed by ISAF;
• Hasty emplacement of IEDs by insurgents due to increased ISAF and ANSF presence, as well as improvements in intelligence surveillance, and reconnaissance assets;
• Increased ANSF capability and capacity;
• Increased and improved ISAF and ANSF partnering; and
• Better IED awareness training for ISAF forces.


RC-SW continues to experience the highest levels of IED activity (40 percent overall), though this is slightly less than its overall share of national violence (45 percent).

RC-S experiences disproportionately high IED activity compared with its share of overall violence (33 percent vs. 20 percent).

However, IED found-and-cleared rates in RC-S are the highest among regional commands (70 percent).

Cache: A facility or location where supplies are hidden or otherwise concealed and are not readily available. A cache may consist of weapons or other equipment that supports insurgent activities. Examples are unarmed/incomplete devices, IED paraphernalia, ammunition, radios, uniforms, as well as narcotics and explosive precursors.

Current Week

As of 18 March 2011

Note: Major increase in caches reported by local Afghan, growing indications insurgents cannot replace and have supply problems

Source: ISAF, March 24, 2011
Overall Regional Trends are Favorable Tactically, Far More Uncertain in Terms of Afghan Perceptions
The US Strategy Review in December suggested the IEA’s momentum had been blunted in some areas and, while not specifically mentioning Kandahar or Helmand, given that those are their focus areas it is reasonable to assume that they meant there. Our quarterly attack rate figures for each province (above) do indeed show a substantial reduction of attacks in both between August and December. Kandahar dropping by 50%, in contrast to the usual 20%, and Helmand dropping by 40% in Q.4, a trend not seen since 2006. This demonstrates that the IEA have turned away from the battlefield earlier, and in greater numbers, than before but it does not provide an explanation as to why. The pressure of US operations could certainly be a factor here, anecdotal reporting suggests many commanders felt the areas to be too hot and sought sanctuary in other provinces or Pakistan, but so too could other more benign factors like the early onset of Ramadan and the normal seasonal downturn.

However, regardless of which explanation one prefers when you put the quarterly data in its annual context, which to us is a much more valid analytical period as it captures a full operational cycle rather than just the tactical to & fro, it becomes completely irrelevant. Over the full year the IEA expanded their attacks in both provinces, Helmand by a whopping 124% and Kandahar by a more conservative 20%, suggesting that in the bigger picture their capacity to conduct attacks has improved substantially. In light of this the deep down-turn could just as easily be interpreted as an early winter reprieve, after an intense summer fight, and would not represent any longer term degradation of capacity. If the 2011 spring offensives sustain, or build on, the level of violence achieved this year then it will be a sure indicator that the surge operations achieved little. If they do not then the US conclusions, in those provinces at least, will be validated.

RC-SW had the highest level of violent activity among regional commands; however, in the first quarter of 2011, its relative share of overall violence was slightly reduced due to on-going operations in Regional Commands South and East. Surface-to-air fire (SAFIRE) events have been reduced to minimal levels in RC-S and RC-SW, and indirect fire events have not had a significant impact.

RC-C remains a predominately secure environment, with only 15 events taking place in the first quarter 2011, the lowest levels since 2006. Seasonal security incidents by regional command remained relatively consistent.
Civilian Casualties by Region: UNAMA 2010

Recorded civilian deaths in 2010 by region:

- CH: 3 (0%)
- NR: 141 (6%)
- NER: 167 (6%)
- WR: 168 (6%)
- CR: 231 (9%)
- ER: 243 (18%)
- SER: 513 (48%)
- SR: 1310 (8%)

Recorded number of female deaths by parties to the conflict in 2010:

- Anti-Government Elements (135)
- Pro-Government Forces (67)
- Undetermined (31)
- Total (233)
Civilian casualties (CIVCAS) caused by ISAF and Afghan forces decreased by 20 percent during 2010 (558 in 2010; 697 in 2009) even though violence increased by 80 percent and ISAF force levels increased by 53 percent. Coalition-caused CIVCAS pose strategic risks that undermine ISAF's mission, jeopardize the coalition's credibility, and alienate the Afghan population; thus NATO and ISAF continue to proactively manage CIVCAS incidents to mitigate the occurrences and effects of these unfortunate events.

Casualties caused by ISAF close combat aviation (CCA) and close air support (CAS) were reduced during 2010, despite an increase in ISAF operations. These events comprised less than 4 percent of all CIVCAS in 2010. However, recent ISAF operations resulting in high-profile CIVCAS incidents reinforce the need for continued vigilance in CCA and CAS operations.

Insurgents were responsible for approximately 88 percent of civilian casualties, primarily a result of IED activity. The number of civilians wounded or killed by insurgent activity increased by 2.2 percent in 2010 from 2009 (2,597 in 2010; 2,567 in 2009), trends that were supported in a March 2011 report on civilian casualties in Afghanistan.24 Recent high-profile IED attacks by insurgents in Kandahar, Khost, Kunduz, Paktika, and Nangarhar Provinces caused significant numbers of civilian casualties in the first quarter of 2011.

Progress in Attacking the Insurgents in Afghanistan and Pakistan: SOF, UAVs, and ALP
Special Operations: 17 February – 18 May 2011

90-Day Roll-up

- 1,478 operations
- 499 insurgent leaders killed/captured
- 2,395 insurgents captured
- 549 insurgents killed

Source: US Experts
SOF Effects: Degrading the Insurgency

Effects on the Insurgency

- In the Last 90 Days:
  - 121 Insurgent Leaders Removed
  - 505 Insurgents Detained
  - Instability among leadership is degrading insurgent operations
  - Reduced efficacy of Taliban “shadow governance”
  - IED networks being degraded

Operations: 72
Persons of Interest: 21
Enemy KIA: 10
Detainees: 192

Central Helmand

Nad’ Ali
Marjah
Lashkar Gah

Kandahar

Kandahar City

Kunduz, Takhar, Baghlan

Pakti, Paktika, and Khost

Kabul
Tangi
Khost
Zadran

Operations: 62
Persons of Interest: 42
Enemy KIA: 31
Detainees: 163

Operations: 94
Persons of Interest: 44
Enemy KIA: 59
Detainees: 199

COMISAF Campaign Overview, June 2010

Major Offensives in the FATA and KPK: 2008-2011

Centers of Gravity: Gains in Fighting in the South
Operational Main Effort: RC-South

- Most significant Taliban influence over the population
- Protect the population in threatened or key areas
- Create time and space for governance to improve
- Create conditions for development, with freedom of movement and security along contiguous economic corridor

Demonstrable, near-term stabilization of the south is critical to success
Progress in the South as of April 2011

Assessing the surge

The following maps reflect an assessment by the U.S.-led NATO military command in Afghanistan of changes in Taliban control across the country's south after operations conducted by American surge forces over the fall and winter.

Source: ISAF as shown in the Washington Post, April 17, 2011.
Focusing on Insurgent-Controlled Areas: April 2010 vs. April 2011

Taliban control across the country’s south after operations conducted by American surge forces over the fall and winter.

Source: The Washington Post
Expanding Influence

Legend:
- Red: Insurgent Controlled
- Yellow: Contested
- Green: GIROA Influenced

April 2010

May 2011

Source: US Experts
RC(S) Village Stability Operations (VSO)

Source: US Experts
Kandahar in Context

- 2nd largest city (~850,000)
- Pashtun Heartland
- Taliban spiritual home
- Strategic / trading crossroads
- Historic / symbolic significance
- AQ historic link – Taliban era

Dominant Pashtun Influence

Kabul
Mazar-e Sharif
Kunduz
Herat
Farah
Kandahar
Quetta
Kandahar: Complex and Unique Challenge

- Heart of Pashtun south
- Historic Taliban capitol
- Hub of trade and commerce routes

Each is difficult; collectively a unique challenge
Resilient and Complex Insurgency

**Kinetic Events**
- 2006: 957
- 2009: 2968

**Taliban operational emphasis:**
- Increase murder and intimidation campaign
- Increase targeting of GIRoA officials
- Increase IEDs; reduce freedom of movement
- Reposition beyond ANSF/ISAF areas
Tribes, Power Brokers, and Fragmentation

Struggles for power and influence both leverage and exacerbate tribal rivalries

Major Tribes and Subtribes

Durani
- Popalzai
- Barakzai
- Mohammadi
- Alikozai
- Achakzai

Panjshiri
- Noorzai
- Alikozai
- Ishmael

Chilzai
- Baluch
- Hotak
- Hazara (Chilzai)
- Khantee

Community Rivalries & Disputes

ISAF, May 2010
Centers of Gravity Fighting in the East
2008: East Afghanistan - The US is No Longer “Winning” in the East
Afghan Popular Trust in the Afghan Government in RC East: April 2010
(Green is highest level of trust)

Source: Afghan Perception & Attitudes Survey

Will the US Really Fund Transition to 2014 and Far Beyond?
US Cost of Wars (2001-2012): CRS

Total Cost of Wars through FY2011:
- Afghanistan: $557.3
- Iraq: $823.4
- Other: $34.1
Total: $1,414.8

Source: Congressional Research Service
Funding will Peak in FY2012
(CRS estimates in billions of dollars of budget authority)

| Operation and Funding Source | FY01 & FY02 | FY03 | FY04 | FY05 | FY06 | FY07 | FY08 | FY09 | FY10 | FY2011 CRA P.L. 112-6 | FY2012 | Cum. Enacted FY2001-FY2011 | Cum. Total w/FY2011 CRA & FY2012 Request |
|-----------------------------|-------------|------|------|------|------|------|------|------|------|--------------------------|--------|----------------------------|--------------------------------|-----------------------------------------|
| IRAQ                        |             |      |      |      |      |      |      |      |      |                          |        |                            |                                |                                          |
| DOD                         | 0           | 50.0 | 56.4 | 83.4 | 98.1 | 127.2| 138.5| 92.0 | 66.5 | 45.7                     | 10.6   | 757.8                     | 768.8                          |
| State/USAID                 | 0           | 3.0  | 19.5 | 2.0  | 3.2  | 3.2  | 2.7  | 2.2  | 3.3  | 2.3                      | 6.2    | 41.4                      | 47.6                           |
| VA Medical                  | 0           | 0    | 0    | 0.2  | 0.4  | 0.9  | 0.9  | 1.2  | 1.5  | 1.3                      | 0.9    | 6.3                       | 7.2                            |
| Total: Iraq                 | 0           | 53.0 | 75.9 | 85.6 | 101.7| 131.3| 142.1| 95.5 | 71.3 | 49.3                     | 17.7   | 805.5                     | 823.2                          |
| AFGHANIST                   |             |      |      |      |      |      |      |      |      |                          |        |                            |                                |                                          |
| DOD                         | 20.0        | 14.0 | 12.4 | 17.2 | 17.9 | 37.2 | 40.6 | 56.1 | 87.7 | 113.3                    | 107.3  | 416.2                     | 523.5                          |
| State/USAID                 | 0.8         | 0.7  | 2.2  | 2.8  | 1.1  | 1.9  | 2.7  | 3.1  | 5.7  | 4.1                      | 4.3    | 25.1                      | 29.4                           |
| VA Medical                  | 0           | 0    | 0    | 0    | 0    | 0    | 0.1  | 0.1  | 0.2  | 0.5                      | 1.1    | 2.1                       | 4.2                            |
| Total: Afghanistan          | 20.8        | 14.7 | 14.6 | 20.0 | 19.0 | 39.2 | 43.4 | 59.5 | 93.8 | 118.6                    | 113.7  | 443.5                     | 557.1                          |
| ENHANCED SECURITY           |             |      |      |      |      |      |      |      |      |                          |        |                            |                                |                                          |
| DOD                         | 13.0        | 8.0  | 3.7  | 2.1  | 0.8  | 0.5  | 0.1  | 0.1  | 0.1  | 0.1                      | 0.1    | 28.6                      | 28.7                           |
| Total: Enhanced Security    | 13.0        | 8.0  | 3.7  | 2.1  | 0.8  | 0.5  | 0.1  | 0.1  | 0.1  | 0.1                      | 0.1    | 28.6                      | 28.7                           |
| UNALLOCATED                 |             |      |      |      |      |      |      |      |      |                          |        |                            |                                |                                          |
| Unallocated DOD             | 0           | 5.5  | 0    | 0    | 0    | 0    | 0    | 0    | 0    | 0                        | 0      | 5.5                       | 5.5                            |
| ALL MISSIONS                |             |      |      |      |      |      |      |      |      |                          |        |                            |                                |                                          |
| DOD                         | 33.0        | 77.4 | 72.4 | 102.6| 116.8| 164.9| 179.2| 148.3| 154.3| 159.1                    | 118.0  | 1,208.1                    | 1,326.3                        |
| State/USAID                 | 0.8         | 3.7  | 21.7 | 4.8  | 4.3  | 5.0  | 5.4  | 5.4  | 9.1  | 6.5                      | 10.6   | 66.7                      | 77.4                           |
| VA Medical                  | 0           | 0    | 0    | 0.2  | 0.4  | 1.0  | 1.0  | 1.5  | 1.9  | 2.4                      | 3.0    | 8.4                       | 11.4                           |
| Total: All Missions         | 33.8        | 81.1 | 94.1 | 107.6| 121.5| 170.9| 185.6| 155.1| 165.3| 168.1                    | 131.6  | 1,283.3                    | 1,414.8                         |


