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America's Failed State Wars in Afghanistan, Iraq, Syria, and Yemen: Still Less Than Half a Strategy

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Anthony H. Cordesman

The U.S. needs to make critical and time-sensitive decisions regarding the future of its wars in Afghanistan, Iraq, Syria, and Yemen – as well as in its broader struggle with terrorism and extremism, and its dealings with Iran. The U.S. is now trapped in four “failed state” wars where there are no clear prospects for lasting “victory” unless the current threats can be defeated at the military level *and* the host country can both develop forms of politics and governance that can create an enduring peace and also make enough progress in recovery and development to sustain peaceful stability.

At this point, it is unclear that tactical victories against a current enemy can create a temporary peace in any given war. It is all too clear that any form of real and lasting peace requires “victory” at the civil level as well as the military one, and that such a victory has three critical components: political unity, effective governance, and economic progress. Economic progress must mean progress for all of the elements of a country’s population in order to provide a lasting incentive for unity and cooperation among the major factions.

The U.S. cannot go on lurching from withdrawals to new commitments and back or hoping that some limited additional military commitment will somehow sustain a war of attrition that mysteriously has a happy ending. Political, military, and economic forces are at work in all four of America's current wars where the U.S. needs far clearer strategies. And, if the United States is to have any lasting success, it must be a strategy that has all three elements of a successful grand strategy – warfighting, peacemaking, and lasting stability

More broadly, the U.S. needs to learn how to apply strategic triage, and when and if it should commit forces and resources to “failed states.” The answer in many cases may be to focus on containment and the support of states where U.S. support can clearly make a critical difference. In those cases, the U.S. must learn to address both the military and civil dimensions of counterterrorism and counterinsurgency. It must not only act in ways that defeat a given enemy but deal with the civil failures that empower that enemy in the first place.

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The Need for Meaningful Strategies

Three Presidents into our current series of wars, we still lack even half a strategy for all four of our active wars. The most successful element of our present strategies is the military one, but that success is more tactical than strategic and focuses on defeating the immediate enemy rather than achieving a lasting form of "victory." It isn't clear in Syria, Iraq, Afghanistan or Yemen how we can go from "win" to "hold" to "build," and shape a lasting and functional peace.

If there is any one key lesson that we need to learn from our current wars, it is that even the greatest levels of tactical success at the military level cannot win a war in any lasting sense. Victory must also occur at the civil level, and this has two critical components – each of which makes up a critical third of lasting victory.

One third of the civil effort must occur at the level of conflict termination and depends on politics and governance. A peace settlement must be shaped that can achieve enough political unity and support and be implemented by an effective and honest enough government to win lasting support. It is not enough to agree on a cessation of hostilities, drive an enemy from the field, or suppress opposition and hostile challenges for a limited time.

The final third of an effective form of victory occurs at another level of civil activity. It means creating peacetime conditions that can meet enough of the critical expectations and needs of all of a country's major factions and peoples to bring lasting stability. It means enough of a recovery from the costs and suffering of a conflict, enough of a shift towards sustained and balanced economic development, and a focus on dealing with the worst grievances and sources of anger and tension in practical material ways.

At Least Two Thirds of a Grand Strategy Are Missing

At present, even military success is uncertain in each war. More generally, however, the U.S. lacks both elements of a meaningful strategy or grand strategy in both thirds of the civil dimension of its wars. In the case of conflict termination, the U.S. has no clear strategy for terminating any of its four conflicts on a lasting basis, and for achieving the kind of political unit and quality of governance that can achieve a stable peace settlement. All four of the host countries where the U.S. is now fighting either has no effective government or one with strong hostile elements. Each is influenced by pressure from outside powers, and is a failed state in terms of its ability to achieve political unity, limit corruption, heal its internal divisions, and forge a lasting peace.

The U.S. is no better prepared to deal with the final third of a successful warfighting strategy: the need to create a stable peace. Each host country the U.S. supports on a military level is also a failed state in terms of its quality of civil governance, economic progress and ability to meet the needs of all its peoples. Each state faces challenges that go far beyond recovery from war and humanitarian needs. Each must address past decades of failure to modernize and reform its economy, the impact of failed authoritarianism and discrimination, other crises and conflicts, and policies that cost the country a decade or more of development opportunities at a time when the nation was experiencing major population growth.

The U.S. has already wasted many of its opportunities. It has made serious mistakes in all four cases at the times it had maximum freedom of action. It has failed to mobilize its allies effectively, as well as win support from international institutions. Other outside powers – notably Russia, Iran, Pakistan, and Turkey – present growing problems in successfully terminating each conflict, and

each host country remains deeply divided with factions that can easily slide back into conflict even if the lead current enemy is largely defeated in the field.

There is, however, only so long that we can wait. The civil dimension of war has reached the crisis point in each of our four conflicts. The U.S. now may have to settle for the least-bad options, but it cannot keep relying on limited tactical victories – or limited military support of Yemen – and ignore the real-world probabilities of negotiating any kind of lasting peace or stable development.

The States of Wars

Strategy cannot be based on giving priority to hope over experience, or on constantly repeating the same mistakes and expecting a different result. The Afghan conflict is well into its seventeenth year. The Iraq conflict is into its fifteenth. Both have been the scenes of failed military withdrawals, and both still have no clear path towards any lasting form of victory. Both have failed to produce stable governments, workable democracies, and meet the economic and security hopes of their people. In fact, the U.S. failures in nation building in Afghanistan and Iraq have led the U.S. to nearly abandon serious efforts at aid and nation building in all its conflicts.

Afghanistan and Iraq are both experiencing serious political and economic crises. Afghanistan faces a coming election that may well shape its future capability to achieve some working form of unity, conduct a war own, and even negotiate a peace on favorable terms. Iraq is trying to cope with its second failed election, and lacks effective governance at a time that government action is desperately needed to preserve its faltering steps towards unity.

U.S involvement in the wars in Syria and Yemen are more contained, and more recent, but no more successful. The U.S. had opportunities for decisive action for several years after the Syrian civil war began in 2012, but it let the conflict slide into near oblivion. Syria instead became far more of a proxy for Iran and the scene of a major growth of Russian influence in much of the Middle East.

U.S. support of the Saudi-UAE led coalition in Yemen has not helped either strategic partner win and has dragged the U.S. into an air war with too many civilian casualties and yet another land war that no one seems able to win. Worse, Yemen's expanding population, terrible governance, tribal and regional divisions, and failed economic development had made it a crisis state long before the beginning of its civil war. Today it is the most failed state of all the failed states where the U.S. is fighting.

The Military Dimension: Even One-Third of a Strategy?

The one potential area where the U.S. has had some success in a strategic sense is in the military dimension, and even that success is uncertain in all four cases. The U.S. has made tactical improvements in its use of air power, and in its selective use of train-and-assist and counterinsurgency support of host country land forces, with some success. It has sharply cut the cost of its wars, the presence of major U.S. ground forces, and its casualties.

This success, however, does not apply to Yemen, and is so selective in Syria that it involves less than one-eighth of its populated area. It is unclear that it can ever defeat the Taliban or other rebel factions in Afghanistan, and it is defeating the ISIS "caliphate" in Iraq in ways that will leave many ISIS fighters still in place and leave deep ethnic and sectarian tensions that can lead to new fighting, and may end in giving Iran even greater strategic influence over Iraq's forces.

Even where the U.S. has had the most tactical success, it is unclear that it can ever win in a lasting strategic sense, much less move on the second third of a meaningful grand strategy – a successful and enduring peace settlement. When it comes to the third element – successful stability and development – the U.S. seems to have virtually rejected the need to help achieve successful nation building and stability

"Winning" the Fight Against Terrorism and Extremism in Syria

The U.S. wars (or war) in Iraq and Syria are currently being touted as successes against ISIS – and they do seem to be real successes in the sense that the U.S. and its partners have nearly destroyed the ISIS "caliphate" and its ability to rule over a substantial area. However, defeating ISIS in the field and focusing on one, most immediate enemy, and breaking up the "caliphate" – offers little prospect of any form of lasting victory against extremism and terrorism in either Syria or Iraq.

No one can currently predict how many ISIS fighters will survive the current battle in Syria and Iraq, how many will continue to be active, and how many active fighters will stay with whatever form of ISIS – or new extremist organization – emerges out of the fighting. Most experts, however, estimate that there may well be thousands and possibly even tens of thousands of fighters left, and some are certain to reemerge as an organized threat. This helps explain why senior U.S. officials and commanders have warned that that the remnants of ISIS are likely to be fighting for years to come, and that new extremist groups can easily rise if Iraq does not develop a far more capable and unified government, or if Assad or some clone try to rule through violence and repression.

Syria is also a worst case in the sense that ISIS only occupied a relatively small and less populated part of Eastern Syria where the Kurds made up a significant portion of the population and almost all of the population was Sunni. The bulk of the fighting took place in the West, where most of the population and Syria's economy is concentrated, its population is far more divided in religious terms, and the fighting was between a wide and constantly changing mix of Sunni Arab factions – whose extremist elements had links to Al Qaida rather than ISIS – and an Assad faction that came to include Alawites, Shi'ites, and other minorities as well as Sunnis, the Hezbollah, Iranian volunteers, and Russia.

Here, it is important to take a hard look at the data on the patterns of terrorism in Syria – which in some important ways are a mirror image of the patterns of terrorism in the other countries where we are now at war. **Figure One** shows the latest trend estimates from the START data base – the data base used by the State Department in its annual Country Reports on Terrorism.

These trend data have many critical uncertain ties – and no source of such data seems to agree with another. However, the START data seem likely to be broadly correct in showing that ISIS at most accounted for something 30% of the total terrorist threat in Syria between 2000 and 2017 – the last year for which data is available.

These are also the kind of figures one might expect from a Syrian civil war that has been fought largely in areas outside ISIS control, and between an Iranian and Hezbollah-backed mix of pro-Assad forces and a wide and constantly shifting mix of Arab Sunni rebel factions – many extremist groups with at least some current or past links to Al Qaida. In many ways, the U.S. fight against ISIS in Syria has been a sideshow. The main war in Syria and the cause of well over 60% of its killed, injured, displaced, and refugees has been the fighting between the Assad faction and Arab rebels – not ISIS.

Like all of the four nations where the U.S. is currently fighting, Syria is a country divided by both sect and ethnicity. The Kurds may be the fighters to which the U.S. is most closely tied, but the CIA *World Factbook* estimates that they make up well under 10% of the population, and 90% is Arab. Similarly, the CIA estimates that Syria is 87% Muslim and 74% Sunni. Assad's Alawite are part of the 13% of the population the CIA estimates are Ismaili, and Shia – which most Sunni extremists feel are not Muslims but heretics. The remainder are 10% Christian 10% (includes Orthodox, Uniate, and Nestorian), 3% Druze 3%, and a handful of Jews in Damascus and Aleppo.

The intensity of the conflict between a non-Sunni regime and a majority Sunni population may help explain why some estimates show that Syria has had a remarkably high level of fatalities and injuries relative to the number of terrorist incidents. More generally, virtually all sources agree that it is Arab Sunnis that have made up the vast majority of the more than 400,000 Syrian that **Figure Two** shows were estimated to have been killed in the civil war back in 2016 – largely by the forces of Assad faction. The collection of accurate casualty data has grown steadily more difficult in 2017 and 2018, but the total fatalities have since probably risen to well above 500,000. It is also all too clear that far more may die if some peaceful solution is not found to the fate of some 3,000,000 Syrians in Idlib.

Similarly, it was Assad forces fighting Sunni rebel groups other than ISIS that were the main cause of the massive humanitarian crisis described later in this report. In brief, the Office of the United Nations High Commissioner for Human Rights (ONHCHR) estimates that this fighting drove more than the half of the population into becoming a refugee or an internally displaced person (IDP) that lost their job/business and home in the process. It stretches the imagination to the breaking point to assume that any outcome of the defeat of the "caliphate," and the last rounds of the Assad attacks on Sunni rebels in areas like fighting in Idlib that leaves Assad in power will fail to create new Sunni resistance movements and that these will be any less extreme than their predecessors.

It is also far from clear what purely military option if any the U.S. now has to deal with this situation. Staying in Eastern Syria, and continuing to back a largely Kurdish-led coalition and enclave, means relying on hope. It means hoping that simply staying will somehow allow the U.S. to exploit the mysterious rise of some half-way moderate force that will eventually push Assad out of power, and/or that Russia and Turkey will somehow agree with the U.S. on an acceptable peace. Rhetoric aside, this may actually be the real-world version of the new Syria "strategy" that the U.S. announced in mid-September 2018. Nevertheless, it is a strategy based on luck rather than probability.

In fairness there are no good options left. Withdrawal of U.S. support for the Kurdish-led coalition would be seen as giving up and as a defeat. It would make Iraq more vulnerable and make further ethnic clashes involving the Kurds more likely. Negotiating a peace settlement or ceasefire on terms favorable to Assad, Russia, and Iran to terminate the conflict will mean leaving Syria to a future of repression and future terrorism and conflict.

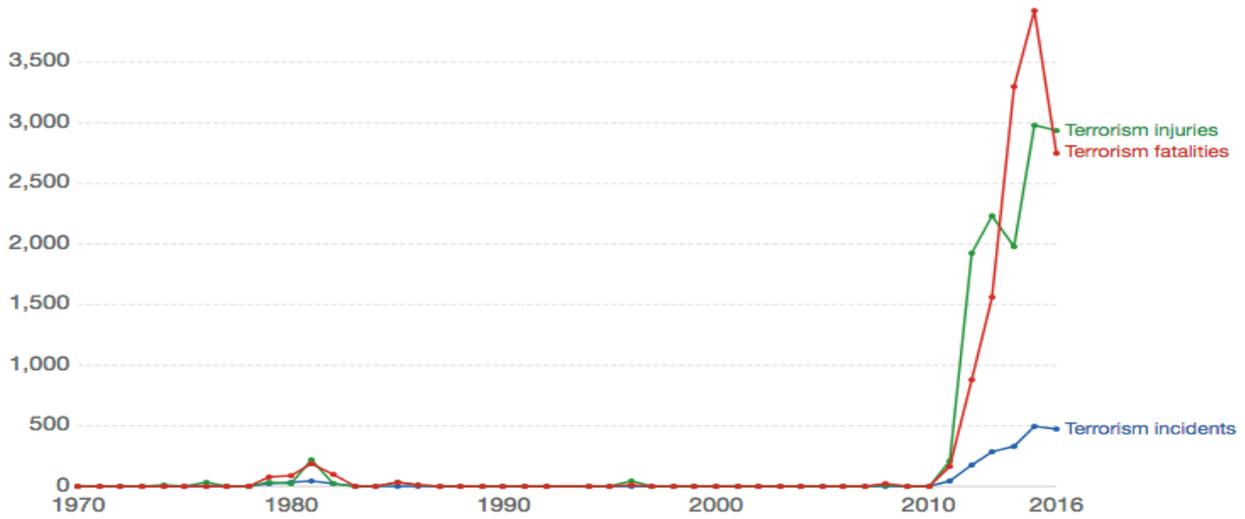
Continuing to strongly back an independent and nationalist Iraq – and providing enough U.S. and international aid to help Iraq move towards stability and become a major barrier to Iranian ambitions – is likely to accomplish far more than simply confronting Iran. It will also help Iraq meet the critical civil challenges described later in this study, and at least begin to address the civil side of a successful strategy.

The U.S. needs to find whatever levers it can at the civil to try to shape the broader outcome of the fighting in in Syria, and create a stable and viable regime. It may well be too late to remove Assad – or tightly limit or eliminate Iranian, Russian and Turkish influence. The U.S. may be able to exert some influence simply by continuing to support the Turkish-Arab enclave in Northeastern Syria, and this will help fully defeat or contain ISIS, but it will also mean continuing tension with Turkey. Simply providing humanitarian relief is unlikely to do more than strengthen the Assad regime.