- FY 2012 – FY 2016 reflects levels included in the President’s FY 2012 Budget Request; FY 2009 Non-War Supplemental was appropriated through the American Recovery and Reinvestment Act of 2009
- FY 2011 reflects the addition of the annualized 2011 Continuing Resolution and an adjustment to the President’s FY2012 Budget Request

The Uncertain Status of the ANSF
ISAF Regional Operations by Country in April 2011

The Afghan government budgeted about $290 million in solar year 1389 (2010-11) for the ANA—nearly one-fifth of the nation’s projected total revenues of $1.5 billion for the year, and an increase of about 17 percent from the approximately $250 million budgeted for the ANA the prior year. By comparison, however, annual U.S. funding for ANA sustenance has exceeded $650 million every year since fiscal year 2007 and rose to $1.9 billion in fiscal year 2010.

DOD budget documentation indicates that, beyond the $7.5 billion requested in fiscal year 2011, no additional funding is needed to support the ANA’s growth to 171,600.

According to NTM-A/CSTC-A, once the ANA reaches its current end goal, which has an October 2011 target date, the focus of funding efforts will turn to sustenance activities, such as salary payments and equipment replacement. However, as of August 2010, neither DOD nor NATO had completed an analysis of how much future funding will be needed to sustain the ANA. Prior GAO work has also found that DOD has not adequately analyzed future funding needed to sustain the ANSF.31 Furthermore, although DOD has produced a series of congressionally mandated reports since 2008 on the U.S. plan for sustaining the ANSF, these documents have not included estimates of the ANA’s future sustenance costs.

While NTM-A/CSTC-A provided us with estimates indicating that sustenance of 171,600 ANA personnel is under analysis, an official at the U.S. Mission to NATO confirmed that no such analysis had been completed as of August 2010. To date, the United States has been the major contributor of sustenance funds for the ANA, with more than $5 billion allocated since 2005. Officials at NTM-A/CSTC-A asserted that regardless of how much ANA sustenance costs, the total each year will be considerably less than the cost of maintaining a large U.S. and coalition troop presence in Afghanistan.

DOD officials stated that they had not reviewed NTM-A/CSTC-A’s analysis and did not consider the resulting estimates to be official DOD figures on future sustenance costs. However, these officials said that they were unaware of any analysis DOD had conducted of how much ANA sustenance will cost. Similarly, while NATO documentation states that the amount of funding needed to sustain 171,600 ANA personnel is under analysis, an official at the U.S. Mission to NATO confirmed that no such analysis had been completed as of August 2010. To date, the United States has been the major contributor of sustenance funds for the ANA, with more than $5 billion allocated since 2005. Officials at NTM-A/CSTC-A asserted that regardless of how much ANA sustenance costs, the total each year will be considerably less than the cost of maintaining a large U.S. and coalition troop presence in Afghanistan.

GAO, AFGHANISTAN SECURITY Afghan Army Growing, but Additional Trainers Needed; Long-term Costs Not Determined, GAO 11-66, January 2011, pp. 30-31
Affordable or Unaffordable ANSF?

**Projected ANSF Expenditures, 2008/09–2023/24**

<table>
<thead>
<tr>
<th></th>
<th>2008/09</th>
<th>2013/14</th>
<th>2018/19</th>
<th>2023/24</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Expenditures by Security Force ($ billions)</em></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ANA</td>
<td>$3.2</td>
<td>$3.8</td>
<td>$5.0</td>
<td>$6.5</td>
</tr>
<tr>
<td>ANP</td>
<td>$1.6</td>
<td>$1.7</td>
<td>$2.1</td>
<td>$2.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$4.7</strong></td>
<td><strong>$5.5</strong></td>
<td><strong>$7.1</strong></td>
<td><strong>$9.2</strong></td>
</tr>
</tbody>
</table>

**Expenditures Relative to Revenues (Percent)**

- ANSF Expenditures as a Share of Projected GFRoA Domestic Revenues:
  - 449% in 2008/09
  - 270% in 2013/14
  - 195% in 2018/19
  - 154% in 2023/24

**Notes:** Numbers affected by rounding. Includes operating and investment expenditures.

- a. Estimated actual.
- b. World Bank Manpower Level Assumptions: ANA strength increases to 240,000 by 2012/13; ANP strength increases to 160,000 by 2013/14. These differ from the troop levels agreed to at the January 2010 London Conference, which were 373,000 for the ANA and 114,000 for the ANP by October 2011.
- c. Macroeconomic assumptions: Afghanistan’s long-term GDP growth rates average 6% annually; inflation decreases to 6% in 2012/13 and beyond; GFRoA domestic revenue rises to 13% of GDP by 2023/24.


---

**Estimated Domestic Revenue Collection, 2006/07–2009/10 ($ billions)**

- Af 28.8 ($0.62)
- Af 31.4 ($0.73)
- Af 41.4 ($0.91)
- Af 63.3 ($1.41)

**Notes:** Figures are preliminary estimates. Af 45 = $1.
- Sources: Ministry of Finance; De Afghanistan Bank.

Source: SIGAR, Quarterly Report, July 2010, pp. 92-93
ANSF Growth

Over 94,000 (49%) increase since November 2009

As of 7 May 2011

Source: US Experts
ANA Capability in the Field as of 4/2011

Source: ISAF, May 2011
And, in Key Trainer Skills

<table>
<thead>
<tr>
<th>Prioritized Capabilities</th>
<th>Start Date</th>
<th>Suggested Manning</th>
<th>Pledges</th>
<th>In-Place</th>
<th>Progress Since 1SEP10</th>
<th>Shortfall After Pledges</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 ALP Training Sustainment Sites (Sheheen, Costal)</td>
<td>APR 10</td>
<td>16, 19</td>
<td>SAE(9)</td>
<td>EST(4)</td>
<td>RCU(10)</td>
<td>7, 5</td>
</tr>
<tr>
<td>2 ANOCP Training Center (Mullah Larn)</td>
<td>APR 10</td>
<td>40</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 ANOCP Consolidated Fielding Center (Kabul)</td>
<td>DEC 10</td>
<td>70</td>
<td></td>
<td></td>
<td></td>
<td>70</td>
</tr>
<tr>
<td>4 ALP Regional Training Centers (Bagram, Jalalabad, Gandz)</td>
<td>APR 10</td>
<td>6, 19, 21</td>
<td>JGR(17)</td>
<td>USA(6)</td>
<td>6, 12, 0</td>
<td></td>
</tr>
<tr>
<td>5 AFP Training Centers (Spin Boldak, Shouz, Sheberghan)</td>
<td>JUL 10</td>
<td>36, 15, 15</td>
<td></td>
<td></td>
<td>RCU(28)</td>
<td>7, 15, 15</td>
</tr>
<tr>
<td>6 M17 Air Monitor Team (Kandahar, Shindand, Jalalabad, Kabul, Herat, Ms)</td>
<td>MAY 10</td>
<td>23, 23, 19, 7, 19, 23</td>
<td>LTU(7), LVA(2), UHR(2), HUN(16), ESP(8)</td>
<td>HUN(7), ITA(17), CCL(17)</td>
<td>11, 0, 19, 7, 0, 0</td>
<td></td>
</tr>
<tr>
<td>7 C27 Air Monitor Team (Kabul, Kandahar)</td>
<td>MAY 10</td>
<td>17, 17</td>
<td></td>
<td></td>
<td>GRC(7)</td>
<td>10, 17</td>
</tr>
<tr>
<td>8 CAPITF Advance Fixed Wing AMT (Shindand)</td>
<td>SEP 11</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>9 Armed Forces Medical Academy (AFAMS) (Kabul)</td>
<td>OCT 10</td>
<td>28</td>
<td></td>
<td></td>
<td></td>
<td>16</td>
</tr>
<tr>
<td>10 ANSF National Military Hospital (Kabul)</td>
<td>OCT 10</td>
<td>28</td>
<td></td>
<td></td>
<td></td>
<td>12</td>
</tr>
<tr>
<td>11 Regional Military Hospitals (Kandahar, Ms, Herat)</td>
<td>FEB 10</td>
<td>18, 18, 18</td>
<td></td>
<td></td>
<td>GRC(16)</td>
<td>12</td>
</tr>
<tr>
<td>12 Signal School (Kabul)</td>
<td>JUN 10</td>
<td>44</td>
<td>NDR(3), SAE(2), FIN(2)</td>
<td>SAE(2), NDR(2)</td>
<td></td>
<td>33</td>
</tr>
<tr>
<td>13 RMTC Ch3 Senior Advisor Teams (Kabul, Shorabak, Garezad, Ms)</td>
<td>SEP 10</td>
<td>7, 7, 7, 7</td>
<td>HUN(3)</td>
<td>USA(13)</td>
<td>HUN(1), GER(7), TLR(3)</td>
<td>0, 0, 0, 3</td>
</tr>
<tr>
<td>14 RMTC Trainers (Kabul, Shorabak, Shindand, Ms)</td>
<td>JAN 11</td>
<td>36, 36, 36, 36</td>
<td>USA(1)</td>
<td></td>
<td>GER(20), TLR(1), HUN(20)</td>
<td>36, 18, 38, 18</td>
</tr>
<tr>
<td>15 COIAcademy (Kabul)</td>
<td>FEB 10</td>
<td>57</td>
<td>ITA(3), ALS(2), FRA(4), GER(1)</td>
<td>ALS(4), ITA(2), USA(4), FRA(1), GER(1)</td>
<td>CCL(19)</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: NTM-A, *Year in Review, November 2009 to November 2010*, p. 27.
New Efforts in Reintegration
Afghanistan Reintegration May 2011

Reintegration Activity
- Provinces with Events
- Provinces with Opportunities
- Provinces with No Activity

Map showing provinces with different reintegration activities.

Events: 32
Enrolled: 1680
Opportunities: 43
Negotiating: ~1767
Recidivists: 3

Provincial Council:
- Established: 33
- Emerging: 1

JS Team:
- Established: 12
- Emerging: 9

Source: US Experts
Reintegration – Policy issues

**HPC Primary Tasks**
- Support R2 Activities
- Develop amnesty/transitional justice framework
- Broaden dialogue with Afghan civil society
- Mobilize other nations and OIC to support R2

**JS Primary Tasks**
- Gain long-term financial commitment from current and new donors
- Operationalize capacity building strategy
- Develop gender mainstreaming policy and action plan
- Develop monitoring and evaluation system

Source: US Experts
The External Spending vs. Internal Resources Crisis:

Heading Towards a Recession in 2014 and Beyond
National Solidarity Program reaches 23,000 villages across 351 of 398 districts across all Afghan provinces
- US is largest donor, channeling $225 in FY2010 through ARTF
- Will continue to require sustained funding commitments
- Can have improved measures to improve accountability and oversight

Basic Package of Health Services (BPHS) offers standardized package of basic health services (maternal and child health, public nutrition, health posts, basic health centers, comprehensive health centers, district hospitals)

Performance Based Governors Funds provides provincial governors with operating budgets to improve relationships with constituents
- Second phase of program now has mechanism to increase/decrease funding based on performance
- Well performing governors can receive additional $75,000 a month
- Significant challenges persist
  - Budget execution rate of 35%
  - Limited supervisory capability
  - Absorptive capacity – smaller, poorer provinces faced with “tidal wave of funding” can incentivize corruption and waste
  - Program is unsustainable unless Afghan government can execute program, include it in its own budget
Real, But Poorly Quantified, Successes in the Field

• Local Jirgas, and village, local, and district aid programs reacting to Afghan perceptions and priorities.

• Local Water programs that do not rely on wells and methods that threaten aquifers.

• Sustainable local power generation programs.

• Small, standardized MoE schools that are actually staffed and equipped.

• Small, function clinics and real-world expansion of local health care.

• Roads that meet real world market and local needs.

• Linking informal justice system to formal justice system.

• Expanding coverage of national ID cards necessary for employment and full status as citizen.
Uncertain Agricultural Assistance
Senate Foreign Relations Committee Assessment (June 2011)

Since 2002, $1.4 billion for agricultural programs

Overspending? $250 million in Helmand and Kandahar in one year alone (district of Nawa received USAID funding of $400 per person, contrasted with national per capita income of $300)

July 2010 GAO found programs “did not always establish or achieve their targets”: 6 of 8 programs failed to meet annual targets, three longest running programs declined in performance from 2006 to 2008

Primary program is Agricultural Vouchers for Increased Production in Afghanistan (AVIPA)
• $360 million stabilization program primarily in Helmand and Kandahar with cash-for-work components
• Additional $89 million to expand seed/fertilizer voucher program to 32 provinces
• Estimated to have created 780 cash for work projects, employing 103,000 laborers, injecting $27 million of wages into local economy (equivalent of 22,500 full-time jobs)
• But may distort local economy and labor markets. Rajiv Chandrasekaran says cash surge is “sparking new tension and rivalries within the community, and it is prompting concern that the nearly free seeds and gushing canals will result in more crops than the farmers will be able to sell. It is also raising public expectations for handouts that the Afghan government will not be able to sustain once US contributions ebb”
• SFRC notes scaling back AVIPA towards longer-term projects has risks; infrastructure projects may not be completed on time; scaling back will end subsidized benefits, artificially inflated incomes for farmers

Foreign Aid can Distort Local Economies
David Kilcullen: “On the one hand, there is a “substitution effect,” whereby development dollars shift popular support away from the insurgents and toward the government. But our aid can also have an “income effect,” whereby development programs increase the resources available to villagers and lead them to believe that they can improve their prospects of survival by entering into negotiations with the insurgents.”
USAID’s Uncertain (Dishonest?) Claims of Progress

Agriculture: Meet basic food security needs and grow rural economies.
- In FY 2010, 633,878 Afghans received hands-on agricultural productivity and food security training.

Economic Growth: Support diversified and resilient economic growth.
- In FY 2010, helped establish 49 Public-Private Partnerships, leveraging $95 million in private investment.

Education: Develop human capital through support to basic and higher education.
- Since 2002, school enrollment has increased from 900,000 boys to 7.1 million students, 38 percent female.
- In FY 2010, trained 40,850 public school and community based education teachers and over 3,800 literacy teachers, reaching an estimated one third of Afghan school children.

Gender: Advance gender equality.

Governance: Promote inclusive governance and effective dispute resolution.
- In FY 2010, trained 9,000 civil servants to improve public administration functions, provided basic legal training to shura and jirga members and supported the development of Afghan legal associations.

Health: Improving the health of the Afghan population, especially women and children
- Since 2002, increased access to basic health care from 8 percent of the population to 84 percent
- Midwife training programs that contributed to a 22 percent drop in infant mortality.

Infrastructure: Improve infrastructure services, particularly in energy and roads.
- In FY 2010, rehabilitated over 1,800 km of regional and national highways, and provincial and rural roads.

Stabilization: Address drivers of instability and establish an environment for social and economic development.
- Pioneered the District Stability Framework, a tool that utilizes situational awareness to identify key sources of instability, develop activities to diminish or mitigate the causes, and monitor and evaluate the impact of programming.

Health Care in Key Terrain Districts: 2009-2010

Source: ISAF 5/2011
Afghan MoE Estimate of Number of Schools: 2001-2010

Note: MoE figures are not credible. Claims Average over 570 students per school

Source: ISAF 5/2011
Energy Production Available for Consumption

- JAN 2011 highest ever, but imported energy still more than 60%,
- Southeastern Power Station (SEPS) more than double production since OCT 2010

Source: Afghan Energy Information Centre, 01 May 2011

Source: ISAF 5/2011
MoE Estimate of Enrollment: 2001-2010

Note: MoE figures are not credible. Claims Average over 570 students per school

Source: ISAF 5/2011
Little or No Progress in Development in Many Areas

<table>
<thead>
<tr>
<th>Date</th>
<th>Assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>04-Feb-10</td>
<td>6</td>
</tr>
<tr>
<td>29-Apr-10</td>
<td>7</td>
</tr>
<tr>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>10</td>
<td>19</td>
</tr>
<tr>
<td>47</td>
<td>47</td>
</tr>
<tr>
<td>40</td>
<td>46</td>
</tr>
<tr>
<td>10</td>
<td>41</td>
</tr>
<tr>
<td>3</td>
<td>7</td>
</tr>
</tbody>
</table>

Development Assessment

- **Sustainable Growth**
- **Dependent Growth**
- **Minimal Growth**
- **Stalled Growth**
- **Population at Risk**
- **Not Assessed**
But, Revenues Are Still Tiny Part of Total Outside Expenditures

- **Domestic Revenue collection reached US$ 1.65 bn in 2010/11** (doubled since 2007/08) as a result of significant effort by MoF.

- **Core Budget** (domestic revenue + on-budget donor aid) US$4.6 bn

- **External Budget** (Donor-financed off-budget expenditures) MoF reports $6 bn but actual amount may be as high as US$16 bn.

- **International military spending** *(Total unknown, but could be ~ 100 times greater than domestic revenue)* is spent mostly outside of Afghanistan, but since so large, even very small slice becomes major source of growth.

Big Budget Ministries are Able to Spend More

Non-Discretionary Carry Forward Funds Limit Flexibility in Using Budget

And, Government Expenditures Are Rising Faster than Revenues

- Over past 3 years, domestic revenues grew on average 20% per annum on back of significant MoF effort in customs reform and tax administration.
- During same period, operating expenditures grew by 27% per annum as a result of:
  - Hiring of teachers
  - Security expenditures (Police & ANA, which will require external financing beyond 2015)
  - Pay & Grading reform in line ministries

- Fiscal Sustainability in Afghan context would mean domestic revenues in 2014/15 should cover non-security operating expenditures + small portion of security costs. This requires mining revenues coming on line. (Presumption is that balance of extraordinary security costs are an externality and need to be financed by international community beyond 2014.)

- Financing Operations & Maintenance (O&M) a huge challenge:
  - O&M already severely underfunded.
  - Requires good system of budget transfer from central government to provinces/districts.
  - Past and ongoing creation of assets off-budget by donor aid and PRTs poses unknown recurrent liabilities on Government.

Development Budget Execution Faces Major Structural & Capacity Constraints

- Budget execution increased in absolute terms, but flattened out over last three years.
- Drop in 2010/11 result of expected closing of NSP II and gearing up of new NSP III disbursements (NSP accounts for 17% of core on-budget expenditures).
- Execution ratio is misleading because of accounting practice of carrying over unused “budget” from all previous years (i.e. inflating the denominator) even when this is based on notional donor pledges. (Bank working with MoF to change this budgeting practice for upcoming fiscal year.)
- **Real constraints on budget execution related to:**
  - Unrealistic budget formulation in Line Ministries
  - Lack of predictability in donor financing and delays that make planning difficult (dependence on annual parliamentary & congressional allocations)
  - GoA Capacity Constraints: Lack of financial management, procurement and technical expertise in line ministries to deliver development programs.
  - Problems with efficiently allocating funds from center to provinces/districts and extreme weakness of government at sub-national levels.
- Government has little discretionary funding: financing linked to donor-funded programs means limited ability to transfer financing to areas where budget execution is better.

Development: Growing Progress

• Funding levels now far more consistent, now high enough to have major impact.
• Improved civil-military coordination and overall coordination of aid effort.
• Serious effort to create integrated civil-military teams and break down “stovepipes”
• Far more civilians and military performing civil-military roles in the field.
• New focus on what Afghans want; aid that will improve their current lives and governance, economy, and prompt justice. Address “worst grievances.”
• New focus on providing aid broadly in critical districts and population centers.
• Focus on accountability in spending, directing funds to honest officials and leaders at the Ministerial, provincial, district, and local levels.
• Beginning to seek validation of requirements, Afghan consensus and transparency.
• Seeking to develop meaningful measure of effectiveness and impact on popular perceptions.
• Increase in cadres of experienced aid workers, military, and Afghans.
# The Challenge of Development

<table>
<thead>
<tr>
<th>Category</th>
<th>Afghanistan</th>
<th>Pakistan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Population</strong></td>
<td>29.1 Million</td>
<td>177.3 Million</td>
</tr>
<tr>
<td><em>Life Expectancy</em></td>
<td>44.7 years</td>
<td>65.6 years</td>
</tr>
<tr>
<td><em>% 0-14 Years</em></td>
<td>42.9%</td>
<td>36%</td>
</tr>
<tr>
<td><strong>Growth Rate</strong></td>
<td>2.47%</td>
<td>1.51%</td>
</tr>
<tr>
<td><strong>Urbanization</strong></td>
<td>24%</td>
<td>36%</td>
</tr>
<tr>
<td><strong>Urbanization Rate</strong></td>
<td>5.4%</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Ethnic Groups</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>42% Pashtun</td>
<td></td>
<td>44.7% Punjabi</td>
</tr>
<tr>
<td>27% Tajik</td>
<td></td>
<td>15.4% Pashtun</td>
</tr>
<tr>
<td>9% Hazara</td>
<td></td>
<td>14.1% Sindhi</td>
</tr>
<tr>
<td>4% Aimak</td>
<td></td>
<td>8.4% Sariaki</td>
</tr>
<tr>
<td>3% Turkmen</td>
<td></td>
<td>7.6% Muhairs</td>
</tr>
<tr>
<td>2% Baluch</td>
<td></td>
<td>3.6% Baluchi</td>
</tr>
<tr>
<td>4% Other</td>
<td></td>
<td>6.3% Other</td>
</tr>
<tr>
<td><strong>Sects</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>80% Sunni</td>
<td></td>
<td>75% Sunni</td>
</tr>
<tr>
<td>19% Shi’ite</td>
<td></td>
<td>20% Shi’ite</td>
</tr>
<tr>
<td><strong>Literacy</strong></td>
<td>28.1%</td>
<td>49.9%</td>
</tr>
<tr>
<td><strong>Economy</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>GDP</em></td>
<td>$23.5 Billion</td>
<td>$449.3 Billion</td>
</tr>
<tr>
<td><em>GDP Rank</em></td>
<td>113th</td>
<td>28th</td>
</tr>
<tr>
<td><em>Per Capita Income</em></td>
<td>$800</td>
<td>$2,600</td>
</tr>
<tr>
<td><em>Per Capita Rank</em></td>
<td>219th</td>
<td>170th</td>
</tr>
<tr>
<td><em>Unemployment</em></td>
<td>3.5%</td>
<td>14%</td>
</tr>
<tr>
<td><em>Labor Force</em></td>
<td>15 Million</td>
<td>53.8 Million</td>
</tr>
<tr>
<td><em>Structure</em></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31% Agriculture</td>
<td></td>
<td>43% Agriculture</td>
</tr>
<tr>
<td>26% Industry</td>
<td></td>
<td>20.3% Industry</td>
</tr>
<tr>
<td>43% Services</td>
<td></td>
<td>36.6% Services</td>
</tr>
</tbody>
</table>