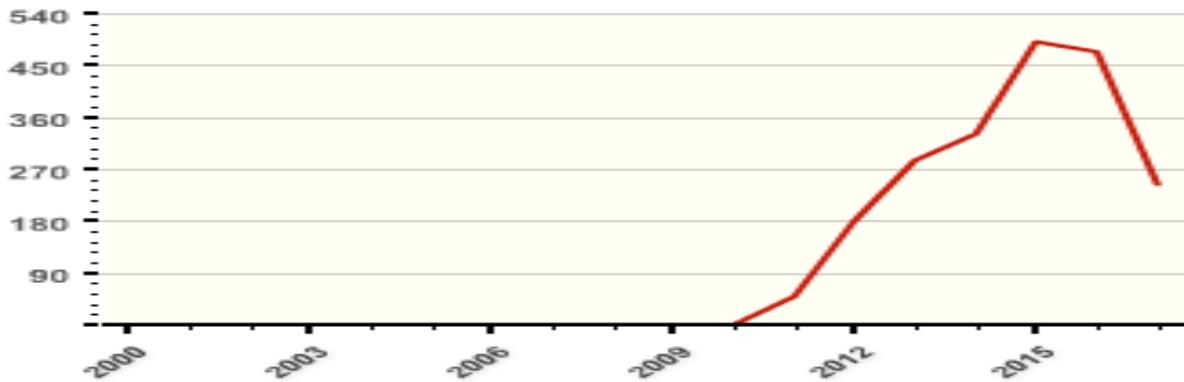
One option that might provide the U.S. with more leverage would be to offer the kind of conditional civil aid package discussed later in this analysis. Creating a conditional international aid package large enough to act as a real incentive to that might eventually push Syria into ousting or limiting Assad and hostile Iranian and Russian influence it is was clear that this was the price of such aid.

Figure One: ISIS does Not Dominate Terrorism in Syria: 1970-2012

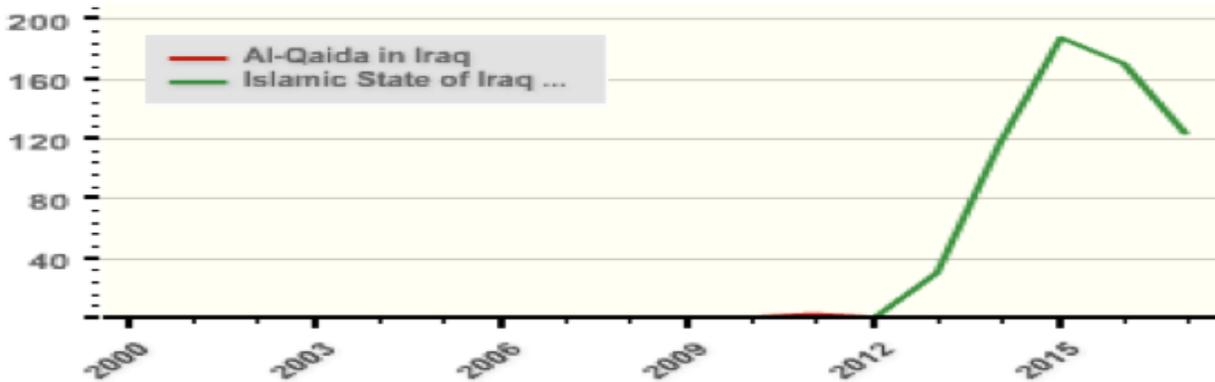
Syria: Our World in Data, Incidence, Fatality, and Injury from Terrorist Attacks



Syria: START – All incidents (2,055)



Syria: START – Al Qaida and ISIS (626 Incidents = 30% of Total)

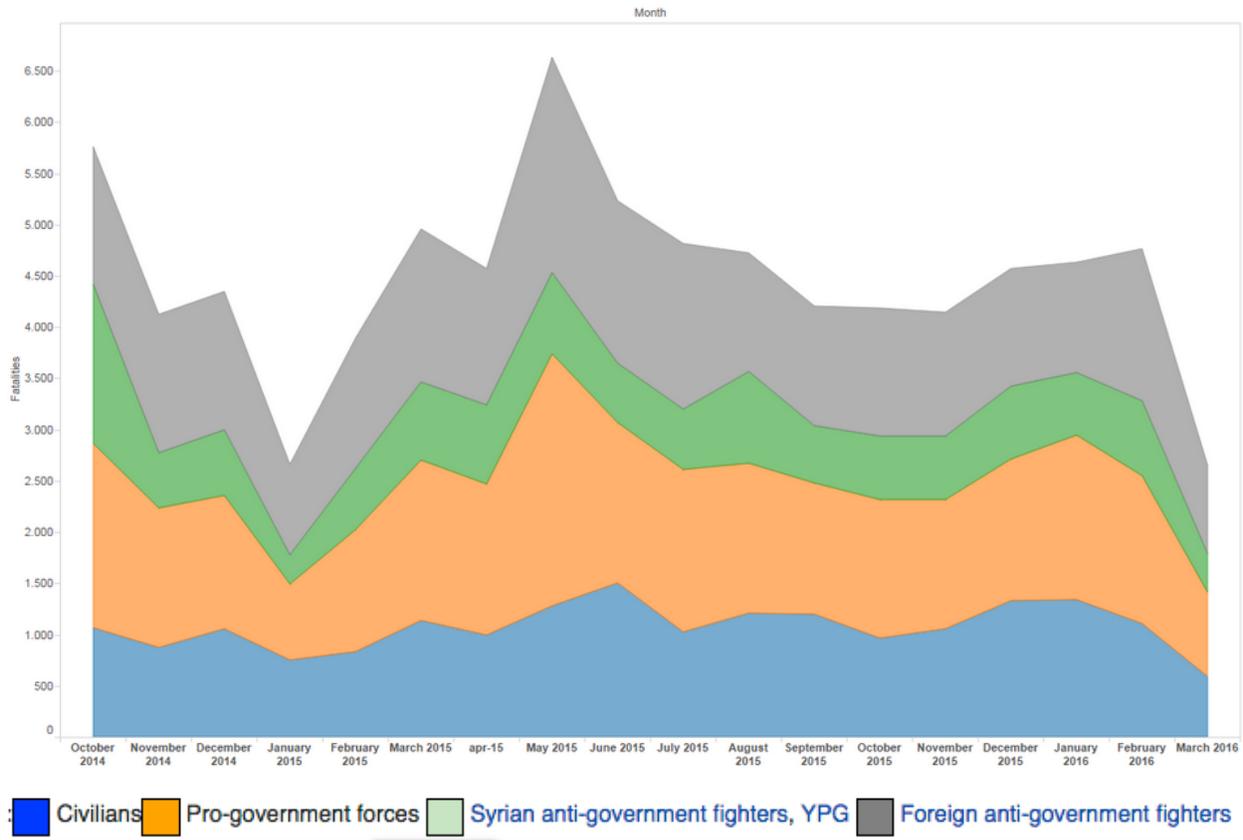


Note: Does not include acts of state terrorism, most acts of terrorism in combat, and smaller non-state actors. Casualties and Injuries include both victims, and perpetrators.

Source: adapted from START, Advanced Data Base, <https://www.start.umd.edu/gtd/>; and “Terrorism,” Our World In Data, January, 2018, <https://ourworldindata.org/terrorism>

Figure Two: Casualties in the Syrian War

Casualties Through March 2016



Casualties Through September 2018

All of the following totals include civilians, rebels and government forces:

Source	Casualties	Time period
Syrian Centre for Policy Research	470,000 killed ^[12]	15 March 2011 – 11 February 2016
UN and Arab League Envoy to Syria	400,000 killed ^[2]	15 March 2011 – 23 April 2016
Syrian Observatory for Human Rights	364,792–522,000 killed ^[1]	15 March 2011 – 12 September 2018
Violations Documentation Centre	164,343 killed ^[13]	15 March 2011 – 24 September 2018

Source: Adapted from WIKIPEDIA, “Casualties of the Syrian Civil War,” https://en.wikipedia.org/wiki/Casualties_of_the_Syrian_Civil_War.

"Winning" the Fight Against Terrorism and Extremism in Iraq

The prospects for a lasting military defeat of the ISIS "caliphate" in Iraq seems relatively good, but it is far less clear that the threat of ISIS or other Sunni extremism and terrorism is over, that Sunni versus Shi'ite tensions and violence will not take new forms, or that Iraq can avoid future clashes between its Arabs and Kurds or over Iraqi Kurdish ties to extremist local Kurdish movements in Turkey and Syria.

Any serious military success again depends on success at the civil level. It depends on blocking future sectarian and ethnic conflict. It depends on a new Iraqi government fully including Sunnis and Kurds in power sharing, politics, the security forces, and in the benefits of the government's oil wealth. And, it depends on the formation of a new Iraqi government that is not tied to Iran, to Iranian-backed militias, and to a de facto tilt towards making Iraq a Shi'ite state.

At the same time, Iraq is similar to Syria in several critical respects. Defeating the "caliphate" does not mean defeating ISIS forces and volunteers or eliminating the threat of sectarian and ethnic violence. Worse, stopping at the defeat of ISIS might well end in aiding Iran in expanding its influence in both Syria and Iraq.

The data on the trends in terrorism in Iraq in **Figure Three** make it all too clear that ISIS is only one terrorist and extremist threat among many. The START data indicate that ISIS and Al Qaida combined for less than a quarter of recent terrorist incidents between 2000 and 2017. Other START data in the Annex of Statistical Information of the State Department Country Reports on Terrorism for 2017 indicate that even if one compares all ISIS attacks in both Iraq and Syria to the total attacks in Iraq alone, ISIS only accounted for 39% of the attacks in 2016 and 43% in 2017 – the years dominated by the fight against ISIS.

The casualty data in **Figure Four** reflect the most direct human cost of sectarian and ethnic violence from 2003 to September 2018. They cover all sectarian and ethnic fighting relative to ISIS/ISIL alone, and make it clear that Iraq's internal divisions are as serious as those in Syria in security terms because Iraq's key ethnic and sectarian factions are more equal in numbers, and there is no credible form of an Iraqi authoritarian regime that can ruthlessly suppress Sunni or Kurdish challenges to a Shi'ite dominated central government.

The CIA estimate of the scale of Iraq's sectarian and ethnic differences is dated, but is probably broadly correct estimating that Iraq's population is 75%-80% Arab, 15-20% Kurdish, and 5% other (includes Turkmen, Yezidi, Shabak, Kaka'i, Bedouin, Romani, Assyrian, Circassian, Sabaeans-Mandaean, Persian). It estimates that Iraq's sects are 95-98% Muslim (official) 95-98% (Shia 64-69%, Sunni 29-34%), 1% Christian (includes Catholic, Orthodox, Protestant, Assyrian Church of the East), and 1-4% other.

ISIS is only one symptom of a much broader national disease. Sunni and Shi'ite sectarian tensions have festered since Iraq's founding, sectarian clashes became common after the start of the Iran-Iraq War in 1980, and **Figure Four** shows that the U.S. invasion in 2003 made things far worse when it allowed de-Baathification to push Iraq's ruling Sunni elite out of power in ways that replaced it with de facto Shi'ite rule. In spite of some moments of progress towards unity, there was serious Sunni versus Shi'ite fighting from 2006-2009 that resumed in 2011-2012, and then led to ISIS's successful invasion in late 2012.

ISIS's extremism – like that of Sunni extremism in 2005-2009 – seems to be ending by creating a new spirit of nationalism but that spirit will only survive if the Shi'ite-led government helps Sunnis

recover from the recent fighting, share power, and shares the nation's oil wealth. The recent Iraqi election has shown that then Prime Minister Abadi's success in largely driving ISIS out of Iraq was no substitute for an effective government at the civil level, proper and honest government services, and real economic benefits and recovery efforts that actually reached the people. These are all aspects of civil progress that Shi'ite-led governments have failed to make since 2003. It was former Prime Minister Maliki's efforts to keep power after 2010 by favoring Shi'ites and suppressing the Sunnis that led to the initial Sunni-Shi'ite riots and fighting in western Iraq during 2011-2012, and that created the conditions that made the ISIS invasion from Syria a success.

ISIS was largely defeated by Shi'ite-dominated regular government forces and Shi'ite Popular Militia Forces that have strong ties to Iran. So far, key Shiite clerics like Sistani have pushed hard for national unity, but Iraq's political situation remains highly volatile, there are armed Sunni militias as well, and another failure in governance and fair economic policies could trigger a massive new round of fighting.

Ethnic uncertainties are just as serious. Iraq's Kurds have repeatedly sought their independence since the period before the founding of modern Iraq, and have fought both Sunni and Shiite Arab-led governments repeatedly since the 1960s. The risks of future conflicts – which cannot be separated from the risks of Kurdish conflicts in Turkey and Syria – were illustrated in October 2017 when central government forces reacted to a Kurdish referendum calling for independence by sending in Iraqi forces to take back areas occupied by the Kurdish Regional Government and Pesh Merga.

Iraq's Kurds are weakened by the fact they are also deeply divided internally, as are their military and security forces, and over links to Turkish and Syrian Kurdish independence movements. Decades of Kurdish self-destructiveness are scarcely over, and Kurdish parties like KDP and PUK are often as much of threat to the Kurds as any outside ethnic group. However, any Iraqi central government that is not inclusive and attempts to deny the Kurds a fair share of Iraq's oil revenues and budget faces the risk of creating new rounds of fighting – particularly if a Shi'ite-dominated central government again triggers fighting between Arab Sunnis and Shi'ites.

Outside powers will remain a major problem as long as Iraq does not have a strong, united, and effective government. Iraq also has a major Iranian presence with ties to its government, senior Shi'ite figures, Popular Military Forces that have only loose ties to the central government security forces, and at least some points of major influence over Iraqi military forces, security forces, police, and elements of the justice system.

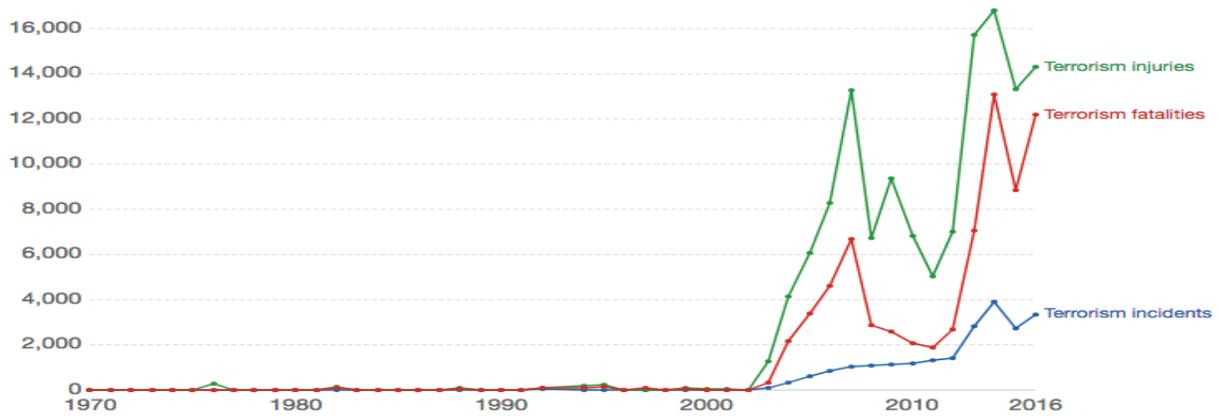
The U.S. actively competes with Iran for influence in Iraq, and in some ways, the U.S. role in helping Iraqi force defeat ISIS has made it easier for Iran to seek to push the U.S. out and dominate Iraq (and Syria). Iran no longer has to fear the creation of a hostile Sunni "caliphate" on its borders, and the loss of U.S. support of Iraqi forces would, if anything, make Iraq more dependent on Iran. . If anything, successfully pushing the U.S. out would make Iraq more vulnerable to Iranian pressure and exploitation of Iraq sectarian differences and tensions.

At a different level, the U.S. also competes with both Iran and Russia in supporting the Iraqi military and security services, and faces serious uncertainties in dealing with Turkey because of U.S. ties to the Iraqi Kurds. Russia has again become a major source of Iraqi arms purchases, and is slowly expanding its advisory role. U.S. air support of Iraqi forces, and ground support of Iraq's elite counterinsurgency forces, scarcely mean that Iran lacks influence over some elements of the Iraqi military.