### Major International (Non-U.S.) Pledges to Afghanistan Since January 2002

(As of March 2010, in $Millions)

<table>
<thead>
<tr>
<th>Country</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>6,900</td>
</tr>
<tr>
<td>Britain</td>
<td>2,897</td>
</tr>
<tr>
<td>World Bank</td>
<td>2,803</td>
</tr>
<tr>
<td>Asia Development Bank</td>
<td>2,200</td>
</tr>
<tr>
<td>European Commission (EC)</td>
<td>1,768</td>
</tr>
<tr>
<td>Netherlands</td>
<td>1,697</td>
</tr>
<tr>
<td>Canada</td>
<td>1,479</td>
</tr>
<tr>
<td>India</td>
<td>1,200</td>
</tr>
<tr>
<td>Iran</td>
<td>1,164</td>
</tr>
<tr>
<td>Germany</td>
<td>1,108</td>
</tr>
<tr>
<td>Norway</td>
<td>977</td>
</tr>
<tr>
<td>Denmark</td>
<td>683</td>
</tr>
<tr>
<td>Italy</td>
<td>637</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>533</td>
</tr>
<tr>
<td>Spain</td>
<td>486</td>
</tr>
<tr>
<td>Australia</td>
<td>440</td>
</tr>
</tbody>
</table>

**Total Non-U.S. Pledges**

(including donors not listed)  

30,800

---


Figures include funds pledged at April 2009 NATO summit and Japan’s October 2009 pledge of $5 billion over the next five years.

Note: This table lists donors pledging over $400 million total.
Key Challenges and Findings

- $320 million being spent monthly by USAID and State Department
- 80% of USAID spending in restive south and east, only 20% for rest of country
- Emphasis still on short-term stabilization projects instead of long-term development

Overreliance on foreign assistance distorts Afghan economy

- 97% of Afghan GDP related to foreign military presence - heightens risk of severe depression upon withdrawal
- ANSF will require $6-8 billion annually, majority funded by US, has sustainability worries

Over-reliance on international technical advisors reduces sustainability of mission and creates culture of aid dependency

- 85% staff turnover at USAID mission in Kabul
- Practice of inflated salaries for Afghans draw local talent away from GIRoA

Political Versus Development Timelines

Development when done properly, “will take generations” but “increasingly, the US civilian strategy is linked to the shorter-term military strategy”

- Timeline constricted from even 3-5 year window envisioned in summer 2010
- Resources appropriated on annual cycle, complicating long-term planning
- Creates perverse incentives at USAID and State to spend money even in wrong conditions to ensure future appropriations remain at significant levels

Recommendations: Must be unity of effort across US and international community

1. Consider authorizing multi-year civilian assistance strategy for Afghanistan
2. Reevaluate performance of stabilization programs in conflict zones
3. Focus on sustainability – Do not initiate projects that Afghans cannot sustain
State Department and USAID Program for FY2012

- **Afghanistan: Supporting Stable, Transparent, Representative Government and Capable, Sustainable Security Forces** ($2.3 billion): $2.2 billion in assistance to target the priority sectors of governance, rule of law, counternarcotics, agriculture, economic growth, health, and education in Afghanistan. $111 million in Operations to support infrastructure for maintaining U.S. government civilian and diplomatic presence and to support educational and cultural exchange programs to build bridges with civil society.

  - Maintains increased civilian staffing to support President Obama’s goal of disrupting, dismantling, and defeating al-Qaeda.
  - Provides $1.0 billion to sustain an expanded civilian presence -1,500 staff in the next two years – to support the Afghan government.
  - Includes $1.2 billion for targeted development and governance programs that will support stabilization and counterinsurgency efforts, such as cash for work and Provincial Reconstruction Teams, as well as counternarcotics efforts that promote alternative livelihoods to poppy production.
  - Supports large infrastructure programs that have a combination of short-term stabilization and long-term economic growth outcomes.

- **Pakistan: Helping Eliminate Violent Extremist Elements and Strengthen Regional Security** ($1.9 billion): $1.9 billion in assistance to promote a secure, stable, democratic and prosperous Pakistan with a focus on energy, economic growth, agriculture, the delivery of health and education services, and strengthening the Government of Pakistan’s capacity to govern effectively and accountably. $45 million in Operations to support infrastructure for maintaining U.S. government civilian and diplomatic presence and to support educational and cultural exchange programs to build bridges with civil society.

  - Includes $1.1 billion for the Pakistan Counterinsurgency Capability Fund to provide critical equipment and training for Pakistani security forces, increasing the ability of the Pakistani government to combat insurgents inside Pakistan and eliminating the insurgent’s capacity to conduct cross-border operations in Afghanistan that jeopardize U.S. lives and the mission there.

# US Aid Request: FY2012 (In $Millions)

<table>
<thead>
<tr>
<th>Program/Area</th>
<th>Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANSF Funding</td>
<td>$12,800</td>
</tr>
<tr>
<td>Economic Support Funds</td>
<td>$2,804</td>
</tr>
<tr>
<td>(incl.: $227 m for health, $115 m for education, $790 m for “good governance,” $185 m for agriculture, $66 m for “private sector competitiveness”)</td>
<td>(of which 1,216 is Overseas Contingency Operations funding)</td>
</tr>
<tr>
<td>Health and Child Survival (State)</td>
<td>$0.5</td>
</tr>
<tr>
<td>Health and Child Survival (USAID)</td>
<td>$0.5</td>
</tr>
<tr>
<td>Food For Peace Title II</td>
<td>$15.5</td>
</tr>
<tr>
<td>INCLE (counter-narcotics, rule of law)</td>
<td>$324</td>
</tr>
<tr>
<td>NADR funds (Karzai protection, explosives removal, counter-terrorism)</td>
<td>$66.2</td>
</tr>
<tr>
<td>IMET</td>
<td>$2.4</td>
</tr>
<tr>
<td>Diplomatic and Consular (embassy construction, personnel)</td>
<td>$758</td>
</tr>
<tr>
<td>Diplomatic and Consular (security)</td>
<td>$190</td>
</tr>
<tr>
<td>SIGAR</td>
<td>$44</td>
</tr>
<tr>
<td>CERP (regular)</td>
<td>$400</td>
</tr>
<tr>
<td>CERP (contribution to Afghan Infrastructure Fund)</td>
<td>$500</td>
</tr>
<tr>
<td>CERP (Taskforce for Business)</td>
<td>$150</td>
</tr>
<tr>
<td>Total</td>
<td>$18,050</td>
</tr>
</tbody>
</table>

Figures do not include about $100 billion in U.S. military operations costs

Source: Kenneth Katzman, Afghanistan: Post-Taliban Governance, Security, and U.S. Policy, CRS RTL30588, March 24, 2011,
Coping With Impossible Dreams

Timeline of Selected Documents

- Bonn Agreement
- Operation Enduring Freedom Campaign Plan
- SHAPE OPLAN (2003)
- NATO OPLAN
- SHAPE OPLAN (2006)
- Afghan Compact
- Afghan National Development Strategy
- ISAF OPLAN
- London Conference Communiqué
- Afghanistan Pakistan Regional Stabilization Strategy
- U.S. Strategy for Afghanistan and Pakistan
- National Security Council Strategic Implementation Plan
- Integrated Civilian Military Campaign Plan
- Commander’s Assessment

Source: GAO, 10-655R, June 15, 2010
Coping With Impossible Funding Goals

Anticipated funding and expected expenditures, 2008-2013

Cumulative budget shortfall $18.6

Source: Afghanistan National Development Strategy - 2008 (data); Defense Imagery (photo).
Transitioning Out of Mission
Impossible to “Afghan Right”

GIRoA Spending Expectations Inconsistent with Future Budget Restrictions

*Source GIRoA 1389 Budget, (Total Pending = Operational Budget + Development Budget)
** Source: Afghan National Development Strategy 2008-2013, (Budgeted Core + External Expenditure)
Lagging Civil Progress But Some Positive Indicators
## Major Factions, Leaders in Afghanistan

<table>
<thead>
<tr>
<th>Party/Leader</th>
<th>Leader</th>
<th>Ideology/ Ethnicity</th>
<th>Regional Base</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taliban</td>
<td>Mullah (Islamic cleric) Muhammad Umar (still at large possibly in Afghanistan. Umar, born in Tarin Kowt, Uruzgan province, is about 65 years old.)</td>
<td>Ultra-orthodox Islamic, Pashtun</td>
<td>Insurgent groups, mostly in the south and east.</td>
</tr>
<tr>
<td>Haqqani Network</td>
<td>Jalaluddin and Siraj Haqqani. Allied with Taliban and Al Qaeda. Said to be heavily influenced by elements within Pakistani military intelligence.</td>
<td>Same as above</td>
<td>Paktia, Paktika, Khost, Kabul</td>
</tr>
<tr>
<td>Islamic Society (leader of “Northern Alliance”)</td>
<td>Burhanuddin Rabbani/ Yunus Qanooni (speaker of lower house)/Muhammad Fahim/Dr. Abdullah Abdullah (Foreign Minister 2001-2006). Ismail Khan, a so-called “warlord,” heads faction of the grouping in Herat area. Khan, now Minister of Energy and Water, visited United States in March 2008 to sign USAID grant for energy projects.</td>
<td>Moderate Islamic, mostly Tajik</td>
<td>Much of northern and western Afghanistan, including Kabul</td>
</tr>
<tr>
<td>National Islamic Movement of Afghanistan</td>
<td>Abdul Rashid Dostum. During OEF, impressed U.S. commanders with horse-mounted assaults on Taliban positions at Shulgara Dam, south of Mazar-e-Sharif, leading to the fall of that city and the Taliban’s subsequent collapse. Was Karzai rival in October 2004 presidential election, then his top “security adviser.”</td>
<td>Secular, Uzbek</td>
<td>Jowzjan, Balkh, Faryab, Sar-i-Pol, and Samangan provinces</td>
</tr>
<tr>
<td>Hizb-e-Wahdat</td>
<td>Composed of Shiite Hazara tribes from central Afghanistan. Karim Khalili is Vice President, but Mohammad Mohaqiq is Karzai rival in 2004 presidential election and parliament. Generally pro-Iranian. Was part of Rabbinri 1992-1996 government, and fought unsuccessfully with Taliban over Bamiyan city. Still revered by Hazara Shiites is the former leader of the group, Abdul Ali Mazari, who was captured and killed by the Taliban in March 1995.</td>
<td>Shiite, Hazara tribes</td>
<td>Bamiyan, Ghazni, Dai Kundi province</td>
</tr>
<tr>
<td>Pashtun Leaders</td>
<td>Various regional governors and local leaders in the east and south; central government led by Hamid Karzai.</td>
<td>Moderate Islamic, Pashtun</td>
<td>Dominant in the south and east</td>
</tr>
<tr>
<td>Islamic Union</td>
<td>Abd-I-Rab Rasul Sayyaf. Islamic conservative, leads a pro-Karzai faction in parliament. Lived many years in and politically close to Saudi Arabia, which shares his “Wahhabi” ideology. During anti-Soviet war, Sayyaf’s faction, with Hikmatyar, was a principal recipient of U.S. weaponry. Criticized the U.S.-led war against Saddam Hussein after Iraq’s invasion of Kuwait.</td>
<td>orthodox Islamic, Pashtun</td>
<td>Paghman (west of Kabul)</td>
</tr>
</tbody>
</table>

Sources: Kenneth Katzman, Afghanistan: Post-Taliban Governance, Security, and U.S. Policy, CRS RTL30588, March 24, 2011,
Progress, But A Lagging Civilian Surge

- **Real gains in Afghan district and local governance, merit promotion, and civil service training,**

- **BUT,**
  - Integrated civil-military plans remain conceptual on civilian side. No credible State or USAID reporting on efforts after 10 years of war.
  - US and allied military and PRT coordination uncertain and allied coordination often critically weak.
  - Little nationwide integration of war-related civil programs and most mid and long term aid.
  - Goal was to finish assessments of 42 critical Districts out of 80 by end 2010. Afghan Directorate of Local Governance completed 15, and now could take up to four years to complete all 80.
  - Funds for hiring more civilians did not flow into many Districts even when assessments were finished in the spring of 2010.
  - **District Delivery Program is a “district discussion program.”**
  - Local Governance Directorate reports officials far short of average of 45 required per District.
  - Two thirds of 1,100 US civilian officials in Afghanistan are in Kabul. Only 215 USAID hires out of 473 are in the field. (14 US and 2 FSN in RC-SW, 56 US & 3 FSN in RC-S, and 78 US and 18 FSN in RC-E as of 1/2011) Roughly 400 US civilians in field vs. 1,100 military in civil-military roles

Donors Fund Critical Part of Kabul Centric Staff

* Because of weak capacity in line ministries, delivery of programs depends on some 12,000 Afghans working in government but paid for by donors (outside of civil service) + some 1000 international experts.*

* Demand for skills at central government level means few technically strong Afghans at sub-national level, while security limits foreign TA mainly to Kabul.

**Illustrative Costs of Technical Assistance vs. Civil Service, 2008/09**

### Ministry of Finance

- **300 Donor Funded Staff**
  - US$ 5.4 million
- 2,036 Civil Servants
  - US$ 3.9 million

### Ministry of Education

- **1,300 Donor Funded Staff**
  - US$ 15 million
- 40,000 Civil Servants
  - US$ 12.9 million

* Conservative estimates which exclude many bilateral-funded contractors, PRT, civ-mil provided TA.

Critical Lack of Skilled Staff for Transition

- Cost of TA reached over US$1.4 billion in 2010 and remains heavily influenced by donor-supply rather than line ministry demand.

- Even if all donor-funded, efficiency and capacity building can be improved by bringing in Afghan managerial talent through salary top-ups instead of foreign staff and advisers. For example: 150 Afghan managers paid by MCP costs US$5 million annually vs. 150 expat advisers at estimated $150 million annually.

- Parallel delivery system (second civil service) undermines long-term internal government capacity and ultimately is unsustainable and inefficient.
  - Move from parallel system to cadre of senior executive civil servants.
  - Unify administrative reform programs: ARTF financed Capacity Building Facility (under preparation with MoF and Civil Service Commission) will increase senior civil servants in key line ministries by up to 1000 over 5 years. Sustainability enhanced by requiring concurrent ministry reform. Other donor support for competing programs and direct placement of internationals should be wound down.
  - Minimize Number of Foreign Advisers to those essential and demand-driven.

- Lack of capacity at sub-national level particularly dire but shortage of competent Afghans, hardship and insecurity in provinces limit ability to recruit and retain.

Must Develop Far More GIRoA Capacity Outside Kabul to Succeed

 Requires Major Changes in Behavior and Structures of Int’l Community and GoA:

• Addressing inequities in spending in conflict vs non-conflict areas caused by off-budget donor/military spending. Example: Per capita off-budget spending in Helmand almost $400 per capita or ~ doubling the per capita GDP.
• Increase official resource flows to Provinces and Districts to improve service delivery and budget execution.
• Simultaneously, decrease discretionary sources of spending of Provincial/District Governors that are outside of central budget systems.
• Off budget needs to move to on-budget.
• Financing flows need to align with GoA absorptive capacity.
• Increase service delivery through scaling-up of National Priority Programs which requires selectivity and larger share of donor funding going towards key NPPs
• Invest in O&M to sustain investment in assets.

Improvements in District Governance

Source: ISAF 5/2011
Deputy Provincial Governor Appointments

Civil Service Appointments Board fills 12 Deputy Provincial Governor posts with merit-based appointments February 2011

76% of Provinces will have DPGs selected on merit following current round (if approved by PoA)

On-going merit-based selection of 14 Deputy Provincial Governor posts (23 May 2011)

Source: ISAF 5/2011
District Governor Appointments

CSAB selects 38 District Governor posts through merit-based process in April 2011

- 23 Provinces with merit-based appointments (68%)
- 58 Districts with merit-based appointed DGs to date (16%)

Next District Governor Appointment Board expected in July 2011

Previous District Governor merit-based appointments

Source: ISAF 5/2011
Spring 2011: A New ISAF & Aid Approach to Fighting Corruption

- Improve intelligence and understanding of the problem
- Influence positive and negative actors
- Integrate law enforcement and military efforts
- Internationalize counternarcotics and anti-corruption efforts
- Institutionalize reforms
- Implement COIN contracting

"We must make sure that we do not stop at merely fighting symptoms of corruption; rather we must take decisive action against its root causes."

President Karzai, London Conference

Source: ISAF, April 15, 2011.
2014 and Beyond: Enabling Socio-Economic Development

Source: US Experts
“Hold, Build, and Transition”

The Uncertain “Surge” in the Field
Provinces with PRT Bases

Note: Map depicts PRT base locations; some PRTs manage projects for more than one province.

# Provincial Reconstruction Teams

<table>
<thead>
<tr>
<th>Location (City)</th>
<th>Province/Command</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>U.S.-Lead (all under ISAF banner)</strong></td>
<td></td>
</tr>
<tr>
<td>1. Gardez</td>
<td>Paktia Province (RC-East, E)</td>
</tr>
<tr>
<td>2. Ghazni</td>
<td>Ghazni (RC-E), with Poland.</td>
</tr>
<tr>
<td>3. Jalalabad</td>
<td>Nangarhar (RC-E)</td>
</tr>
<tr>
<td>4. Khost</td>
<td>Khost (RC-E)</td>
</tr>
<tr>
<td>5. Qalat</td>
<td>Zabol (RC-South, S), with Romania.</td>
</tr>
<tr>
<td>6. Asadabad</td>
<td>Kunar (RC-E)</td>
</tr>
<tr>
<td>7. Sharana</td>
<td>Paktika (RC-E), with Poland.</td>
</tr>
<tr>
<td>8. Mehtarlam</td>
<td>Laghman (RC-E)</td>
</tr>
<tr>
<td>9. Jabal o-Saraj</td>
<td>Panjshir Province (RC-E), State Department lead</td>
</tr>
<tr>
<td>10. Qala Gush</td>
<td>Nuristan (RC-E)</td>
</tr>
<tr>
<td>11. Farah</td>
<td>Farah (RC-SW)</td>
</tr>
<tr>
<td><strong>Partner Lead (most under ISAF banner)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>PRT Location</strong></td>
<td><strong>Province</strong></td>
</tr>
<tr>
<td>12. Qandahar</td>
<td>Qandahar (RC-S)</td>
</tr>
<tr>
<td>13. Lashkar Gah</td>
<td>Helmand (RC-S)</td>
</tr>
<tr>
<td>15. Herat</td>
<td>Herat (RC-W)</td>
</tr>
<tr>
<td>16. Qalah-ye Now</td>
<td>Badghis (RC-W)</td>
</tr>
<tr>
<td>17. Mazar-e-Sharif</td>
<td>Balkh (RC-N)</td>
</tr>
<tr>
<td>18. Konduz</td>
<td>Konduz (RC-N)</td>
</tr>
<tr>
<td>29. Faizabad</td>
<td>Badakhshan (RC-N)</td>
</tr>
<tr>
<td>24. Maidan Shahr</td>
<td>Wardak (RC-C)</td>
</tr>
<tr>
<td>25. Pul-i-Alam</td>
<td>Lowgar (RC-E)</td>
</tr>
<tr>
<td>26. Sheberghan</td>
<td>Jowzjan (RC-N)</td>
</tr>
<tr>
<td>27. Charikar</td>
<td>Parwan (RC-E)</td>
</tr>
</tbody>
</table>

**Note:** RC = Regional Command.
The USAID “Surge”

Location of USAID Direct Hire Employees

122 Kabul-based (40%)
183 Field-based (60%)

Afghanistan Staffing by Type & Location

<table>
<thead>
<tr>
<th>Employees</th>
<th>Kabul</th>
<th>Field</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>FELLOW</td>
<td>1</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>PASA</td>
<td>3</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>USPSC</td>
<td>29</td>
<td>22</td>
<td>51</td>
</tr>
<tr>
<td>USDH</td>
<td>89</td>
<td>161</td>
<td>250</td>
</tr>
<tr>
<td>Subtotal US Hires</td>
<td>122</td>
<td>183</td>
<td>305</td>
</tr>
<tr>
<td>FSN/TCN</td>
<td>136</td>
<td>32</td>
<td>168</td>
</tr>
<tr>
<td>Total Employees</td>
<td>258</td>
<td>215</td>
<td>473</td>
</tr>
</tbody>
</table>

RC-N: 21 Staff
- US 16
- FSN 5

Kabul: 258 Staff
- US 122
- FSN/TCN* 136
*123 FSN; 13 TCN

RC-W: 23 Staff
- US 19
- FSN 4

RC-SW: 16 Staff
- US 14
- FSN 2

RC-S: 59 Staff
- US 56
- FSN 3

Obama Administration FY2012 request included $3.2 billion in aid – represents 22% reduction from FY2010 ($4.2bn)

Civilian surge

- State and USAID “dramatically increased the number of civilians on the ground” from 531 in January 2009 to 1,300 today (920 in Kabul, 380 in the field) – number will peak at 1,450 by 2014

- Emergency protection details (EPDs) for civilians are expensive - $8mn annually for an Ambassador in Kabul

Local causes for insecurity, not always underdevelopment or poverty

- In Helmand, primary concern is lack of security and poor governance, deterring population from cooperating with government, allowing Taliban to exploit grievances of the politically marginalized

- World Bank estimates poverty in Helmand at less than 30 percent compared to higher levels in peaceful north (Bamyan 42%, Ghor 58%, Balkh 58+%)
Past Over-Reliance on Contractors
Senate Foreign Relations Committee Assessment (June 2011)

Heavy reliance on a few contractors; Between FY2007-2009: USAID obligated $3.8 billion to 283 contractors and entities; $1bn to just two – Louis Berger International and Development Alternatives Inc; $625 million (17 percent) for just 17 grants
• Separately State Department’s Bureau of International Narcotics and Law Enforcement (INL) obligated $2.3 billion to four contractors; DynCorp International accounted for over 80 percent