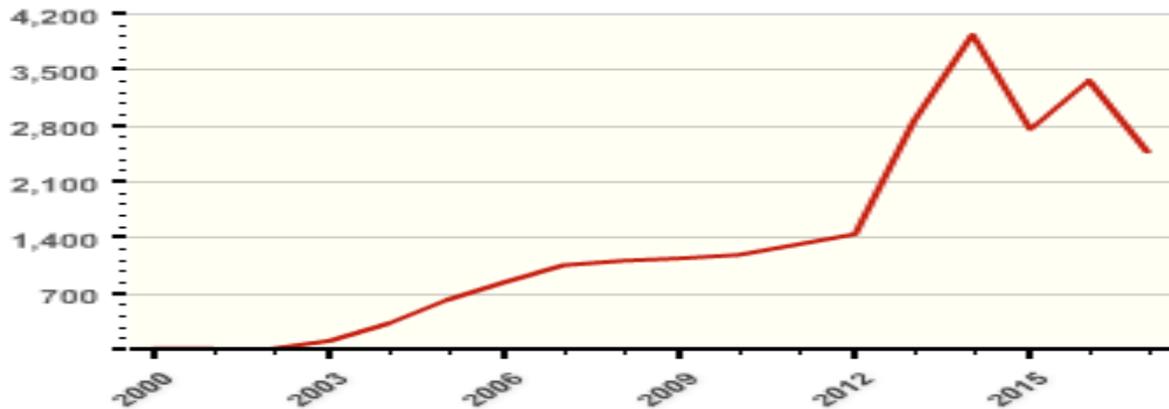
In short, there have been more positive trends in Iraq than in Syria, but simply defeating ISIS does not mean that new forms of extremism, terrorism, and civil war will not occur, that Iraq will be secure enough to govern and develop, or that Iraq will not be influenced or even eventually be dominated by a hostile outside power. Once again, the U.S. needs to have a strategy with strong civil incentives and efforts, not simply rely on its military ties to the Iraqi military and central government.

Figure Three: ISIS does Not Dominate Terrorism in Iraq: 1970-2012

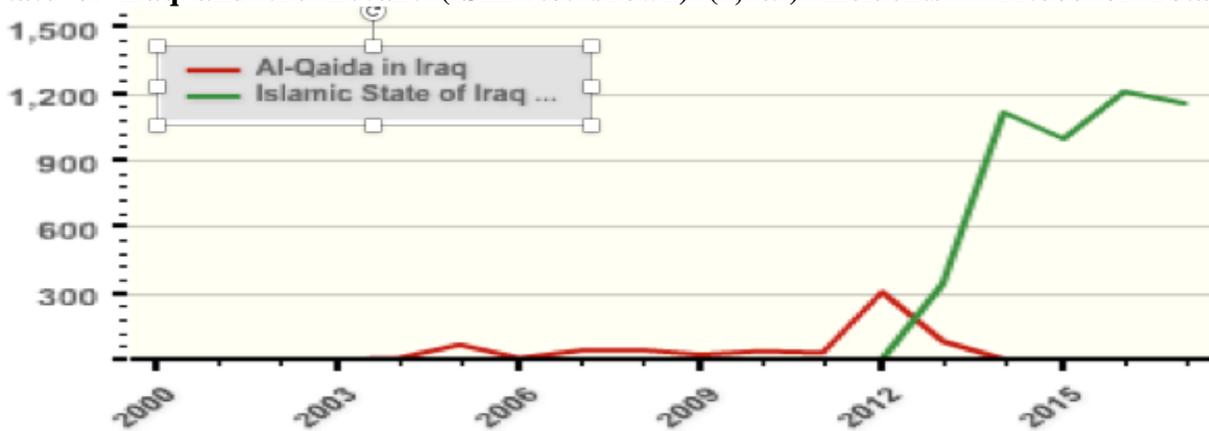
Iraq: Our World in Data, Incidence, Fatality, and Injury from Terrorist Attacks



Iraq: START – All incidents (24,475)



Iraq: START – by Major Perpetrator, Al-Qaida in Iraq; Islamic State of Iraq (ISI); Islamic State of Iraq and the Levant (ISIL-Not shown) (5,589) Incidents = 22.8% of Total



Note: Does not include acts of state terrorism. most acts of terrorism in combat, and smaller non-state actors. Casualties and Injuries include both victims, and perpetrators.

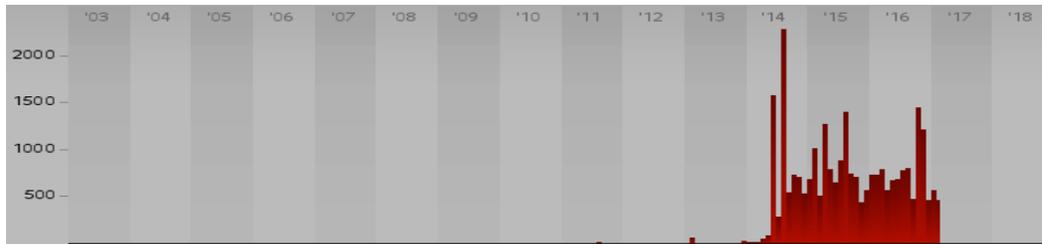
Source: adapted from START, Advanced Data Base, <https://www.start.umd.edu/gtd/>; and “Terrorism,” Our World In Data, January, 2018, <https://ourworldindata.org/terrorism>

Figure Four: Casualties in the Iraq Wars Since 2003

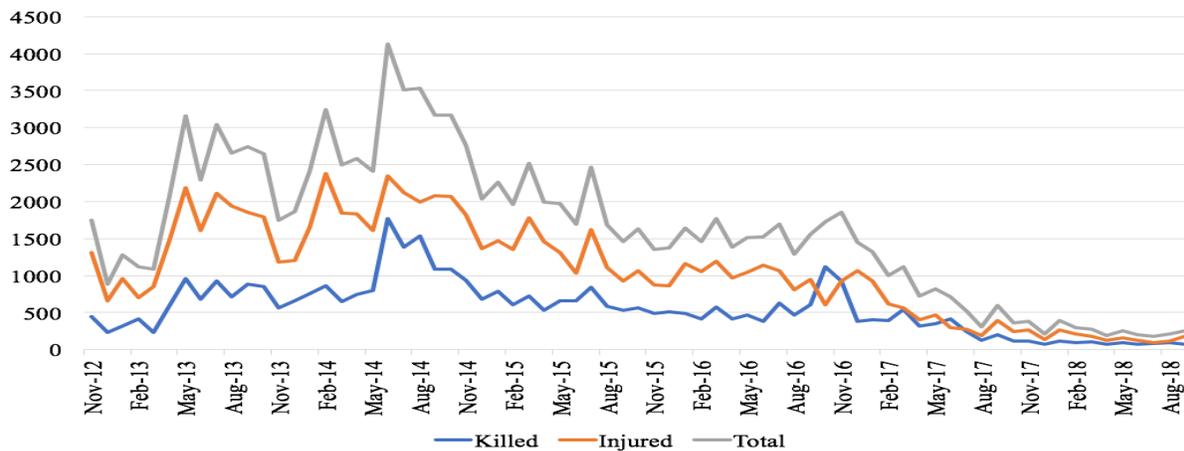
Total Civilian Deaths Caused by All Sides: 2003-August 2018 (Iraq Body Count)



Death Caused by ISIS: 2003-August 2018 (Iraq Body Count)



Total Civilian Casualties in Fight Against ISIS: 11/2012 to 9/2018 (UN Estimate)



Source: Iraq Body Count Data Base, <https://www.iraqbodycount.org/database/>, accessed 3.10.18; and UN Iraq, UN Casualty Figures for Iraq for the Month of August 2017, http://www.uniraq.org/index.php?option=com_k2&view=item&id=7865:un-casualty-figures-for-iraq-for-the-month-of-august-2017&Itemid=633&lang=en

"Winning" the Fight Against Terrorism and Extremism in Afghanistan

The War in Afghanistan differs radically in many respects from the wars in Syria and Iraq, but not in the fact that there is no prospect of a purely military victory. Afghanistan too is a failed state with deep ethnic and tribal, and some sectarian divisions. The CIA estimates that it is 99.7% Muslim 99.7% (Sunni 84.7 - 89.7%, Shia 10 - 15%), other 0.3% (2009 est.).

The CIA does not breakout ethnic and tribal groups. The Agency reports that, "current statistical data on the sensitive subject of ethnicity in Afghanistan are not available, and ethnicity data from small samples of respondents to opinion polls are not a reliable alternative." It does note, however, that, "Afghanistan's 2004 constitution recognizes 14 ethnic groups: Pashtun, Tajik, Hazara, Uzbek, Baloch, Turkmen, Nuristani, Pamiri, Arab, Gujar, Brahui, Qizilbash, Aimaq, and Pashai."

Like Syria and Iraq, Afghanistan has been the scene of a failed U.S. attempt to withdraw its military forces, and it too is a "failed state" that has suffered from a failed election and a lack of unity and effective central government. Like Syria and Iraq, Afghanistan has not made economic progress that has benefited its people. The World Bank estimates that poverty began to increase in 2008 – as the right roes and in spite of a flood economic aid – and the limited improvements in some aspects of government services and efforts to provide a civil rule of law have fallen far short of expectations and failed to materialize in much of the country.

Like Iraq, U.S. efforts to rush the military development of Afghanistan failed, subsequently halting the total withdrawal of U.S. combat forces. Unlike Iraq, however, the reintroduction of limited numbers of U.S. ground troops and a large surge of U.S. airpower seems to have at best produced a military stalemate. Afghan ground forces can so far secure major population centers with U.S. military support, but show no prospect of being able to stop the growth of Taliban and insurgent influence and control in the countryside.

More broadly, the Afghan central government sometimes seems to be more the government of "Kabulstan" than of Afghanistan. Its present leadership by President Ashraf Ghani and CEO Abdullah Abdullah is an awkward compromise between the two main candidates of a presidential election that proved to be too corrupt and controversial to elect one leader firmly over the other. Afghanistan's legislature is weak and ineffective, its levels of corruption are among the highest in the world, and its internal problems are reinforced by external problems with power brokers, warlords, and narco-traffickers.

The patterns of "terrorism" in Afghanistan are shown in **Figure Five**. It should be noted that the START counts seem considerably more credible in this case than the Our World in Data counts, The START data indicate that the Taliban inflicted a much higher percent of total attacks than ISIS and Al Qaida did in Syria and Iraq, and this indicates that a total military defeat of the Taliban might have more lasting effect – *if* such a defeat were possible and *if* the Taliban could somehow be denied its sanctuary in Pakistan.

At the same time, labeling the Taliban as a "terrorist" organization seems questionable at best. It is a former government, hostile, and a serious insurgency, but most of its operations do not seem to meet the criteria used to define "terrorism" in the State Department Country reports. It is fighting along the same broad lines of insurgent and asymmetric warfare as many other threat forces, and it worth pointing out that there are few indicators that it has participated in actual international terrorism, as distinguish from hosted movements like Al Qaida.

At the same time, it is slowly gaining territory, it is a major barrier to economic growth and development, and it does dominate wartime civilian casualties. The UN casualty data in **Figure Six**, which cover the fighting in Afghanistan during its peak period from the beginning of 2009 to the present, do highlight the high level of violence in Afghanistan and show that anti-government elements remain the main cause of civilian deaths. Figure Six only covers the period through 2017, but the United Nations Assistance Mission to Afghanistan (UNAMA) reported in mid-July 2018 that,"

"According to the [latest figures](#) released on Sunday by the UN Assistance Mission in Afghanistan, known as [UNAMA](#), there were 5,122 civilian casualties (1,692 deaths and 3,430 injured) in the first six months of 2018 – a three per cent overall decrease in casualties from last year. But civilian deaths were up by one per cent, the most recorded in the same time period since UNAMA began documenting civilian casualties in 2009."

"From 1 January to 30 June 2018, Anti-Government Elements caused 3,413 civilian casualties (1,127 deaths and 2,286 injured), approximately the same as in the first six months of 2017. UNAMA attributed 67 per cent of all civilian casualties to Anti-Government Elements, with 42 per cent attributed to Taliban, 18 per cent to *Daesh*/ISKP, and seven per cent to unidentified Anti-Government Elements (including less than one per cent to self-proclaimed *Daesh*/ISKP).

"Suicide and complex attacks by Anti-Government Elements caused 1,413 civilian casualties (427 deaths and 986 injured) – 257 more casualties from 12 more attacks than the same period in 2017.6 This marked a rise of 22 per cent in civilian casualties from suicide and complex attacks compared to the same period in 2017. UNAMA attributed 52 per cent of civilian casualties from suicide and complex attacks to *Daesh*/ISKP, 40 per cent to Taliban, and the remainder to unidentified Anti-Government Elements."

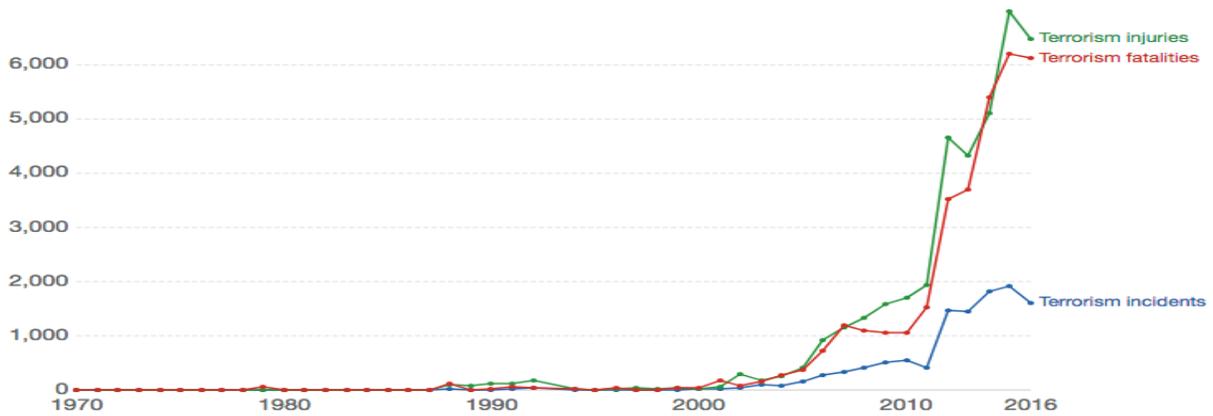
As for gaining territory, reporting on insurgent activity in the countryside – and on influence and control of Afghanistan's official Districts by the Department of Defense, outside sources, and media like the Long War Journal – also differ in detail. They do all agree, however, that the trend has recently favored the Taliban and other insurgents and that insurgent control and influence continue to increase. Afghan military casualties seem to have increased to levels that the U.S. Special Inspector General for Afghan Reconstruction (SIGAR) states halted unclassified reporting.

In short, Afghanistan remains a war of attrition where both sides have similar warfighting capability. There are no meaningful unclassified indicators that Afghan government tactical victories are winning the war even at the tactical military level. There is no clear military parallel to the situation in the Syrian and Iraq Wars where the U.S. is backing a strategic partner that can defeat the immediate enemy. Moreover, as is addressed in the next major section of this analysis, the Afghan government has largely failed its people at the civil level. It does not seem less popular than the Taliban, but it is scarcely doing its best to win hearts and minds.

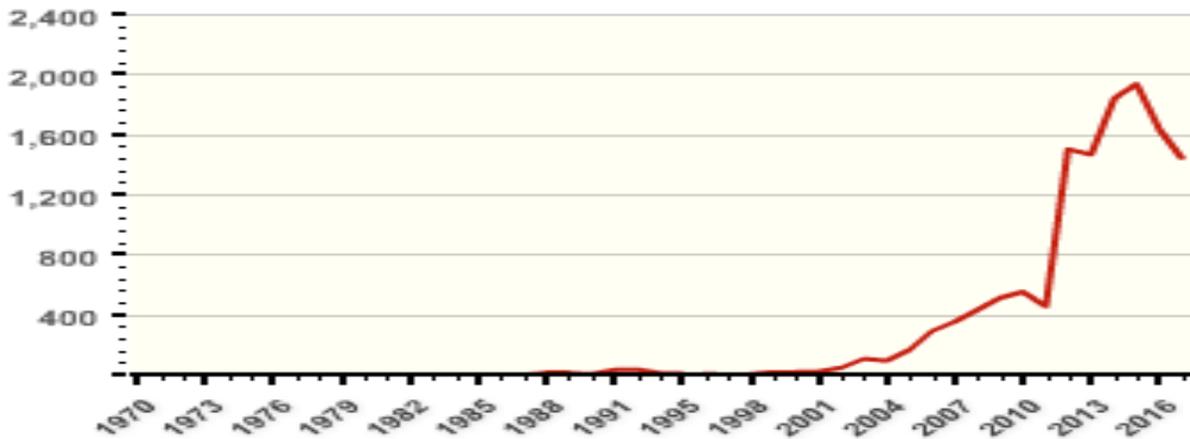
Accordingly, the key issues in shaping a U.S. strategy for the civil side of war are not finding options to secure an uncertain peace and bringing lasting stability. They are rather whether it is possible to reform and reshape the civil structure of Afghan governance to bring real national unity and effective governance, whether government services and the economic benefits provided to ordinary Afghans can win more popular support, and whether it is possible to create both the military and civil conditions necessary to create real world options for a peace with terms acceptable to the Afghan central government and favorable to the United States.