GAO finds “oversight inadequate at times, thus raising questions about the agencies’ ability to ensure accountability for multibillion dollar investments”
• SIGAR warns “the large US investment in Afghanistan remains at significant risk of being wasted or subjected to fraud and abuse”

Lack of qualified contracting officers. USAID has 85 contracting officers with 3+ years experience, currently 10 in Afghanistan with plans to scale up to 18 (improvement from 3 in 2007) but still inadequate for task. In fact adequate ratio would probably require entire USAID overseas workforce for just Afghanistan
Past Lack of Fiscal Responsibility & Oversight
Senate Foreign Relations Committee Assessment (June 2011)


- **GAO finds “oversight inadequate at times**, thus raising questions about the agencies’ ability to ensure accountability for multibillion dollar investments”
- **SIGAR warns** “the large US investment in Afghanistan remains at significant risk of being wasted or subjected to fraud and abuse”
- **Lack of qualified contracting officers.** USAID has 85 contracting officers with 3+ years experience, currently 10 in Afghanistan with plans to scale up to 18 (improvement from 3 in 2007) but still inadequate for task. In fact adequate ratio would probably require entire USAID overseas workforce for just Afghanistan
- **Lack of adequate controls have resulted in massive fraud** – In 2010 massive fraud uncovered at Kabul Bank (loans amounted to 5% of Afghan GDP). USAID had only one qualified officer overseeing $92 million contract with Deloitte to provide technical assistance to the bank. USAID later concluded Deloitte should have known of serious problems and alerted USAID in Kabul
- **Former USAID Kabul Mission Director:**
  “Because of the ill planned downsizing of USAID’s technical staff over the past years and the difficulty in finding senior technical Foreign Service officers to serve in Afghanistan, the management of the Kabul Bank Deloitte contract was relegated to a junior officer. While he worked to the best of his ability, this important project demanded strong technical oversight and similar programs of this level of strategic importance will demand senior management expertise and a different system with USAID to ensure the availability of senior technical staff.”
- **Similarly, INL** has just one contracting officer overseeing almost $800 million over 5 CivPol task orders.
Oversight and Technical Advisor Issues
Senate Foreign Relations Committee Assessment (June 2011)

Most of USAID “on-budget aid” ($2.08bn) provided through ARTF (Afghanistan Reconstruction Trust Fund) or through Afghan Ministries ($307 million)

- Jurisdictional issues complicate independent monitoring
- World Bank has capacity issues – constrained by 100 in-country personnel
- Afghan Ministries have “significant vulnerabilities” that can facilitate fraud and waste
- Some conditionality now attached – FY2010 Supplemental Appropriations Act required certification of improved efforts to fight corruption and better governance better Economic Support and INCLE funds could be disbursed

Capacity Building Using Technical Advisors
- Inflated salaries for technical advisors draw away talent from civil sector, including doctors and teachers
- Last fiscal year budget for vocational and higher education was $35 million compared to State/USAID capacity-building spending of $1.25 billion (large portion to technical advisors)
- Each advisor costs between $500,000 to $1 million
- Drivers, assistants, translators for aid projects earn upward of $1,000 a month compared to $50-100 for teachers, health workers and administrative staff
- Various problems including unaccountability, imposing their own vision, using high-tech unsustainable methods, loyalty to Afghan Ministry instead of US government
- Over-reliance on advisors and minimal oversight
- Standardizing salaries essential step to creating parity, stimulating civil-sector development efforts
“Hold, Build, and Transition”

Many Existing Priorities Are Decoupled from Resources and Transition and Real World Transition Plans Are Critical
Stabilization vs. Development

Stabilization Efforts:
Through the use of the District Stability Framework, identify the root causes of instability and quickly apply resources to mitigate their effects.

- Support GIRoA Governance and Rule of Law at District Level
- Food Security and Subsistence Farming
- Short Term, Income Generating Activities
- Small Scale, Community Based Infrastructure Projects
- Establishment of Basic Services

Governance

Long-Term Development Efforts:
In secure areas, help the Afghan people prepare a sustainable development strategy and support their efforts to pursue it directly and through other donors & private investors.

- Implementation of Sub-National Governance Policy/Coordination of Formal and Informal Justice
- Commercial Agriculture Sector and Value Chains
- Business Climate that encourages Private Sector Investment
- Regional, Large-Scale Infrastructure Projects
- Connection of National Level Ministries to the District

Agriculture

Economic Growth

Infrastructure

Social Services

USAID View of Key Challenges

• Foundational Investments: Agree with GIRoA on immediate possibilities for foundational investments that can induce sustainable, long run growth.

• Resources: Align USAID and GIRoA resource expectations based on realistic and sustainable planning parameters.

• Absorptive Capacity: Increase on-budget assistance while building the capacity of GIRoA to manage resources.

• Transition: Ensure sufficient resources for transition period to Afghan leadership and from stabilization to development program.

• Corruption: Protect USG resources in areas of high risk for corruption.

• Civilian-Military Coordination: Leverage resources for key infrastructure and stability projects.

• Staffing: Increase and maintain staffing levels.

• Project Oversight: Provide project oversight in insecure areas.

• Partner Security: Keep our partners safe under the parameters of the PSC decree.

Prioritizing Assistance Among Competing Resource Demands: Road to Transition

- Identify **minimum development conditions** that should be in place by 2015 to ensure that Afghanistan can successfully continue along its chosen development path

- Align **USG and GIRoA resource expectations** based on realistic planning parameters

- Focus security, governance, and development interventions so as to **increase the legitimacy of GIRoA** in the eyes of Afghans

- Agree with GIRoA on near-term opportunities for **foundational investments** that can induce sustainable, long-term growth

- Address **policy trade-offs** to deal with competing demands for resources

Priority areas for sustainable and durable development in Afghanistan:

- **Legitimate, effective governance** through inclusive, representative bodies; effective resolution of conflicts; and reduction of impunity.

- **Robust economic growth** that will generate food security, jobs and trade opportunities driven by development of the agriculture sector.

- **Strong Afghan leadership** through capacity development at national and local levels and USG commitment to accountable on-budget assistance.
UN Estimate of Priorities

UNDAF, 2010, Annex B
The Role of the World Food Program in Afghanistan

The 2007-2008 National Risk and Vulnerability Assessment (NRVA) found that 7.4 million people – nearly a third of the population – are unable to get enough food to live active, healthy lives. Another 8.5 million people, or 37 percent, are on the borderline of food insecurity. Around 400,000 people each year are seriously affected by natural disasters, such as droughts, floods, earthquakes or extreme weather conditions.

In 2008, Afghanistan was hit by both drought and globally high food prices, which saw the price of wheat and wheat products increase dramatically across the country. Despite prices beginning to fall in 2009, they remain higher than normal.

Insecurity is a major and growing concern. Insurgent activity and military operations have affected food security in some regions, undermined reconstruction efforts and restricted humanitarian interventions. Environmental degradation is also a severe problem. War, uncontrolled grazing, pastureland encroachment, illegal logging and the loss of forest and grass cover have worsened drought conditions and reduced agricultural productivity.

While life expectancy has increased slightly to 44.5 years for men and 44 for women, many of the country’s health indicators are alarming. Along with a high infant mortality rate, Afghanistan suffers from one of the highest levels of maternal mortality in the world (1,600 deaths per 100,000 live births). More than half of children under the age of five are malnourished, and micronutrient deficiencies (particularly iodine and iron) are widespread.

WFP has been working continuously in Afghanistan since 1963, and is active in all 34 provinces. In recent years, WFP’s focus has shifted from emergency assistance to rehabilitation and recovery. WFP fed about 9 million people in 2009, primarily in remote, food-insecure rural areas. WFP’s food assistance targets poor and vulnerable families, schoolchildren, teachers, illiterate people, tuberculosis patients and their families, returning refugees, internally displaced persons and disabled people – with an emphasis on vulnerable women and girls.

In 2009, WFP assisted more than 4.4 million people through Food-for-Work programmes, which provide food to vulnerable Afghans as they build or repair community assets, including roads, bridges, reservoirs and irrigation systems. These projects are agreed upon in consultation with the government and local communities.

In 2009, WFP relief operations supported over 1.4 million people affected by natural and man-made disasters. Food reached people affected by drought and floods, as well as returning refugees and people displaced by conflict.

A separate appeal spanning August 2008 to July 2009 was aimed at assisting another 5 million Afghans most severely affected by the dramatic increase in staple food prices and drought.

Under a pilot Purchase for Progress (P4P) programme, WFP hopes to buy wheat directly from small-scale farmers for distribution elsewhere in the country, strengthening Afghan grain markets and small-scale producers’ access to them. Through P4P, WFP is also exploring the local purchase of specialized nutritional products, including fortified biscuits.

Under a separate WFP pilot project being launched in Kabul in 2009, beneficiaries receive vouchers instead of food rations, allowing them to buy their choice of food from participating retailers and avoiding distortion of functioning markets.

The Green Afghanistan Initiative (GAIN) is a joint UN programme aiming to improve Afghanistan’s devastated environment. Administered by WFP, the three-year project helps widows and other vulnerable groups build a sustainable livelihood by starting their own nurseries. It also increases natural vegetation and forest cover, trains local officials in environmental protection, and boosts environmental awareness through education.

The United Nations Humanitarian Air Service (UNHAS) provides safe and efficient air transport and cargo services for the humanitarian community around Afghanistan and to neighbouring countries. In 2009, UNHAS carried more than 37,424 passengers and 722 metric tons of light cargo.

Source: http://www.wfp.org/countries/afghanistan
A “Rich” Future? Mining Potential

Source: SIGAR, Quarterly Report, July 2010, pp. 102-103
Development: Continuing Challenges

• Far too much aid still goes to showpiece projects.
• Fiscal controls and accountability still weak. Many corrupt contractors, Afghan power brokers.
• Aid, coupled to lack of adequate accountability and control of all other US and ISAF forms of contracting, still has a near crippling impact in increasing Afghan corruption.
• Still fail to properly validate requirements for many efforts, poor overall prioritization, and much of aid still goes to mid-to-long term projects and efforts of limited priority and practical value.
• Still often fail to provide basic accountability and transparency. Corruption, waste are still critical issues.
• Still often fail to provide credible and meaningful measures of effectiveness.
• Shortage of both experienced and effective aid workers and Afghan government personnel.
• Lack of coordination between donor countries and NGOs.
• Activity often responds to priorities of donor or capitals and not Afghan needs or wartime priorities: National branding.
• Many aid and advisory personnel still lack experience, and rotate in assignments too short to allow them to be fully effective.
• Deteriorating security in many areas sharply reduces ability to operate outside secure areas.
• Efforts at integrated civil-military plans are still largely a facade on the civil side.
• Anti-corruption efforts largely cosmetic and without any broad effect. Afghan power brokers dominate much of activity.
• Hollow “spin” about near to mid term prospects for “new Silk Road” and mining wealth.
Building “Afghan Right:”

Concepts for the Road to Transition in 2014
Transition Background

NATO and International events provide political guidance for Transition.

• London Conference, January 2010.
  – International Community announcement for a Transition framework by July 2011

• NATO Foreign Ministerial, April 2010.
  – Provided political/military guidance for Transition planning and timelines

• Kabul Conference, July 2010.
  – The IC endorsed the Joint Framework for Inteqal (Transition)
  – Phase 1 (Assessment) and Phase 2 (Implementation – four stages)

• Lisbon Summit, November 2010.
  – Heads of State and Government announced that Transition will commence in early 2011
  – Lisbon Decision Sheet taskings:
    • Joint Assessment Template, suspense: 30 NOV 10 (missed suspense)
    • PRT Evolution Guidelines, suspense: 31 DEC 10
    • Action plan and Implementation Plan Templates, suspense: 31 JAN 11
    • Joint Assessment Report for provincial readiness for Transition, suspense: 28 FEB 11
    • Ministerial Commission pre-transition action plans, suspense: 28 FEB 11

Source: US Experts
Lisbon Goal for Transition

LISBON SUMMIT DECLARATION

“...Looking to the end of 2014, Afghan forces will be assuming full responsibility for security across the whole of Afghanistan.”