Figure Five: Terrorism in Afghanistan: 1970-2012

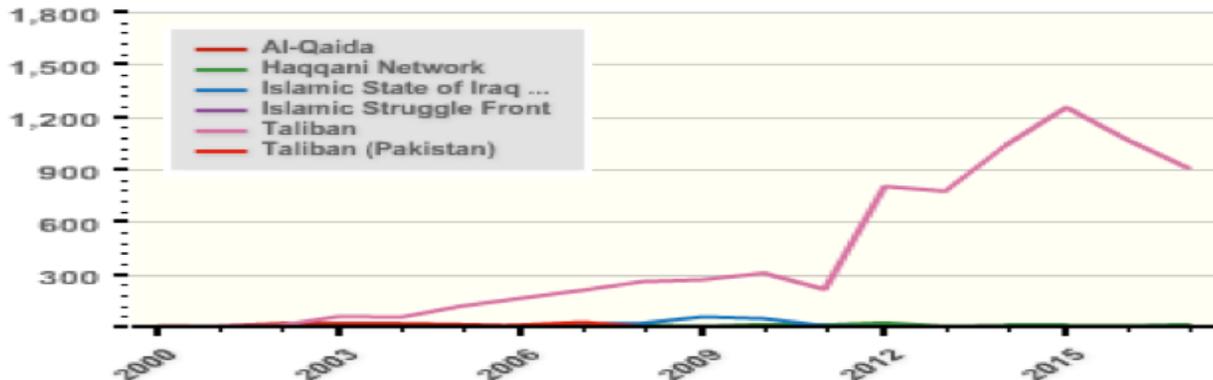
Afghanistan: Our World in Data, Incidence, Fatality, and Injury from Terrorist Attacks



Afghanistan: **START** – **All incidents** (12,607)



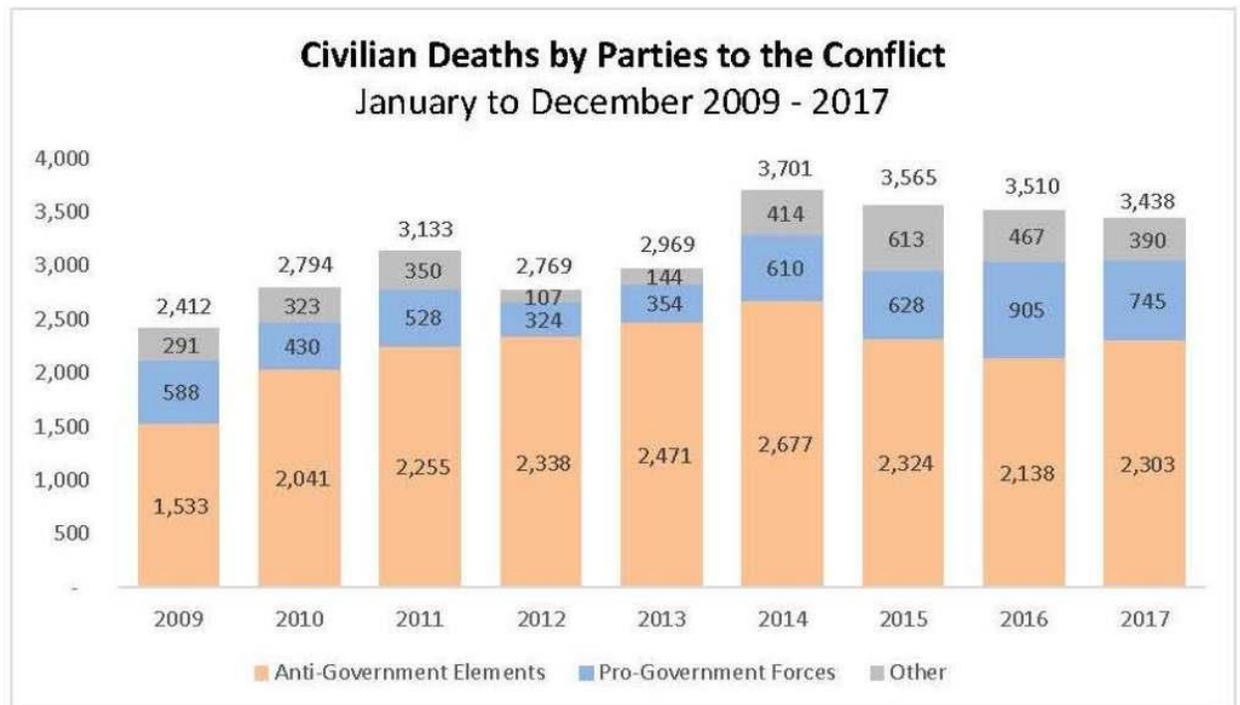
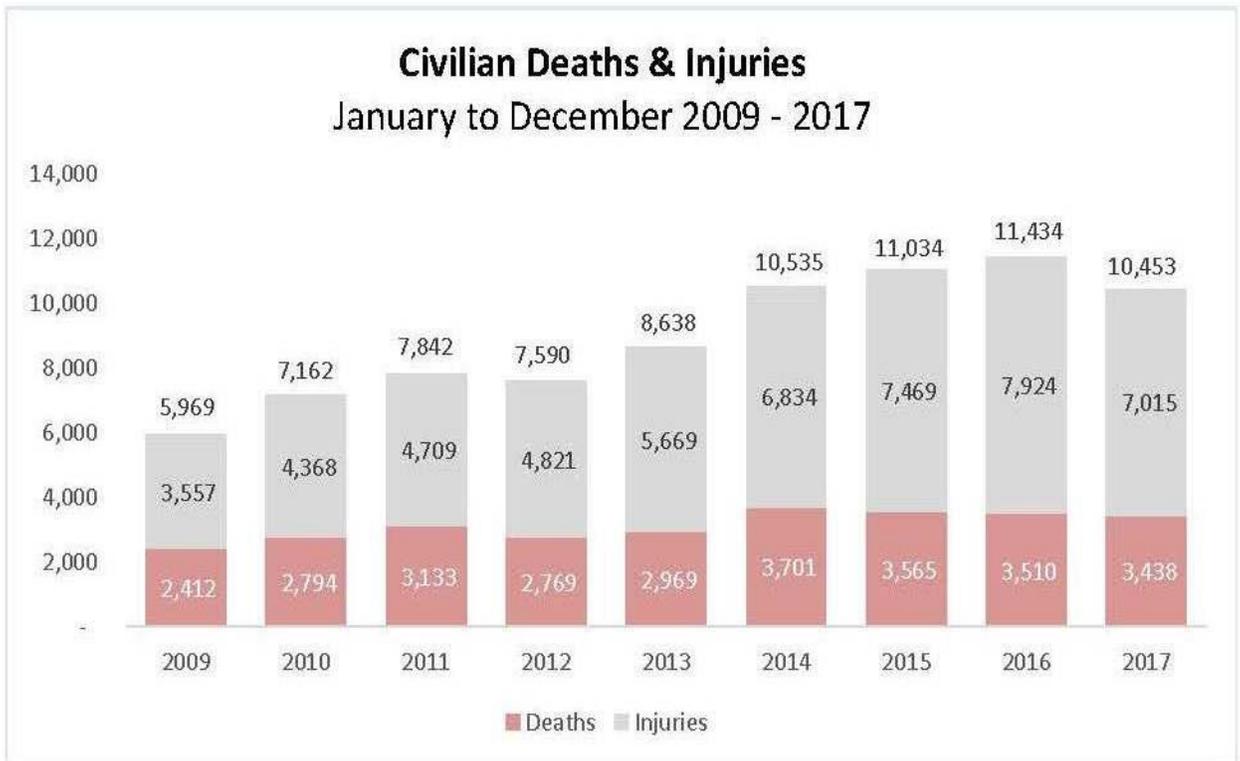
Afghanistan: **START** –by Major Perpetrator, Taliban, Al Qaida, ISIS, Haqqani (7852 Incidents = 62% of Total)



Note: Does not include acts of state terrorism. most acts of terrorism in combat, and smaller non-state actors. Casualties and Injuries include both victims, and perpetrators.

Source: adapted from START, Advanced Data Base, <https://www.start.umd.edu/gtd/>; and "Terrorism," Our World In Data, January, 2018, <https://ourworldindata.org/terrorism>

Figure Six: Civilian Casualties in the Afghan War Since 2009



Source: UNAMA, 2017 Annual Report on *Protection of Civilians in Armed Conflict*, 15.2.18, <https://unama.unmissions.org/protection-of-civilians-reports>

"Winning" the Fight Against Terrorism and Extremism in Yemen

The last of America's four wars is the one to which it is least committed. The U.S. now supports the Saudi-UAE led coalition in backing what the UN recognizes as the legitimate government of Yemen against a largely Houthi and Shi'ite force supported by some elements of the former Saleh government and military. It provides air refueling, intelligence and targeting data, precision munitions, technical support and maintenance, and some training and military advice to the Saudi and UAE air forces, and advice and selective training to relevant elements of the Saudi and UAE land forces, navies, counterterrorism and other security forces.

At the same time, the U.S. works with its strategic partners to defeat Al Qaida in the Arabian Peninsula (AQIP) – which is now centered in Yemen – and other extremist elements in Yemen. This includes executing a small number of air and other operations in Yemen. The effort to defeat AQIP is particularly important because it is the element of Al Qaida now most active in operations outside the MENA region and in targeting the United States.

The practical problem for the U.S. is that the real-world legitimacy of the Yemeni government is based on a tenuous one candidate "election" that replaced Yemen's previous dictator – Ali Abdullah Saleh – with Field Marshal Abd Rabuh Manur Hadi as "President" in late February 2012. Hadi had been Vice President since 1994, and he was selected as a compromise candidate when Saleh was pushed out of power as a result of the upheavals that came as part of the broader upheavals in the region that began with the Arab spring in 2011.

Hadi showed little real ability to govern, however, or for coping with Yemen's deep sectarian and tribal divisions and uncertain unity between its north and south. Saudi Arabia also encouraged his limited efforts to federalize the areas occupied by Yemen's Houthis who had formed their own paramilitary faction called Ansar Allah, and who were centered in Northwest Yemen near the border with Saudi Arabia.

The Houthi had been involved in a series of border clashes with Saudi Arabia. The Houthis, however, had emerged as steadily more competent and independent military force – arguably with substantial support from Iran after 2010. They formed their own coalition called the Supreme Revolutionary Committee, joining with the now deposed Saleh and key elements of Yemen's Army. This coalition seized power from Hadi in January 2015. Hadi did escape to Aden in February, but then had to flee the country in late March 2015, as the Houthi forces approached the outskirts of the city after occupying the nearby Al Anad Air Base which had been the location of a small detachment of U.S. special forces.

The Yemeni civil war took serious form when Saudi Arabia actively began to support the Hadi forces and provided funds and arms to help them defend Aden. This effort took on far more tangible form when Saudi Arabia formed a coalition to support Hadi on March 26, 2015 – with strong support from the UAE and support from a number of other Arab states.

The Saudi were reacting in part to both the fear of Iran becoming a dominant influence in Yemen and the entrance to the Red Sea, and Houthi threats that included invading Saudi Arabia and seizing Mecca. Just how "legitimate" Hadi was relative to the Houthi is debatable, but the Houthi-Hadi fighting also initially gave AQIP an opportunity to seize towns and territory in other parts of Yemen, confronting the U.S. with the threat that AQIP could become far more effective as well as the expansion of Iran's influence into a strategically important new area.

The Saudi coalition initially provided the Hadi forces naval and air support beginning on March 26, 2015 and then small elements of ground support – evidently beginning in May. The Saudi Air Force and other Arab Air Forces then began a major bombing campaign against both Houthi and AQIP forces called Operation Restore Hope. This quickly suppressed the pro-Houthi elements of the Yemeni Air Force and has since inflicted major damage and casualties to AQIP – evidently with U.S. intelligence and operational support.

The terrorism data shown in **Figure Seven** is exceptionally uncertain, but it does indicate sharp cuts in both Houthi and AQIP activity. AQIP control of Yemeni territory also seems to be limited, although it is unclear how badly AQIP has been hurt in terms of the size of its cadres and capabilities.

Since that time, Saudi, UAE, and Hadi land forces have been able to secure most of Aden Province and then expand their control of territory in Yemen's West to the point where the Houthi are now limited to a large block of territory – which includes substantial portions of Yemen's population – in the West and Northwest. In December 2017, former President Saleh broke with the Houthi and called for a ceasefire. The Houthi captured and executed him on December 4th, and Saleh's son had his forces break with the Houthi.

The Saudi and UAE have imposed a naval blockade that sharply limits the Houthi ability to import arms and civil goods, as well as Iran's ability to support the Houthi. Their land forces have also approached Hodeida, the one major port still controlled by the Houthi on Yemen's West coast. The bombing and naval blockade has not, however, halted Iranian support, which has come to include substantial numbers of ballistic missiles.

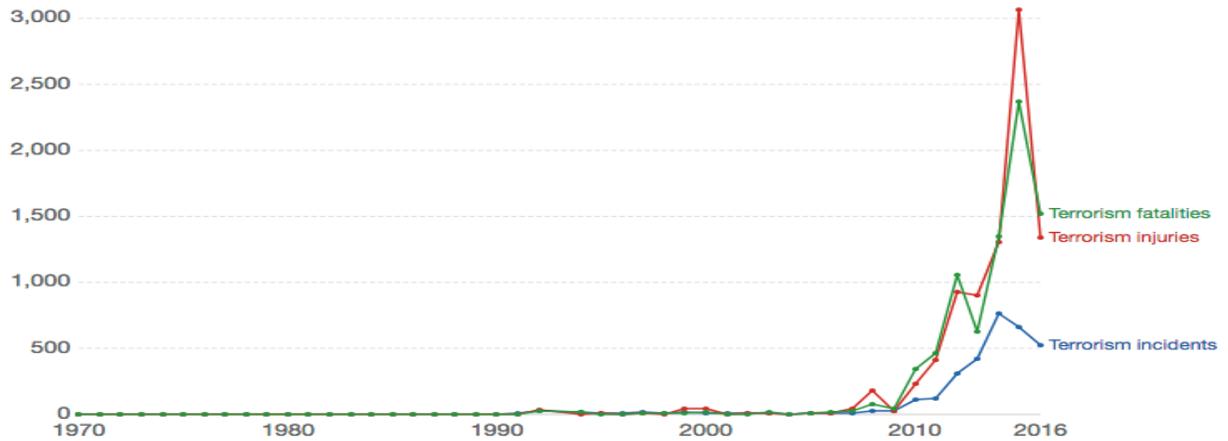
Saudi, UAE, and other Arab Air Forces have also carried out a major strategic bombing campaign – involving tens of thousands of sorties – with the U.S. support mentioned earlier, and the U.S. has continued to strike at AQIP, using aircraft and UCAVs – as well as carry out at least one Special Forces raid. The end result, however, has been to demonstrate that modern airpower is no more capable of independently dominating the land battle than in Vietnam and previous wars.

The bombing also has made Yemen's humanitarian situation far worse, and as the following sections show, Yemen has the potential to become the worst of America's four wars in human terms. **Figure Eight** provides some illustrative data on the casualties involved to match the data provided for the other wars, but there are no reliable data on the total military and civilian casualties. Almost all of the data that is available is also badly skewed towards civilian casualties from air attacks – many clearly based on worst case guesses. The matching data on two- and one-half years of land warfare which involved AQAP and many fights at the local and tribal level are far too low to be credible.

At this point, there is no clear end to the fighting and simply prolonging the fighting has a massive impact on a country as poor and dependent on outside civil aid as Yemen. There also is no clear way of creating a lasting peace settlement given both the internal and external actors shaping the war. Effort after effort to reach a ceasefire or create a new government has failed to bring the Houthi, Hadi government, and other factions together – and the long-standing tensions between the country's north and south seem to be reemerging. Worse, Yemen is now part of the power struggle between Iran and Saudi Arabia and the other Arab Gulf countries.

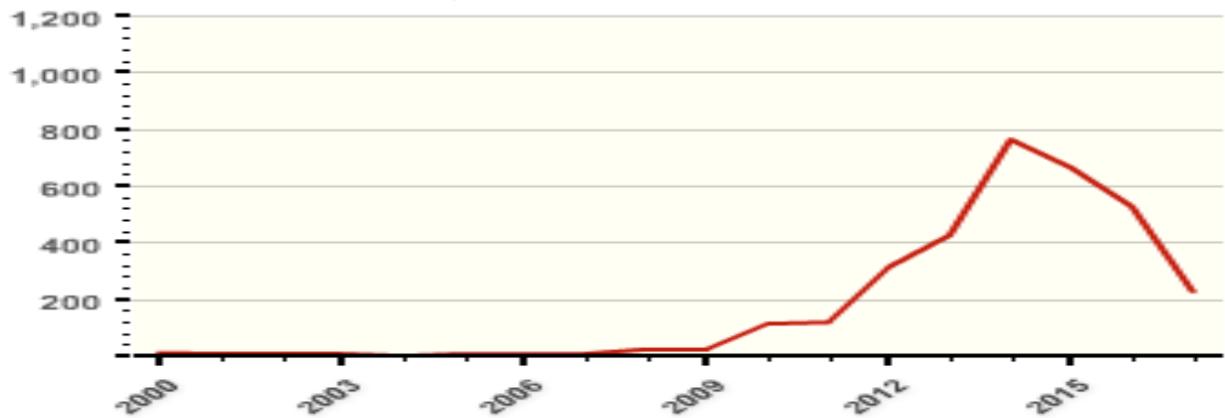
Figure Seven: ISIS does Not Dominate Terrorism in Yemen: 1970-2017

Yemen: Our World in Data, Incidence, Fatality, and Injury from Terrorist Attacks

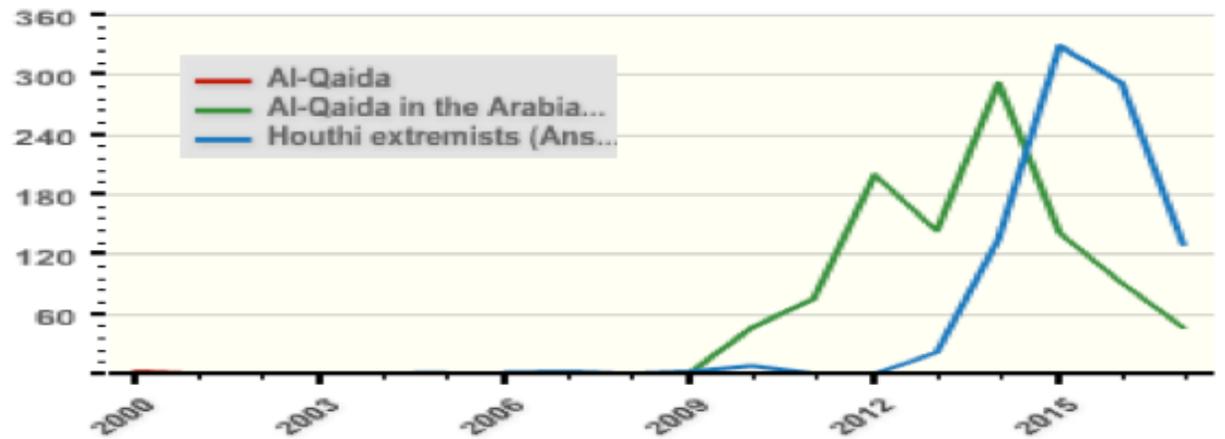


Source: Terrorism incidents - Global Terrorism Database, Terrorism injuries - Global Terrorism Database, Terrorism Fatalities- Global Terrorism Database

Yemen: START – All incidents (3,240)



Yemen: START – (Al-Qaida; Al-Qaida in the Arabian Peninsula (AQAP); Houthi extremists (Ansar Allah)) (1,951 Incidents = 60% of Total)



Note: Does not include acts of state terrorism. most acts of terrorism in combat, and smaller non-state actors. Casualties and Injuries include both victims, and perpetrators.

Source: adapted from START, Advanced Data Base, <https://www.start.umd.edu/gtd/>; and "Terrorism," Our World In Data, January, 2018, <https://ourworldindata.org/terrorism>

Figure Eight: Civilian Casualties in the Yemen War

Human Rights Watch, World Report 2017

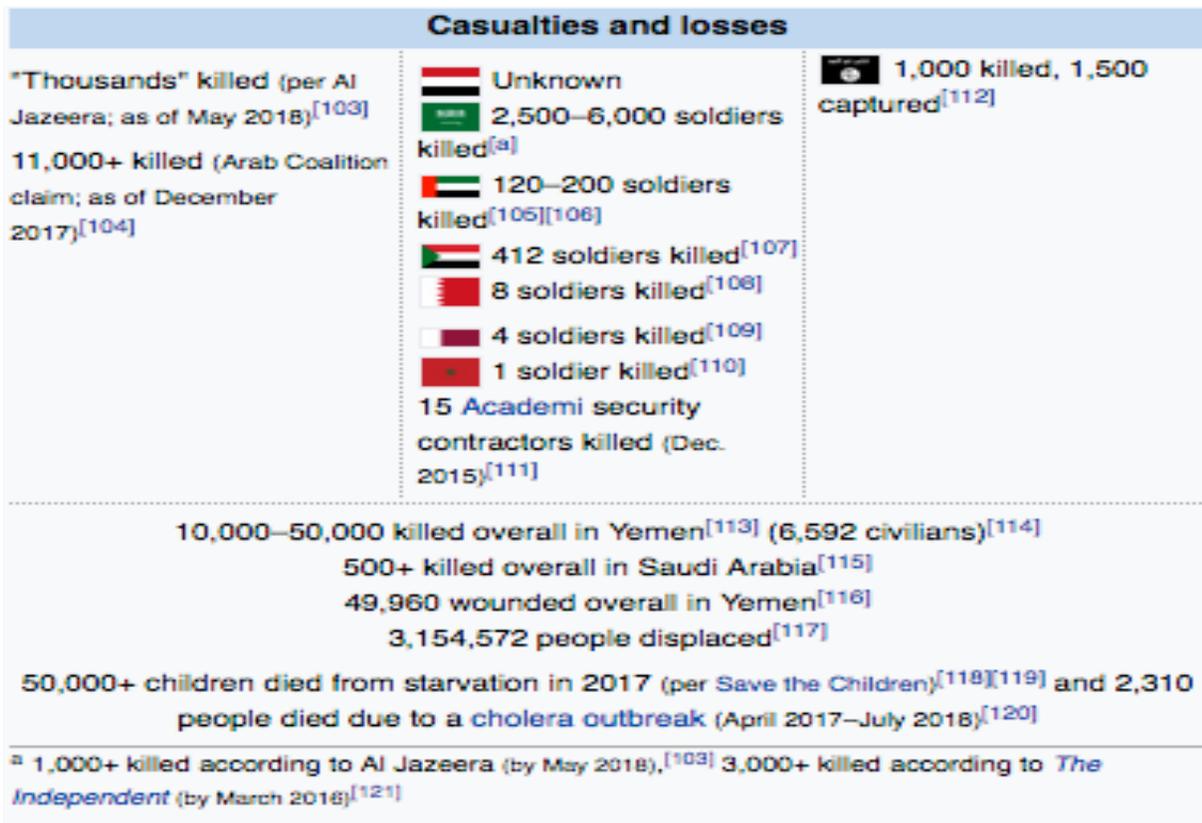
The armed conflict has taken a terrible toll on the civilian population. The coalition has conducted scores of indiscriminate and disproportionate airstrikes hitting civilian objects that have killed thousands of civilians in violation of the laws of war, with munitions that the US, United Kingdom, and others still supply. Houthi-Saleh forces have fired artillery indiscriminately into cities such as Taizz and Aden, killing civilians, and launched rockets into southern Saudi Arabia.

As of November, at least 5,295 civilians had been killed and 8,873 wounded, according to the UN human rights office, although the actual civilian casualty count is likely much higher. The war is also exacerbating the world's largest humanitarian catastrophe. Both sides are unlawfully impeding the delivery of desperately needed humanitarian aid.

Newsweek, September 26, 2018

The United Nations reports that at least 10,000 people have died since the start of the conflict in March 2015, although the number is likely much higher, according to Al Jazeera. Over 22 million Yemenis need humanitarian assistance, the United Nations Office for the Coordination of Humanitarian Affairs said.

Wikipedia Estimate



Source: Human Rights Watch, Yemen Events of 2017, World Report 2018, <https://www.hrw.org/world-report/2018/country-chapters/yemen>; Daniel Mortiz Rabson, "Donald Trump Says 'Yemen Is Getting Better,' But Civilian Casualties Have Increased 164 Percent," *Newsweek*, 9/26/18 at 6:14 PM; Wikipedia, Yemeni Civil War (2015–present), [https://en.wikipedia.org/wiki/Yemeni_Civil_War_\(2015%E2%80%93present\)](https://en.wikipedia.org/wiki/Yemeni_Civil_War_(2015%E2%80%93present)), accessed 2/10/18.

Civil Politics and Governance: The “Second Third” of a Warfighting Strategy

No matter how well the U.S. plans and executes its military operations, it has been all too clear since the U.S. failures in Vietnam that America cannot win wars against serious terrorism and insurgencies solely by focusing on the threat and concentrating on the military dimension. It virtually every case where terrorism, extremism, and insurgencies become a major threat, and threaten the very existence of a current government, the success of such threats occurred because of the scale of the failures of the current political system and level of governance.

Governments do not lose to radicals, terrorists, extremists, or insurgents because of the genius and skill of their opponents. They lose because they fail their people and because the ruling elite loses popular confidence and support. At a given point of civil failure, it also becomes steadily less clear as to whether any outside military support can help. Added force can do a better job of repressing given forms of opposition, but it cannot address the underlying causes of popular alienation.

Limited counterterrorism and military support can work in supporting governments that are unified well governed enough to win the support of all the critical elements of their population. As in Vietnam, however, the civil failures in Syria, Iraq, Afghanistan, and Yemen go far deeper. There are good reasons why U.S. military commanders have stressed against and again stressed that there is no way to win a purely military victory. Nevertheless, U.S. strategy has continued to focus on the threat and finding military means to defeat it.

Focusing on Why Terrorism, Extremism, and Insurgencies Grow and Succeed

A successful U.S. strategy must deal with the reality that the current conflicts in Syria, Iraq, Afghanistan, and Yemen are the product of deep structural civil problems caused by decades of failed politics and failed regimes. Each case differs sharply in important ways, but each regime and has long failed to meet the needs of all its people, and suffers from many of the faults that failed state have in common.

Failed states do not govern effectively and almost always discriminate against key elements of their own population. Regardless of whether they are democracies, monarchies, or authoritarian, they all have governments that fail to meet their peoples' expectations – usually in many different ways. What they have in common is that discrimination and repression by religion, sect, ethnicity, and tribe help lead to terrorism and insurgency – both because of different of belief structures and ideology and acts of political and economic discrimination.

In many cases, however, governments do not discriminate and divide as much as simply fail. They do not provide critical services, provide adequate jobs and economic development and opportunity. The entire hierarchy of governance – or most of it – is highly corrupt. Nepotism and favoritism dominate government jobs, promotions, contracts, along with special economic privilege. Repeated promises of reform and progress fail to be implemented, and the level of political change that does occur simply discredit successive office holders.

Incomes become grossly skewed with high levels of poverty and a small minority with largely unearned wealth. Medical services, education and key services like water and electricity are inadequate. Job and meaningful career opportunities fall far below the needs of a growing population as do housing and transportation. Outside aid is wasted and stolen, goes to show piece

projects that at best benefit a select few, or does little more than secure international credit and payments without producing broad benefits.

Syria, Iraq, Afghanistan, and Yemen also present the problem that no one exists to guard the people from their guardians. In the cases where extremism, terrorism, and/or insurgency take hold, the security services almost always become part of the problem and make things worse.

Elements of the military, police and the justice system become tools of a given leader or faction, a source of repression, or yet another form of corruption. Even when key elements of the military, police, and security services are honest and effective, their efforts are offset by the corruption and ineffectiveness of the other elements of the security forces or the higher levels of government. Every aspect of military and security operations can become caught up in internal rivalry and corruption, the creation of ghost soldiers, failures to provide key services and leave, and divisions that mirror image the ethnic and sectarian differences that threaten national stability.

Democracy is not – by itself – a solution, or a successful path to unity in such cases. Historically, it is an open question as to whether failed or corrupt elections are better than no election, although prolonged repression almost always at best caps internal unrest for a limited time. As one senior Canadian aid official pointed out in Afghanistan, “voting for people in the corrupt and incompetent system changes nothing. If you want to win popular support, you find the peoples’ worst grievances and deal with them. Civil success consists of giving people enough of what *they* want to make them loyal and active supporters of the government.”

There are usually islands of competence and integrity in even the worst governed states, and Syria, Iraq, Afghanistan, and Yemen have them. They all retain some honest and competent politicians, officials, and technocrats. In the case of such failed states, however, such islands of integrity are too lacking in power and or/too isolated to make the difference. If anything, their honesty and competence tends to accomplish just enough to prolong the agony of a regime's defeat or collapse. The best buy time for the worst, but cannot make a decisive change. Many become corrupt themselves in order to survive. Others are pushed aside or fired, or become scape goats.

Failing to Invest in the Other Thirds of a Successful Strategy

So far, U.S. warfighting has focused on the military side of counterterrorism and counterinsurgency and has never properly recognized the scale of these problems in governance, politics, equity, and economic security in any of the four countries where it is fighting. \. It initially tried to solve the problems in Afghanistan and Iraq by transforming the host country rather than building on its own traditions and goals, and by the time it became involved in Syria and Yemen, it effectively limited itself to country-term efforts to encourage reform and humanitarian aid.

In both Afghanistan and Iraq, the U.S. did initially push for new constitutions, elections, legal systems, human rights, government services, and roles for government. It rushed such efforts, however, and pushed its own approaches forward in ways that did not suit local values and focused on U.S. priorities rather than the priorities and needs of each nation’s competing factions.

Rather than build upon the countries existing structure of governance, culture, and values; the U.S. attempted sweeping changes. In the process, it rushed into well-meant attempts to reform education, the role of women, and host of other aspects of each country's society where it often claimed successes that did not actually occur and then largely halted its efforts when the initial sweeping approach failed.

The most painful costs to the U.S. have been in the blood of American, allied, host country forces, and country and other civilians. The prospects for successful warfighting, however, have been heavily shaped by the very different ways in which the U.S. has committed resources to dealing with both the military and civil sides of each conflict.

It is hard to track the patterns in such U.S. spending. The U.S. Congress has never met its fundamental responsibility to provide an accurate costing of any of American's current wars, or any assessment of the effectiveness of that spending. There have, however, been some credible efforts to guesstimate total cost by its Congressional Research Service. As **Figure Nine** and **Figure Ten** show, the U.S. did spend billions of dollars on civil governance and development programs – although its funding of civil efforts fell far below its expenditures on combat and building up local military and security forces.

Figure Nine seems to be a relatively accurate breakout of aid spending by war between FY2001 and FY2014 – although it seriously understates some aspects of military spending. Even so, the civil effort is only 6.2% of the military effort.

Only the first – Department of Defense – part of Figure Ten reflects the cost of given wars and even it seems to sharply understate the cost of at least the U.S. air operations and some land-based combat operations – against Iraq and Syria and possibly Afghanistan as well. The State Department and USAID budget documents and justification are line input budgets grouped by internal by function – rather than country breakouts by war – and are functionally incoherent to say the least.

There are, however, some useful data on direct aid to the Afghan government. SIGAR reported separately in its July 2018 report to Congress that the U.S. had spent a total of \$126.40 billion from the beginning of FY2002 to June 30, 2018. A total of \$81.59 billion had gone to Afghan security forces aid, or 65%. A total of \$19.88 had gone to Economic Support Funding and USAID, or 16%. Another \$5.1 billion had gone to counternarcotics, and the rest went to State operations, military infrastructure and other reconstruction activities. Total annual appropriations for both military and civil aid had dropped from a peak of \$15.86 billion in FY2011 to \$4.93 billion in FY2018. There is no detailed break out of what this aid was intended to accomplish, and there are no measures of effectiveness.