- Prepare ANSF to shoulder this responsibility
- Align stabilization efforts to provide adequate governance and development to sustain transition and make it irreversible
  - Change of mindset required
    - Solidarity and Continuity

- Governance/Budget Execution
- PSCs
- Kabul Bank
- ANSF Capacity & Conduct
- Basic Service Delivery
- Justice
- Public Accountability

Parallel Structures

Women Shelters

Parliament

Population Allegiance

Stabilization

Source: US Experts
Inteqal: A Process Within the Campaign Plan

Afghan National Development Strategy (ANDS)

Vision 2015

ISAF Transition Principles:

- Ensure a conditions-based process
- Conduct bottom up
- Start at district, progress to province
- “Thin out”
- Retain HQ

- “Reinvest” some of the transition dividend
- Transition institutions and functions, as well as geographic areas
- Ensure transitions will be irreversible

Source: US Experts
The JANIB Structure and Process

**JANIB Members:**
Dr. Ghani (chair); COMISAF/SCR (co-chairs): *consensus-based decision authority*
MoD, MoI, MoF, MoFA, MoJ, NDS, IDLG, Ambassadors (DEU, GBR, ITA, FRA, TUR, USA); UNSRSG (observer)

**Secretariat**
Secretariat performs an administrative role.

**Assessment Working Group (AWG)**
- Merges assessment data, consults stakeholders, and develops a unified provincial report.
- Submits the joint report to the JANIB through the Secretariat.
- Consists of core group and security, governance, and development sub-groups

**Plans Working Group (PWG)**
- Develops planning templates.
- Supports the Provincial governor and his Provincial PWG (PPWG), comprised of relevant provincial stakeholders, to draft province specific Action/Implementation plans.
- PPWG provides plans to IDLG for submission to the JANIB.

**JANIB Deputies committee will be available to assist the Principals as required**
Conditions to initiate transition process:

- ANSF are capable of shouldering additional security tasks with less assistance from ISAF.
- Security is at a level that allows the population to pursue routine daily activities.
- Local governance is sufficiently developed so that security will not be undermined as ISAF assistance is reduced.
- ISAF is postured properly to “thin out” as ANSF capabilities increase and threat levels remain constant or diminish.

Conditions to finalize transition process:

- Sustainable ANSF are responsible for population security and law enforcement, and they are accountable to serving the people.
- Provincial Governance is sufficiently inclusive, accountable, and acceptable to the Afghan people.
- Population has access to basic services and rule of law; establishing the foundation for sustainable licit economic growth.
- ISAF is postured to provide strategic overwatch and assistance needed for Afghan forces to achieve sustainable security.

Source: US Experts
Tranche One Update

Tranche 1
- Now a political process in Afghan eyes
- Geographically dispersed, ethnically diverse and politically neutral
- Transition is enabled by our Campaign objectives
- Tranche 1 is ~20-25% of the Afghan population
- Tranche 1 begins transition in Jul 11

Source: US Experts
Transition Beyond 2014

(2011-2024)
Transition and Transformation

**Transition**
- 2011 to 2014
- Narrow agenda
- Capacity building & technical assistance
- Irreversible transfer of security responsibility to GIRoA
- NATO/ISAF influences and controls many of the levers
- Foundation for Transformation
- NATO/ISAF remit
- Produced by campaign plan

**Transformation**
- 2011 to 2024+
- Broad agenda
- Nation building
- Legal, economic, fiscal and institutional development
- ANDS
- Enduring commitments
- NATO/ISAF can influence, but does not control the levers
- IC remit
- Produced by IC support and GIRoA commitment

Source: US Experts
Key Transition Issues

IDENTIFIED PROBLEMS

Vulnerabilities
- Transition Coordination Commission
- Guidance to Ministries / Provinces
- PG Bamyan (Sarabi) / Lashkar Gah (Mangal)

COMMS PLAN
- Transition – Threat or Opportunity
- Stake-holder expectations
- Unity of effort
- Long-term commitment of IC

National to Sub-National Links
- Lack of Ministerial Links
- On-Budget funding / PRT Evolution
- Provincial budget capacity
- Reinvigorate Civil Service Commission

Incentives and Dis-Incentives
- Signature / Foundation Projects
- Loss of international assistance
- C2 Ambiguity
- RoL Credibility

Resource Priorities
- Transition versus Transformation
- Uncordinated resource withdrawal
- OMID versus Transition
- Sub-national versus National

MITIGATION

- Ministerial Engagement
- ISAF & IC Outreach
- Combined Teams & Plans

- Issue & execute GMIC plan
- Key Leader Engagement
- Key Leaders to Provinces
- Socialize Transition Plans

- Support Minister Travel & Engagement
- Money On-Budget
- Transition Support Offices
- National Priority Programs

- CERP
- Kabul II and JCMB (Kabul Bank)
- Combined Planning
- Improve Access to Justice

- CISOR
- Capability Evolution
- CERP Incentives
- Greater plan synchronisation
- Invest in Human Capital
- Multiple Methods & Points of Influence

Source: US Experts
Transition: Big Ideas to 2014 & Beyond

- Conditions-based process
- Bottom up, not top down
- Thin out – don’t hand off
- Retain coalition headquarters
- Reinvest the dividend
- Transition institutions and functions
- Assure irreversibility
Operational Plan and Transition

2011-2014

Conditions to initiate transition process:
1) ANSF are capable of shouldering additional security tasks with less assistance from ISAF.
2) Security is at a level that allows the population to pursue routine daily activities.
3) Local governance is sufficiently developed so that security will not be undermined as ISAF assistance is reduced.
4) ISAF is postured properly to “thin out” as ANSF capabilities increase and threat levels remain constant or diminish.

Initiate Process - Momentum Toward Stability

2015-20??

Conditions to complete transition process:
1) Sustainable ANSF are responsible for population security and law enforcement, and they are accountable to and serving the people.
2) Provincial governance is sufficiently inclusive, accountable, and acceptable to the Afghans.
3) Population has access to basic social services and adequate rule of law; establishing the foundation for sustainable, licit economic growth.
4) ISAF is postured to provide strategic overwatch and assistance needed for Afghan forces to achieve sustainable security.

Address Limiting Factors

• Afghan National Security Force capacity
• Competent, honest sub-national governance
• Government linkages

Source: IJC July 2011
Assessment of the Degree of Stability

• Threat Assessment
  – Intimidation of the people
  – Significant Acts of Violence
  – Presence of Insurgent Infrastructure

• Operational Effectiveness of the ANSF relative to the threat

• Government Effectiveness
  – Representation
  – Justice
  – Basic Services

• Development
## Building ANSF Operational Effectiveness to and beyond 2014:

**Mission:** Increase ANSF operational effectiveness through partnering and mentoring to enable ANSF to assume and sustain responsibility for population security with less coalition assistance.

<table>
<thead>
<tr>
<th>Change from Partnering to Advising</th>
<th>Effective with Assistance</th>
<th>Effective with Advisors</th>
<th>Independent</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Enable ANSF to take the lead</td>
<td>- Provide access to:</td>
<td>- Provide access to:</td>
<td></td>
</tr>
<tr>
<td>- Develop Leadership</td>
<td>- ISR</td>
<td>- ISR</td>
<td></td>
</tr>
<tr>
<td>- Reduce partnering ratios over time</td>
<td>- Joint Effects</td>
<td>- Selected Joint Effects</td>
<td></td>
</tr>
<tr>
<td>- Support Command and Control</td>
<td>- In extremis MEDEVAC</td>
<td>Provisonal QRF</td>
<td></td>
</tr>
<tr>
<td>- Provide access to</td>
<td></td>
<td>Regional QRF</td>
<td></td>
</tr>
<tr>
<td>- Intelligence, Surveillance, Reconnaissance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Joint Effects</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Logistics and MEDEVAC</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Provide tactical QRF</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Source:** IJC July 2011
Will Transition in Afghanistan Even Matter:
The Challenge of Pakistan and Central Asia
The Challenge of Pakistan

• **Pakistan is as or more complex than Afghanistan**
  – Tribal and religion overtones, yet strong national identity, multiple ethnicities, most desire some form of democracy, a worsening economy but a nuclear weapons state

• **Foreign intervention resented in most of the country**
  – Predominantly an Indian issue, but strong resentment against the US and UK; appears to be growing against Taliban

• **Tribal values and traditional core beliefs still dominate large parts of the country**
  – “Outsiders” trying to impose new ideas and beliefs create tension; nature of tribal traditions can supersede Islam

• **Army is perceived to be more capable (and dependable) than the government**
  – Regarded as a positive influence in the FATA and NWFP because they are locally recruited and able to work within local systems

• **Large numbers of internally displaced people from years of fighting, a poor economy and natural disasters**
  – Potential breeding ground for the Taliban…but offers opportunities for counter-radicalization programs

• **Violations of Pakistan sovereignty may contribute to radicalizing the population and diminishes credibility of the Government of Pakistan**
  – Demonstrates an inability of the government; perception they cannot protect their own; exacerbates anti-western sentiment

---

Staying the course in Pakistan as important as staying the course in Afghanistan

Source: Adapted from Major General Michael Flynn, *State of the Insurgency, Trends, Intentions and Objectives*, Director of Intelligence, International Security Assistance Force, Afghanistan, U.S. Forces, Afghanistan, as of 22 DEC, 2009
Successful Transition in Afghanistan is Pointless Without Stability in Pakistan

Pakistan is strategically far more important than Afghanistan, and plays a critical role in any ability to achieve even a limited form of victory in the war. This has been recognized in the unclassified portions of US President’s Quarterly reports to Congress since mid-2010.

As is the case with GIRoA’s lack of capacity and public support, the lack of Pakistani support for the fighting against Al Qa’ida, Taliban, Haqqani network, and other insurgents and extremist was recognized as a critical challenge in forming the new strategy, As is the case with GIRoA, the lack of Pakistani activity and support was seen as a threat equivalent in many ways to the insurgency.

The US has succeeded in pushing Pakistan towards some forms of cooperation, but at the cost of steadily more hostile Pakistani military and public attitudes towards the US. Aid at best “rents” partial support from a steadily more hostile and unstable state.

Pakistan clearly continues to provide covert support for Haqqani and elements of the Taliban. Pakistan continues to seek influence over Afghan Pashtuns, and see Afghanistan as a key area for competition with India. It is not a strategic partner as distinguished from a nation with limited common interests with the US acting under considerable US pressure, and constantly seeking its own advantage.

It is obvious from media sources, polls, and US and Pakistani official statements that many of the tensions between Pakistan and the US/ISAF have grown rather than diminished. It is also clear that unless this situation can be reversed, gains in Afghanistan may not have any strategic meaning, any political settlement within Afghanistan can become unstable or a prelude to defeat, and pursuing the war cannot produce a stable outcome or have grand strategic meaning.

More broadly, there are virtually no unclassified reports or metrics that show the current state of Al Qa’ida in Pakistan and the world, that track the possibility of denying terrorists and extremist some form of sanctuary, and provide an overview of the operations and strength of threat forces in both Afghanistan and Pakistan.

Further, the argument that US success in Afghanistan makers instability in Pakistan less dangerous has never been subject to meaningful scenario analysis or justification.
Decreasing National Hopes for the Future

Question: “As far as you are concerned, do you think that the new year will be better or worse than the last one?”