Parts I and II of Figure Ten are more up to date than the data in Figure Thirteen, but a careful review shows that none of the financial data in each part are the same – a problem that occurs with all of the supposedly official partial estimates of the U.S. cost of the wars. The Lead Inspector General for Overseas Contingency Operations June 30, 2018 report on the U.S. military effort in Iraq and Syria in Part I does not provide a break out of the cost of each war. However, its totals – which include four more years than the hard data for FY2001-FY2014 in Figure One – are still lower than those in Figure One. At the same time, they are also lower than the DoD comptroller data in Part II of Figure Thirteen.

It should be noted that the Lead Inspector General for Overseas Contingency Operations report for March 2018 does show the U.S. obligated a total of \$1,715 million in humanitarian aid in FY2015-FY2018, and obligated \$1,419 million. It also warns that the U.S. has contributed to a critical lack of stabilization funding. The UN Development Program (UNDP) reported that its program was underfunded by \$575 million in the first quarter of 2018 – partly because the U.S. had not provided \$75 million it had pledged July 2017. The Lead Inspector reported that this had a direct impact in dealing with ISIS because,"

The lack of funding delayed the start of stabilization projects in Mosul and western Anbar, so that areas that had suffered the longest under ISIS control were getting the least assistance... For 2018 and 2019, the UNDP and the Iraqi government identified five key strategic areas needing the most stabilization support: Mosul, western Ninewa, the Baiji-Hatra corridor in Salah ad Din province, the Hawija district of Kirkuk, and western Anbar province. (p.36)

The “Hole in Government” Approach

Official U.S. government reporting has scarcely ignored these problems. SIGAR, the Lead Inspector, work by the GAO, and other outside reviews have provided many warnings that money has only been part of the problem. What should have become a "whole of government" effort became a "hole in government" effort. The U.S. encouraged other countries to provide aid, but never pushed hard for an integrated and coordinated effort or made the flow of aid conditional on host country performance and integrity.

The U.S. did seek to create integrated civil-military plans in both Afghanistan and Iraq but it became brutally clear in the process that USAID and the State Department had little capability in overall economic planning and budget reform, that outside consultants generally lacked sufficient real world understanding of local conditions and politics, and far too many efforts became tied to theory and politic ideology. To the extent any plans emerged at all, they became documents where the U.S. military described its plans in typical detail, but the civil side only described broad sets of goals for State and USAID programs with little detail and had only the most marginal supporting analysis of country needs.

Far too often, the United States attempted government reform and aid programs based on U.S. models that did not fit Afghan and Iraqi culture, method of governance or ways of doing business. Rather than enforce tight fiscal controls and made the flow of aid conditional on firing corrupt or ineffective officials, it pushed for formal anticorruption efforts within the host country that lack the power to succeed. It attempted broad reforms that were too ambitious and lacked popular understanding support. It tried to modernize the working of host country government rather than make the existing system function and tried to make radical changes in the Afghan and Iraqi legal systems rather than make them operate.

The U.S. assumed a degree of central government control and influence and internal unity in shaping and executing civil programs that did not exist. It supported projects that were too small in scale to have broad impact and often vulnerable to the impact of attack. It constantly reinvented programs and efforts, rotated personnel far too quickly, failed to established valid measures of progress and effectiveness, and brought in outside contractors where Afghans should have been hired to do the effort. In Afghanistan, it helped to create a UN body to coordinate such it efforts with those of other countries and then failed to properly support it.

In the case of Afghanistan and Iraq, the U.S. often praised governments for current levels of activity, or future plans, in ways that were highly optimistic – or little more than exaggerated public relations exercises – when it should have pressed them for more honest and effective action. In the case of Syria, it has focused far more on ISIS than the on forces that led popular demands for reform turn into open civil war. In the case of Yemen, it publicly ignored many of the failures of the Saleh regime for decades before he lost power, and has done nothing publicly to address Yemen's fundamental problems in governance since Saleh's fall.

Later reviews and reports to Congress by the Special Inspector General for Iraqi Reconstruction (SIGIR), the Special Inspector General for Afghan Reconstruction (SIGAR), General Accountability Office (GAO), Lead Inspector General for Overseas Contingency Operation (LIG-OCO) did find some areas of real success, but far too many U.S. civil efforts never really provided the level of progress claimed, did not prove to be sustainable or suited to the risk levels of a war zone, and/or tried to totally transform what could only be modified and improved. Far too many State and USAID claims will little more than self-serving exercises in public affairs – the equivalent of bureaucratic liar's contests.

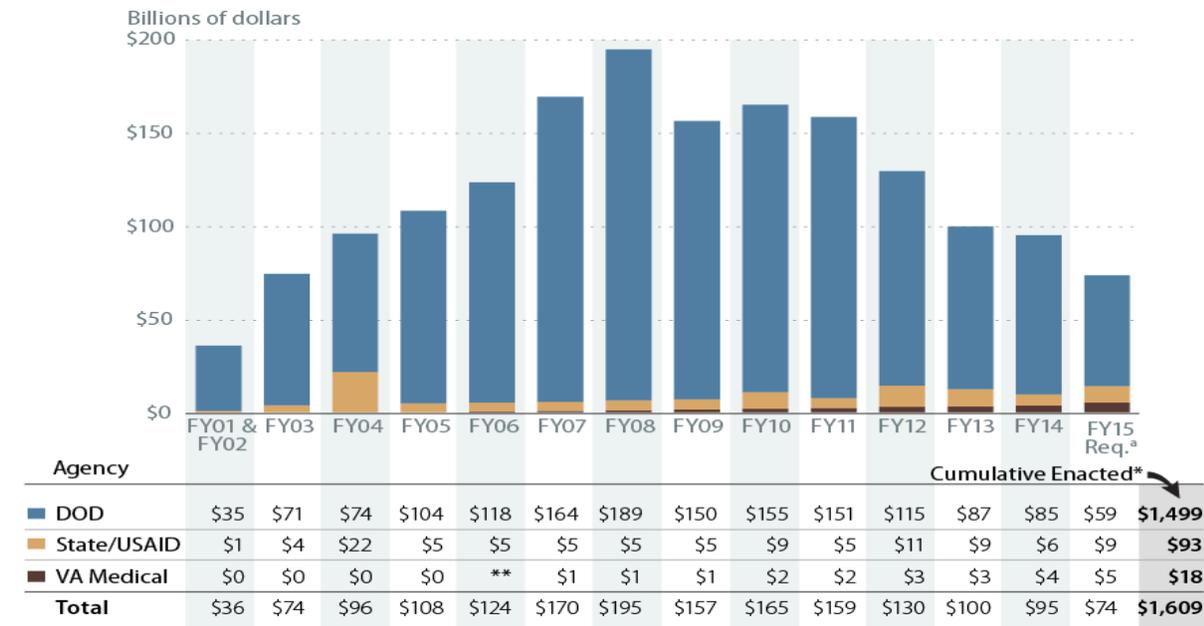
Contract management and fiscal controls presented additional serious problems. Far too much money was wasted and far too much was effectively stolen – spent in some cases on projects that were never completed and sometimes never begun. The U.S. not only failed to come to grips with the local scale of corruption, it failed to control its own spending.

The U.S. did attempt lower level civil efforts in the field through Provincial Reconstruction Teams. These had some very real local successes – and like other successful aid activities had civilians that shown considerable courage in the field – but far too often, they became a way of giving local commanders funds they could use to pay or bribe civilians into supporting U.S. operations. there were notable exceptions, but far too much of the PRT effort was simply an expedient payment rather than a serious effort to support or improve host country civil efforts.

There were key individual successes and work of the Special and Lead Inspector General's highlights these efforts. However, it also shows that most civil aid programs lost momentum, were highly unstable, and failed. The end result was to turn the phrases like "nation building" and "stability operations" into something approaching the bureaucratic equivalent of a four-letter word. The U.S. talked reform and change but did less and less – although the U.S. continued to play a critical role in humanitarian aid and its country teams sustained some important efforts where their influence had at least some effect.

Figure Thirteen: U.S. Military, Civil, and VA Medical Spending in the Afghan and Iraq Conflicts: FY2001-Fy 2015

Sharply Underfunded Civil Development in Both Iraq and Afghanistan



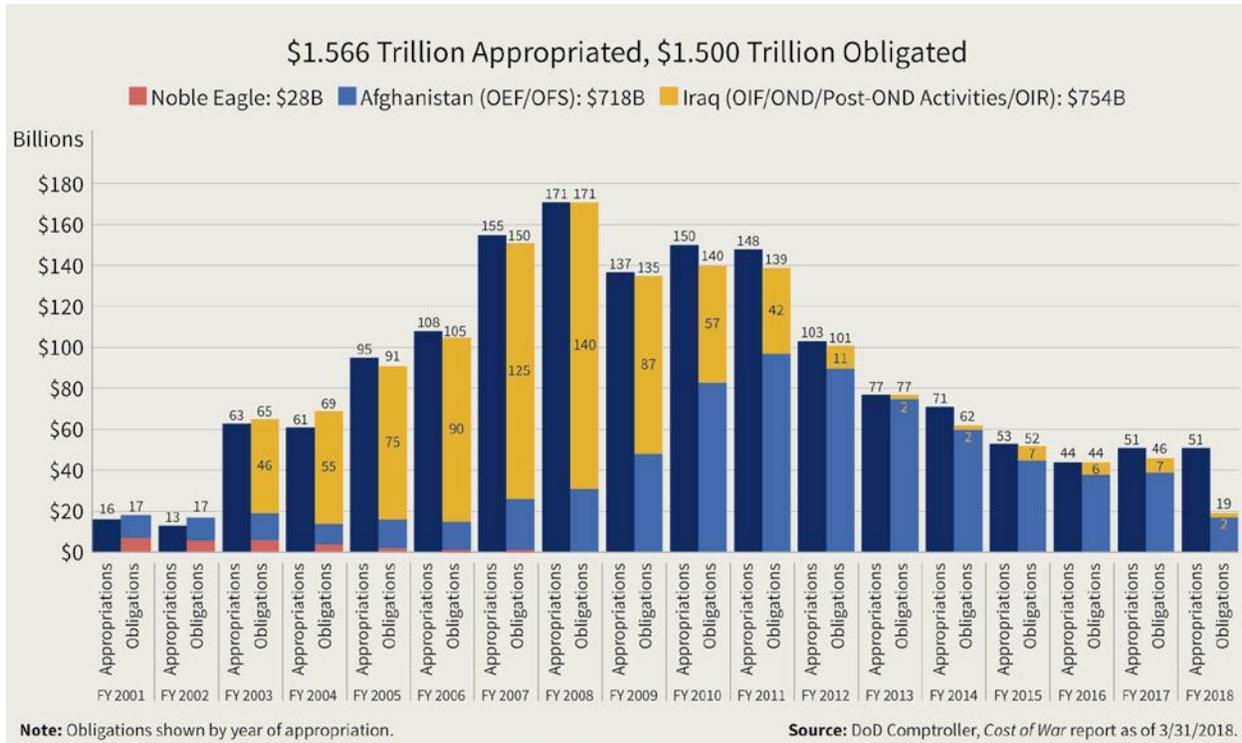
* Cumulative enacted (FY01-FY14). ** Amounts less than \$500 million.

In Billions of Dollars of Budget Authority																
Operation/Agency	01&02	03	04	05	06	07	08	09	10	11	12	13	14	15 Req. ^a	FY01-14	FY01-15
Afghan War or Operation Enduring Freedom (OEF)																
DOD	22.0	16.7	13.2	17.9	17.5	29.2	36.1	52.6	88.2	103.1	96.3	80.6	74.0	53.3	647.3	700.7
State/USAID	0.8	0.7	2.2	2.8	1.1	1.9	2.7	3.1	5.6	3.3	3.5	3.9	2.0	2.6	33.6	36.2
VA Medical	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.2	0.3	0.5	0.8	1.1	1.4	2.2	4.7	6.9
Total	22.8	17.4	15.4	20.7	18.7	31.1	39.0	56.0	94.1	106.8	100.6	85.6	77.4	58.1	685.6	743.7
Iraq War or Operation Iraqi Freedom (OIF) and Operation New Dawn (OND)																
DOD	0.0	48.0	57.1	77.1	91.9	127.1	140.3	89.6	59.9	42.7	13.5	4.9	1.1	0.5	753.1	753.5
State/USAID	0.0	3.0	19.5	2.0	3.7	3.2	2.7	2.2	3.3	2.1	4.7	0.7	1.4	1.5	48.6	50.2
VA Medical	0.0	0.0	0.0	0.0	0.4	0.6	0.9	1.3	1.6	1.8	2.1	2.1	2.3	3.0	12.9	15.9
Total	0.0	51.0	76.7	79.1	96.0	130.8	143.9	93.1	64.8	46.5	20.3	7.7	4.8	5.0	814.6	819.6
Enhanced Security or Operation Noble Eagle (ONE)																
DOD	13.0	6.0	4.0	2.0	1.0	0.5	0.2	0.2	0.1	0.1	0.2	0.1	0.1	0.1	27.4	27.5
State/USAID	13.0	6.0	4.0	2.0	1.0	0.5	0.2	0.2	0.1	0.1	0.2	0.1	0.1	0.1	27.4	27.5
War-Designated Funding Not War-Related																
DOD	0.0	0.0	0.0	6.6	8.0	7.3	12.1	7.5	6.4	5.4	5.4	1.9	10.2	5.1	70.9	75.9
State/USAID	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.2	4.6	2.6	5.3	10.4	15.7
Total	0.0	0.0	0.0	6.6	8.0	7.3	12.1	7.5	6.4	5.4	8.6	6.6	12.8	10.4	81.3	91.7
All War-Designated Funding																
DOD	35.0	70.7	74.3	103.6	118.4	164.0	188.7	149.8	154.6	151.2	115.3	87.5	85.4	58.9	1,498.7	1,557.6
State/USAID	0.8	3.8	21.7	4.8	4.9	5.0	5.4	5.4	8.9	5.4	11.5	9.2	6.0	9.4	92.7	107.1
VA Medical	0.0	0.0	0.0	0.0	0.4	0.7	1.0	1.5	1.9	2.3	2.9	3.2	3.7	5.2	17.6	22.8
Total	35.8	74.4	96.0	108.4	123.7	169.7	195.2	156.7	165.4	158.9	129.7	99.9	95.2	73.6	1,608.9	1,682.4

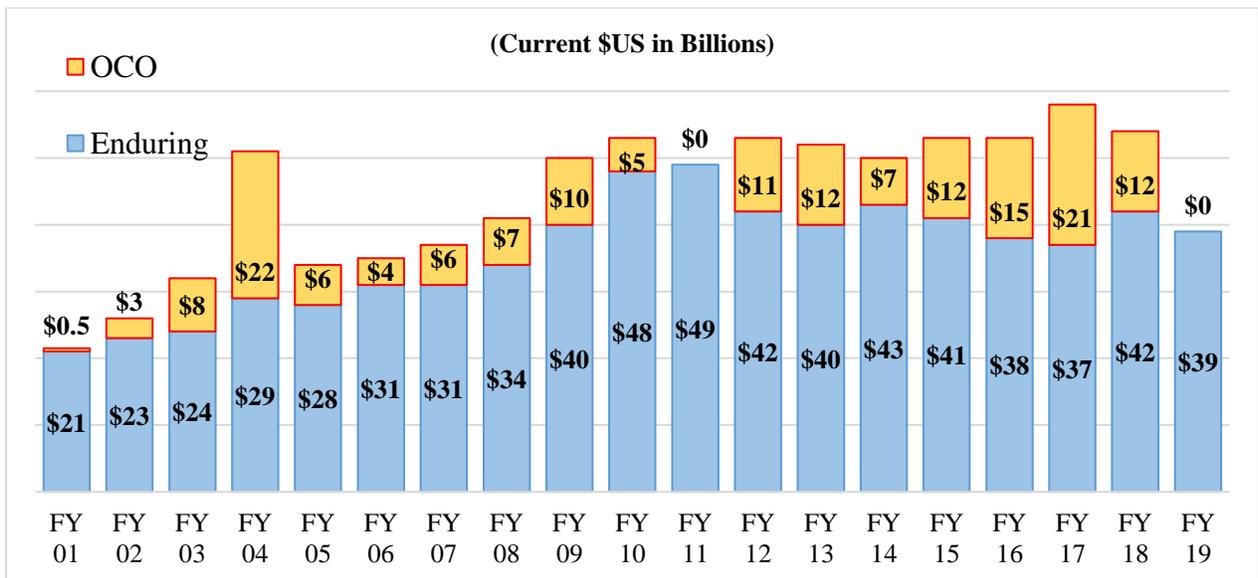
Source: Adapted from Amy Belasco, The Cost of Iraq, Afghanistan, and Other Global War on Terror Operations Since 9/11, CRS RL33110, December 8, 2014, pp. 9, 15, 17 19; https://www.cia.gov/.../4B/4BB9E9C431C618778B85518F36C19652_RL33110.pdf.