Results suggest decreasing hope in Pakistan over the last decade (though things are slightly better than last year's historic lows...)

Source: Gilani Poll conducted by Gallup Pakistan
President’s Quarterly Report: March 2011

• “Pakistan is central to our efforts to defeat al-Qa’ida and prevent its return to the region. We seek to secure these interests through continued, robust counterterrorism and counterinsurgency cooperation and a long-term partnership anchored by our improved understanding of Pakistan’s strategic priorities, increased civilian and military assistance, and expanded public diplomacy.

• “With regard to al-Qa’ida’s Pakistan-based leadership and cadre, we must remain focused on making further progress towards our ultimate end-state, the eventual strategic defeat of al-Qa’ida in the region, which will require the sustained denial of the group’s safe haven in the tribal areas of western Pakistan.

• [...] Large elements of Pakistan’s military remain committed to maintaining a ratio of Pakistani to Indian forces along the eastern border. This deprives the Pakistani COIN fight of sufficient forces to achieve its “clear” objectives and support the “hold” efforts, while encouraging pre-engagement aerial bombardment that increases the number of displaced persons, and causing available Army forces to be bogged down with “hold” activities because there are insufficient trained civilian law enforcement personnel to assume that responsibility.

• Pakistan security forces remain largely static during this reporting period (Oct. 1 – Dec. 31, 2010), generally focused on maintaining the security of previously cleared areas in the FATA and KP and continuing to support flood relief operations.

• In January, Pakistani military and paramilitary forces began Operation BREKHNA, an effort to clear militants from Mohmand Agency using 6,000 Pakistani security forces along with ISR assets and ISAF ground troops and fire support on the Afghanistan side of the border. This effort expanded to include some operations in neighboring Bajaur Agency. It is important to note that this is the third time in the past 2 years that the Army has had to conduct major clearing operations in the same agency; a clear indicator of the inability of the Pakistani military and government to render cleared areas resistant to insurgent return.

• [...] What remains vexing is the lack of any indication of “hold” and “build” planning or staging efforts to complement ongoing clearing operations. As such the re remains no clear strategy towards defeating the insurgency in Pakistan.

Source: President Obama, Report to Congress on Afghanistan and Pakistan, March 2011, White House, April 5, 2011,
DoD on the Role of Pakistan: April 2011

Within its borders, Pakistan has a pivotal role to play in U.S. efforts to disrupt, dismantle, and defeat al-Qaeda and its affiliates; to help bring about and ensure a durable political solution in Afghanistan; and to promote and sustain long-term regional stability so the United States does not again face a region that is home to terrorist sanctuaries.

Pursuing a long-term U.S.-Pakistani strategic partnership based on a foundation of mutual interest, mutual respect, and mutual trust guides a whole-of-government, civilian-military effort. The long-term goal is for the U.S. strategy to lead to enduring linkages between the United States and Pakistan; stronger trade and investment ties; continued and deepened military and intelligence relations that support regional stability; and a secure Pakistan linked to its neighbors through a growing economy enabled by improved security.

There are significant hurdles to reaching that vision. The history of U.S.-Pakistani relations is fraught with negative perceptions on both sides, leading many in both countries to see the others’ pursuit of strategic objectives as being driven by transitory national security interests. To date, efforts on both sides have yielded some progress in improving this relationship. However, it will take a long-term relationship to overcome years of mistrust in order to achieve a long-term strategic partnership based on mutual interests.

The U.S. approach with Pakistan is to build an effective partnership that advances both U.S. and Pakistani interests – while also demonstrating to Pakistan that the United States will remain a strong and long-term supporter of Pakistani security and prosperity. Central to this effort is aligning both U.S. and Pakistani interests in the near-term with respect to denying safe haven to all violent extremist organizations. Although great strides have been made in the U.S.-Pakistani bilateral relationship over the past two years, heightened sensitivities regarding Pakistani sovereignty can set back this progress.

…Operational and tactical coordination between ISAF, ANSF, and Pakistan’s security forces has improved in quality and quantity over the past two years; however, significant challenges remain in building mutual trust and cooperation between Pakistan and Afghanistan, given the complex historical relationship between the two countries.

Insurgent capacity continues to be supported by sanctuaries and logistical support originating in Pakistan, and insurgents will likely retain operational momentum in areas where these support structures exist. Consolidating security gains made during the reporting period requires more progress with Pakistan to eliminate these sanctuaries. Although putting pressure on insurgent sanctuaries in Pakistan would not be sufficient to end the Afghanistan conflict in the near-term, it would fundamentally alter the strategic balance of the conflict in favor of ISAF and the Afghan Government.

Pakistan’s military leadership has improved cross-border coordination with ISAF and the ANSF. Since October 2010, a series of high-level meetings between Afghan and Pakistan military leaders have gradually improved communication and cooperation, particularly in the border region. At the most recent high-level meeting, the 33rd Tripartite Commission in March 2011, ISAF and ANSF leaders met with Pakistani Army leaders in Pakistan for discussions on increasing cooperation and communication along the border.
The Coming Strategic Train Wreck

- Pakistan’s strategy is contradictory – two mutually exclusionary goals
  - Insuring Pakistan friendly/neutral regime in Afghanistan through Taliban restoration
  - Strategic Partnership with US to address key economic, infrastructure and social issues.

- Continued presence of Afghan Taliban sanctuaries makes coalition failure in Afghanistan more likely
  - Coalition withdrawal under these circumstances would likely include a minimization of US engagement with Pakistan – loss of desired partnership and most (if not all) of US assistance
  - Taliban unlikely to re-gain level of control over Afghanistan they had in 2001
  - Northern Alliance likely to obtain Indian support - still present a threat to strategic flank

- Taliban will remain uncontrollable surrogates even should they return to power
  - Support Pakistan Taliban and extremists inside Pakistan
  - Support AQ and international terrorists

- Doing nothing is a “default” position: A failure to actively address Taliban sanctuaries and leverage the Taliban to reconciliation will likely result in Coalition disengagement from Afghanistan and Pakistan – leaving impoverished Pakistan with a crumbling infrastructure, social upheaval, a growing internal insurgency and limited outside supporters

Source: US Experts
Sliding Response Scale in US-Pakistani Competition

**PAKISTAN**
- Limiting US presence
- LOC Interference
- LOC Closure
- Increase support to Afghan TB
- Firing on US Drones
- Etc

**US AND COALITION**
- Withholding Coalition Support Funding
- Curtail FMF
- Limit movement to US
- Withhold IMF support
- Curtail diplomatic mission
- Conduct unilateral operations

Source: US Experts
National Public Opinion Polls

Negative Ratings for U.S., but Most Want Better Relations

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Confidence in Obama</td>
<td>8</td>
</tr>
<tr>
<td>Favorable view of U.S.</td>
<td>17</td>
</tr>
<tr>
<td>Want improved relations with U.S.</td>
<td>64</td>
</tr>
</tbody>
</table>

Greatest Threat to Pakistan

<table>
<thead>
<tr>
<th>Threat</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>53</td>
</tr>
<tr>
<td>The Taliban</td>
<td>23</td>
</tr>
<tr>
<td>al Qaeda</td>
<td>3</td>
</tr>
<tr>
<td>All (Vol)</td>
<td>5</td>
</tr>
<tr>
<td>None (Vol)</td>
<td>6</td>
</tr>
<tr>
<td>Don't know</td>
<td>10</td>
</tr>
</tbody>
</table>

"Of all of these threats I have named, which of these is the greatest threat to our country?" (Pew Research Center Q100)

The High Cost of Rental: U.S. Military Assistance Has Been Extensive

2001-2010 US military assistance equaled US$13.3 billion

<table>
<thead>
<tr>
<th>Year</th>
<th>Other</th>
<th>PCF/PCCF</th>
<th>Section 1206</th>
<th>FMF</th>
<th>CSF</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002-2004</td>
<td>173</td>
<td></td>
<td></td>
<td>375</td>
<td>3121</td>
</tr>
<tr>
<td>2005</td>
<td>50</td>
<td>400</td>
<td>28</td>
<td>299</td>
<td>964</td>
</tr>
<tr>
<td>2006</td>
<td>73</td>
<td></td>
<td>14</td>
<td>297</td>
<td>862</td>
</tr>
<tr>
<td>2007</td>
<td>85</td>
<td></td>
<td>56</td>
<td>297</td>
<td>731</td>
</tr>
<tr>
<td>2008</td>
<td>163</td>
<td></td>
<td></td>
<td>298</td>
<td>1019</td>
</tr>
<tr>
<td>2009</td>
<td>175</td>
<td>114</td>
<td></td>
<td>300</td>
<td>685</td>
</tr>
<tr>
<td>2010 (est.)</td>
<td>239</td>
<td>700</td>
<td></td>
<td>288</td>
<td>1489</td>
</tr>
<tr>
<td>2011 (req.)</td>
<td>169</td>
<td>1200</td>
<td></td>
<td>296</td>
<td></td>
</tr>
</tbody>
</table>

The High Cost of Rental:
U.S. Civilian Assistance Grew Rapidly

<table>
<thead>
<tr>
<th></th>
<th>2002-2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010 (est.)</th>
<th>2011 (req.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Migration and Refugee Assistance</td>
<td>22</td>
<td>6</td>
<td>10</td>
<td>4</td>
<td>60</td>
<td>42</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intl. Disaster Assistance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Human Rights and Democracy Funds</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>11</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food Aid</td>
<td>46</td>
<td>32</td>
<td>55</td>
<td></td>
<td>50</td>
<td>55</td>
<td>142</td>
<td>90</td>
</tr>
<tr>
<td>Economic Support Funds</td>
<td>1003</td>
<td>298</td>
<td>337</td>
<td>394</td>
<td>347</td>
<td>1114</td>
<td>1292</td>
<td>1322</td>
</tr>
<tr>
<td>Development Assistance</td>
<td>94</td>
<td>29</td>
<td>38</td>
<td>95</td>
<td>30</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Global Health and Child Survival</td>
<td>56</td>
<td>21</td>
<td>28</td>
<td>22</td>
<td>30</td>
<td>33</td>
<td>30</td>
<td>67</td>
</tr>
</tbody>
</table>
Dubious Future US Strategic Interests in Central and South Asia

The failure to fully address the strategic impact of Pakistan has been compounded by a broader failure to treat the Afghan War in net assessment terms and to examine its grand strategic impact:

• It is not clear that US resources and strategic interests make a US focus on Afghanistan, Pakistan, Central Asia, and South Asia the kind of strategic priority that justifies anything like the current scale of wartime and aid expenditure. If the US and its European allies are increasingly pushed towards hard strategic trade-offs, East Asia, the Gulf, Africa, and Latin America all seem to be of more grand strategic importance.

• Russia and China have natural sphere of influence and far more reason for investment and economic competition in Central and South Asia. It is not clear that the US private sector in particular will seek a major role in Central Asia that justifies a sustained strategic presence.

• Much of the current focus on estimates of the value of a “new silk road” and “1.4 trillion in Afghan minerals” seem little more than efforts to justify the war and interest in the region, or a “triumph of hope over experience.” Best-case outcomes based “wishtimates” are not a case for either assuming Afghanistan has great strategic value or can suddenly become self-financing and develop. The same is true of Central Asia.

• Stability in Afghanistan will have limited strategic value at best if instability in Central Asia and Pakistan become critical problems – a possibility that is all too real.

These are not decisive arguments against the war, any more than the problems raised by Pakistan. They do, however, illustrate the need for far better strategic and grand strategic analysis of the reasons for the war, of what “transition” really means in strategic and grand strategic terms, and for creating narratives and metrics that are based on reality and ruthlessly objective metrics.