Figure Fifteen: The Direct Defense and State/USAID Costs of War: 2001- FY2018 - I

Total DoD War-Related Appropriations and Obligations from September 11, 2001 through FY 2018



DoS/USAID Enduring and OCO Funding from FY 2001-FY 2019 (\$176.6 Billion Obligated FY01-FY18))

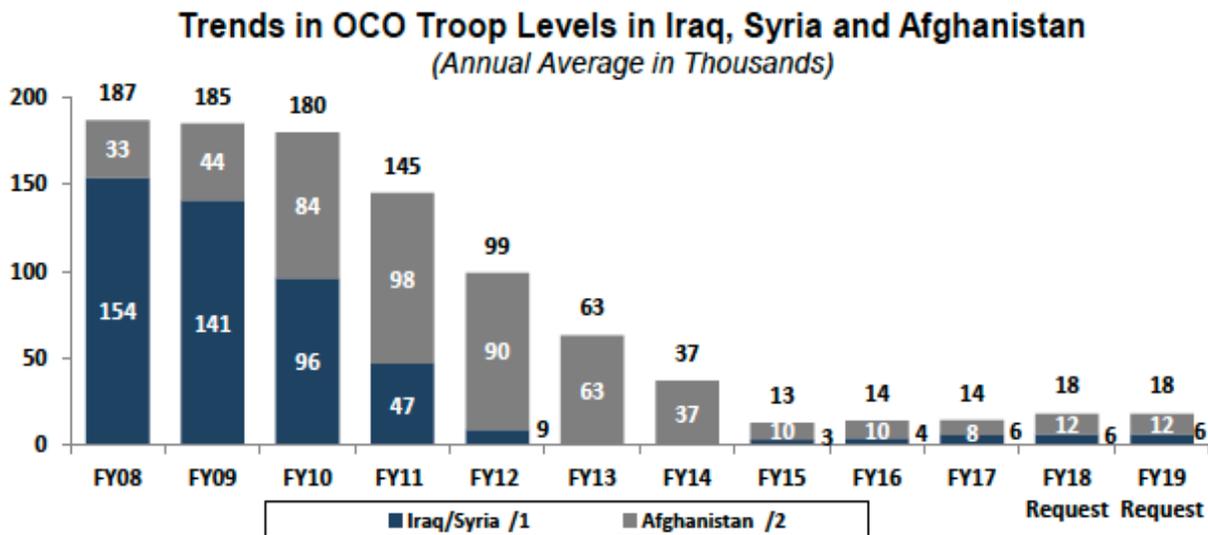
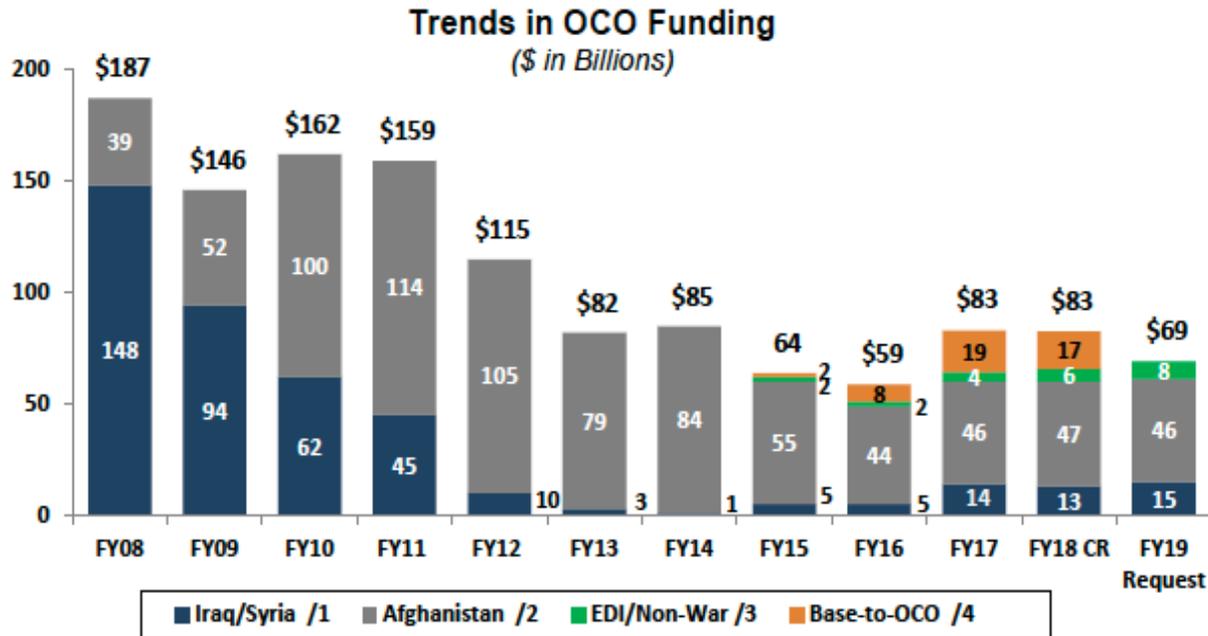


DoS, "FY 2019 Congressional Budget Justification- Department of State, Foreign Operations, and Relations Programs," 2/12/2018;

Susan B, Epstein, "Department of State and Foreign Operations Appropriations; History of Legislation and Funding in Brief," CRS, 9/15/2016.

LEAD IG REPORT TO THE U.S. CONGRESS, Operation Freedom's Sentinel, JANUARY 1, 2018–MARCH 31, 2018, pp. 77-76, and LEAD IG REPORT TO THE U.S. CONGRESS, Operation Inherent Resolve, April 1, 2018–MARCH 31, 2018, pp. 37.

**Figure Fifteen: The Direct Defense and State/USAID Costs of War: 2001-
FY2018 - II**



1/ Iraq/Syria data is for Operation IRAQI FREEDOM (OIF), Operation NEW DAWN (OND), OIR, and follow-on Iraq activities.
 2/ Afghanistan data is for Operation ENDURING FREEDOM (OEF) and Operation FREEDOM'S SENTINEL (OFS).
 3/ Data is for the European Deterrence Initiative (formerly European Reassurance Initiative) and non-war funding, which includes Security Cooperation in FY 2017-2019, and the former Counterterrorism Partnerships Fund in FY 2015 and FY 2016.
 4/ Base budget requirements funded in OCO. In FY 2017, this includes Bipartisan Budget Act compliance, congressional base-to-OCO (Title II to Title IX transfers), and congressional adds (Title X base requirements).
 Note: Funding levels displayed are enacted amounts and do not reflect budget execution. The FY 2013 level includes a \$5 billion downward adjustment from the enacted appropriation due to sequestration.
 Source: OSD Comptroller, Overview FY2019 Defense Budget, Department of Defense, February 2018, p. 4, <https://comptroller.defense.gov/budget-materials/>

"Failed" Host Country Civil Governments: Four Graphic Case Studies

The U.S. must now deal with the fact that many of the civil problems in Syria, Iraq, Afghanistan, and Yemen have grown worse with time. Governments tend to become progressively more vulnerable if terrorism and extremism become broad challenges, if internal tensions take on some of the character of civil war, if insurgencies strengthen to the point where they become a serious threat, if popular protests or violence show a regime is vulnerable, or if a change takes place in leadership.

As of early October 2018, none of the four countries where the U.S. was fighting had a real government; was free of gross corruption; provided adequate per capita incomes; had achieved anything like its potential in the UN's human development indicators; had shown it could cope with wartime recovery; or had seriously reduced its sectarian, ethnic, tribal and/or regional inequities and tensions.

- *Syria* was divided between the Assad controlled territory in Western and Central Syria (which had Russian, Iranian and Hezbollah backing), the Kurdish-dominated Syrian Democratic Forces in Eastern Syria (which had U.S. backing), and a divided group of moderate and extremist Sunni rebel elements in Idlib in the Northwestern corner of the country (where Russia back the Assad forces in seizing control, Turkey backed the more moderate factions, and the extremist groups tied to Al Qaida were isolated).
- *Iraq* was still trying to fully implement the creation of an effective new government that reflected the results of the Iraqi election held on May 12, 2018. The selection of the three new top officials – Adil Abdul al-Madhi as Prime Minister (Shi'ite), Barham Salih as President (Kurd), and Mohammed al-Halbousi as speaker (Sunni) – took some five months. While the three new leaders seem competent, honest, and willing to work together, the appointments came on sectarian and ethnic lines, with deep fractures in within each action, and Iraq's parliament and other levels of government remain divided and a corrupt mess.
- *Afghanistan* was trying to create a united and effective government by holding new parliamentary elections in November 2018 and then Presidential elections in early 2019. Afghanistan's deteriorating, security and uncertain electoral reforms made the success of such elections deeply uncertain, however, and limited reform of government at the top had done nothing to truly unify it or reduce its overall divisions and level of corruption. Tensions between Ghani and Abdullah Abdullah seemed to be rising, no strong new candidates had emerged, serious parliamentary reforms had not occurred, and ethnic and sectarian tension seemed to be rising. The government was slowly losing control of additional rural Districts to the Taliban, narcotics was coming to dominate more of the economy, and control of local areas by power brokers, warlords, and narco-traffickers remained a serious problem.
- *Yemen* was still fighting an active civil war between its Houthis and their Shi'ite allies and a weak and ineffective Hadi government backed by Saudi Arabia and the UAE. Al- Qaida in the Arabian Peninsula (AQIP) continued to control some areas in the center and east, and political tension was growing between Northern and Southern parts of the country. Iranian influence over, the Houthi was growing, and increasingly affecting the security of the Red Sea. Saudi Arabia and the UAE had some chance of winning enough area to control the one major port held by the Houthi, but the Hadi forces seemed too weak to take power or unite the country, whose future security – like that of Syria and Afghanistan – depended on years of massive outside aid.

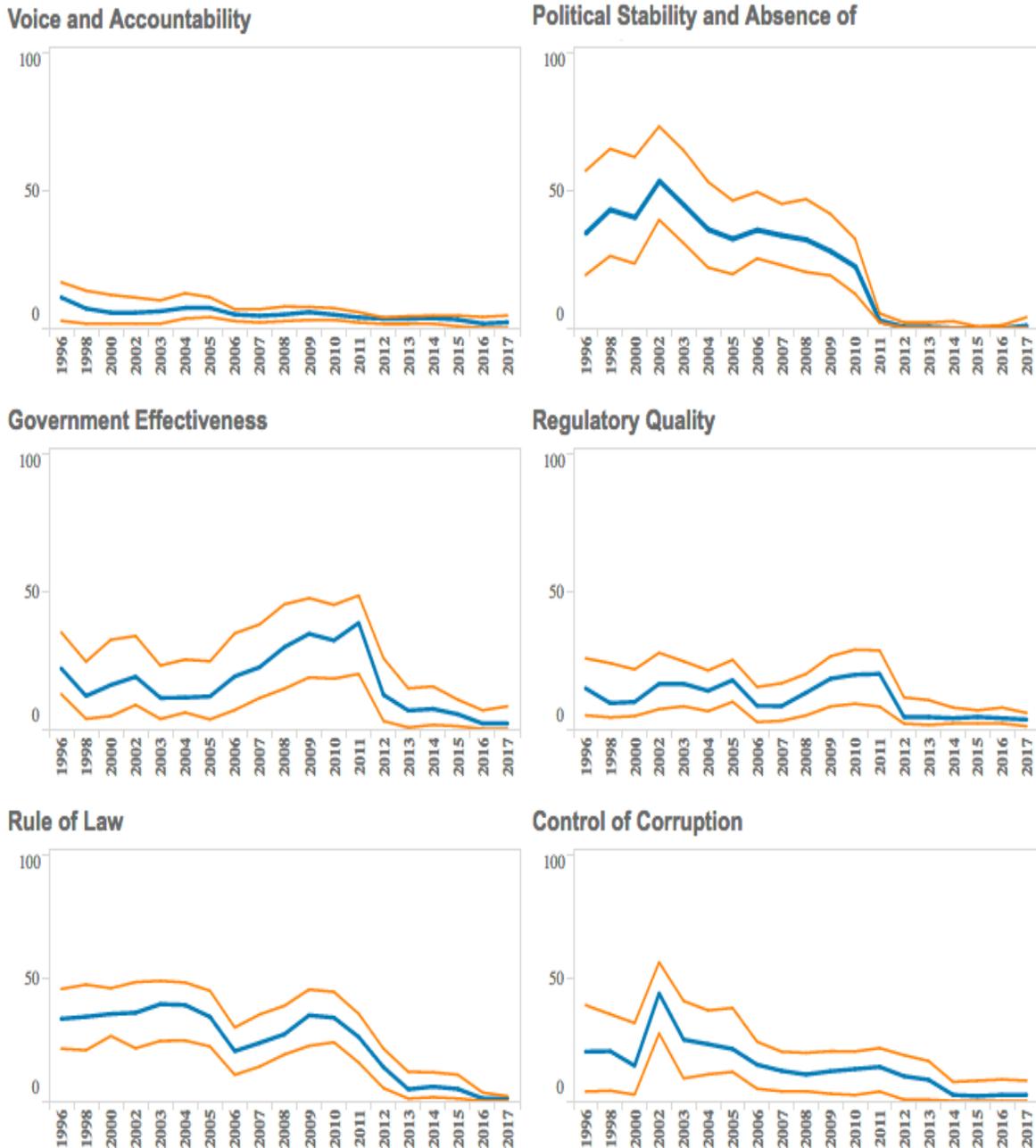
Each government has a different balance of failures, different divisions, and a different history. When it comes to the details of the history of each state's civil failures over time, they are too complex to summarize – although the history and depth of such failures will be all too familiar to anyone who has researched or worked in each country. The World Bank does, however, provide summary graphics that portray a clear picture of the consistency of each country's failures in governance.

Figures Eleven through Figure Fourteen draw on this reporting and it is all too clear that Syria, Iraq, Afghanistan, and Yemen had major problems from 1996 through 2017. They show that, regardless of what regime was in charge, each country consistently failed to provide effective governance. They also show that each government failed three to six of the six critical measures used by the World Bank to measure and rank the quality of governance and did so and in spite of some radical changes in regime.

Looking at the data on corruption over time from sources like Transparency International, and the UN human development indices, each country also had one of the most corrupt governments during most of the period covered. This is particularly important because there seems to be a high correlation between corruption and popular alienation. Popular attitudes towards a government's success in limiting corruption, providing employment, and ensuring security seem to be the lead non-sectarian or ideological indicators of whether a government can win sustained popular support.

Figure Eleven: Syria: Governance Indicators: 1996-2017

- 3rd most corrupt country in the world (178 out of 180) according to Transparency International.
- World Bank Governance Indicators: 1996-2017.

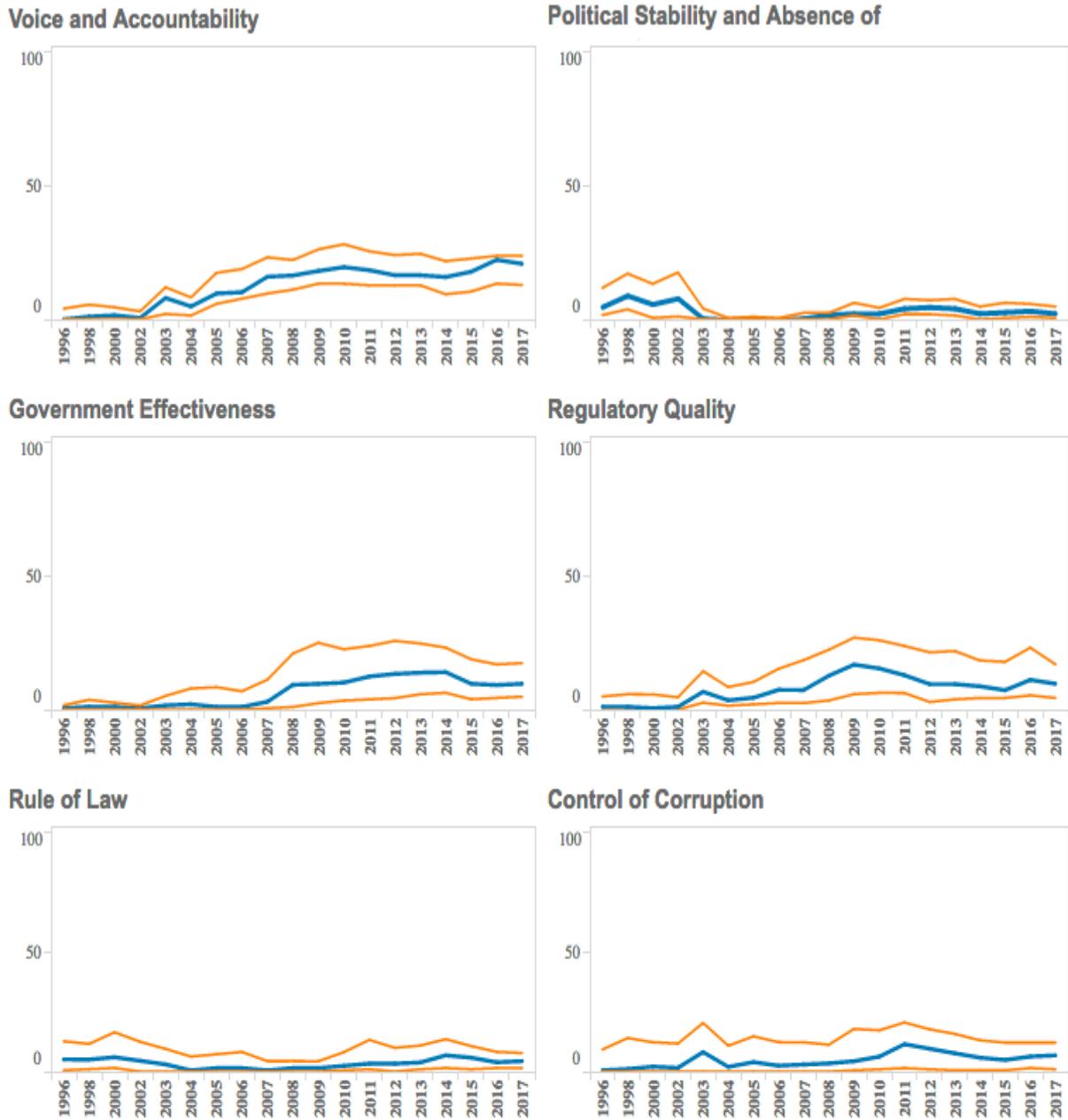


The inner, thicker blue line shows the selected country's percentile rank on each of the six aggregate governance indicators. The outer, thinner red lines show the indicate margins of error.

Source: Adapted from Transparency International, https://www.transparency.org/news/feature/corruption_perceptions_index_2017#table; pp. 27-29, and World Bank Governance Indicators, <http://info.worldbank.org/governance/wgi/#reports>, accessed 27.9.218

Figure Twelve: Iraq - Key Civil Indicators: 1996-2017

- 11th most corrupt country in the world (169 out of 180 countries) according to Transparency International.
- World Bank Governance Indicators: 1996-2017.



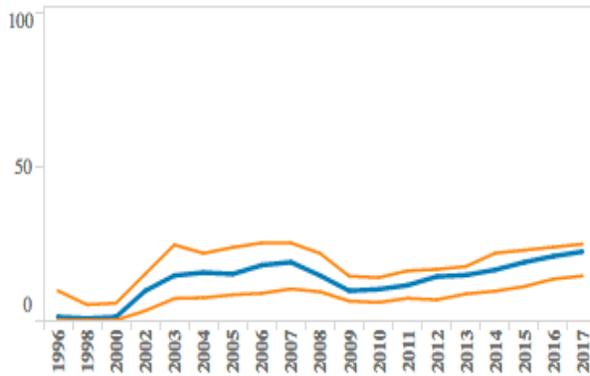
The inner, thicker blue line shows the selected country's percentile rank on each of the six aggregate governance indicators. The outer, thinner red lines show the indicate margins of error.

Source: Adapted from Transparency International, https://www.transparency.org/news/feature/corruption_perceptions_index_2017#table; pp. 27-29, and World Bank Governance Indicators, <http://info.worldbank.org/governance/wgi/#reports>, accessed 27.9.218

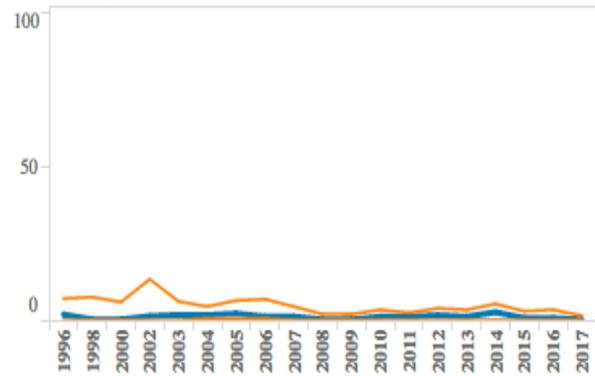
Figure Thirteen: Afghanistan: Key Civil Indicators 1996-2017

- **4th most corrupt country in the world (177 out of 180) according to Transparency International.**
- **World Bank Governance Indicators: 1996-2017.**

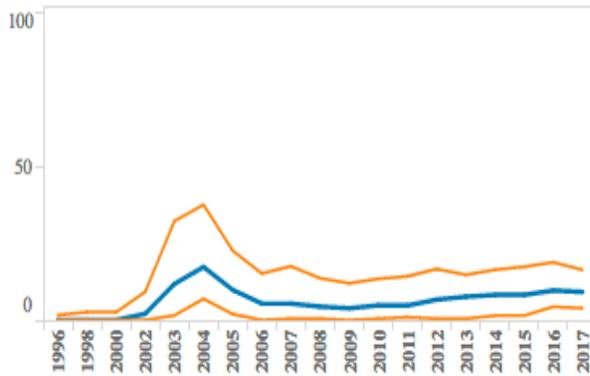
Voice and Accountability



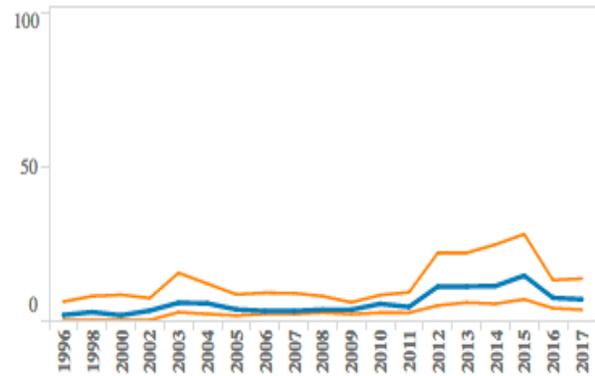
Political Stability and Absence of



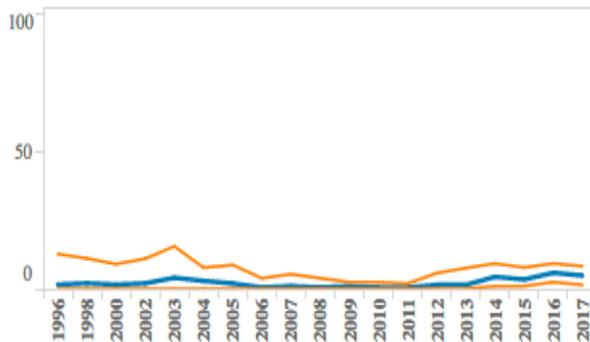
Government Effectiveness



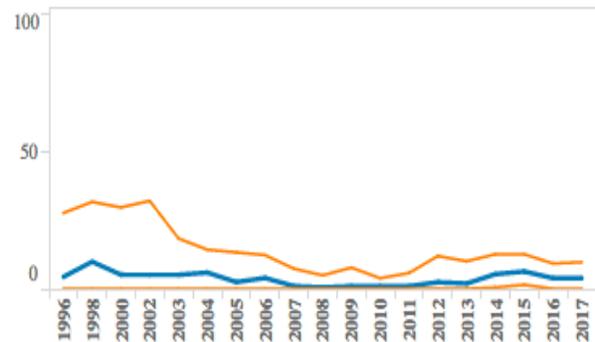
Regulatory Quality



Rule of Law



Control of Corruption



The inner, thicker blue line shows the selected country's percentile rank on each of the six aggregate governance indicators.

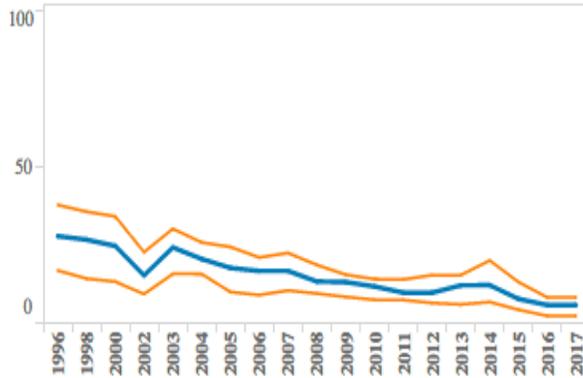
The outer, thinner red lines show the indicate margins of error.

Source: Adapted from Transparency International, https://www.transparency.org/news/feature/corruption_perceptions_index_2017#table; pp. 27-29, and World Bank Governance Indicators, <http://info.worldbank.org/governance/wgi/#reports>, accessed 27.9.218

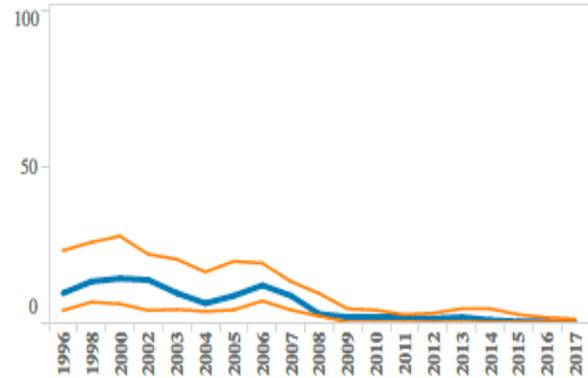
Figure Fourteen: Yemen - Key Civil Indicators 1996-2017

- 5th most corrupt country in the world (175 out of 180) according to Transparency International.
- World Bank Governance Indicators: 1996-2017.

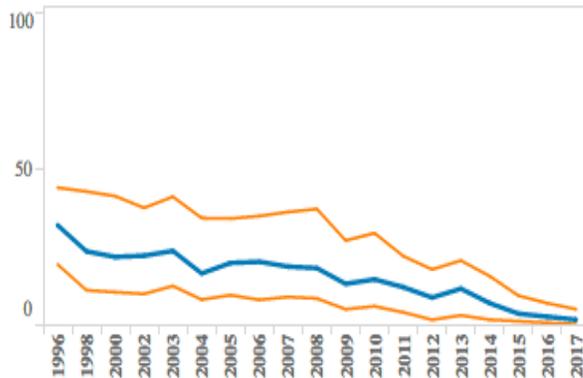
Voice and Accountability



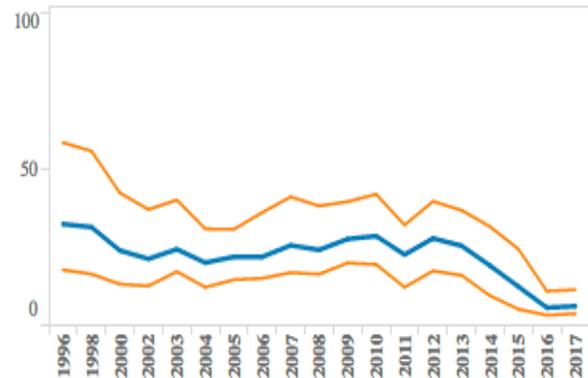
Political Stability and Absence of



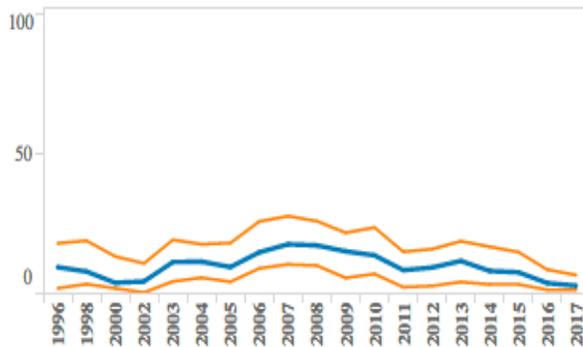
Government Effectiveness



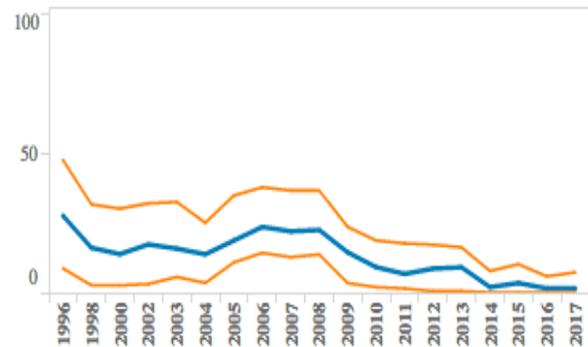
Regulatory Quality



Rule of Law



Control of Corruption



The inner, thicker blue line shows the selected country's percentile rank on each of the six aggregate governance indicators. The outer, thinner red lines show the indicate margins of error.

Source: Adapted from Transparency International, https://www.transparency.org/news/feature/corruption_perceptions_index_2017#table; pp. 27-29, and World Bank Governance Indicators, <http://info.worldbank.org/governance/wgi/#reports>, accessed 27.9.218

The Need for Real Reforms that Address the Key Grievances of Every Major Faction

The U.S. cannot hope to transform the politics and governance of any of the four failed states where it is now fighting. It cannot and should not try to rebuild any of the four countries in its own image. To again quote a senior Canadian aid official operating in Afghanistan, “If you want to win popular support, you find the peoples’ worst grievances and deal with them. Civil success consists of giving people enough of what *they* want to make them loyal and active supporters of the government.”

Yet, if the factions the U.S. supports are to “win” – or even survive – the U.S. must do everything possible to push the political leaders and every possible aspect of governance to meet the “worst grievance” test. It must provide at least advisory and technical help at every needed level, and provide an outside and objective view of what the priorities are for all of the major factions in a given country, of actual progress in political unity and making government more effective in meeting all of the people’s needs, and find aid and other incentives to the extent it can.

It must also do so in ways that take account of the lessons highlight at the end of this report. Meaningful progress in key areas like corruption, equity for all factions, and reaching the people rather than elites is not only critical to any form of successful warfighting, it is critical to any lasting for of conflict termination and warfighting.

Moreover, it must be linked to progress in the final third of a successful strategy: creating meaningful progress towards recovery and development.

Recovery and Development: The Final Third

The final third of a successful strategy is directly related to the need for a strategy to deal with failed governance and its impact on past failures to provide effective economic development. It involves the effort to create lasting stability by providing decent living standards and employment for all the population, and to reduce economic corruption, nepotism, property theft, and economic favoritism to reasonable levels. However, for all the reasons shown in **Figure Sixteen** to **Figure Nineteen** – and in the summaries of nation-by-nation economic challenges that follow – the scale of the economic problems that helped catalyze serious extremist threats, insurgencies, or civil wars tend to be limited compared to the depth of the structural economic and social problems created by years of serious violent instability and war.

Syria, Iraq, Afghanistan, and Yemen have suffered massive social and economic damage from the fighting to date. For all the problems and economic failures, they faced before the start of the conflict, they still began their conflicts with far better economies, ability to use their natural resources, levels of development. They also faced less serious problems in terms of the extent to which economic wealth and opportunity differed by key faction.

The four countries are very different states, and each will need to pursue different paths towards recovery and development. What they all have in common, however, is that war has done more than enough damage to require both a massive immediate humanitarian and "recovery" effort – one that actually means creating a different economy in many ways. At the same time, each faces a far longer-term challenge in making up for years of development that have been lost because of the combination of damage to every economic and social aspect of their civil societies and the loss of years' worth of longer-term economic development that would have occurred if they had not been at war.

Rough Indicators of the Human Costs of Wars

There is no way at this point to be certain of how much damage any given war has done in terms of the immediate need for humanitarian relief. The fighting is still all too active in Syria, Afghanistan, and Yemen. It is not clear that defeating the "caliphate" will end the fighting in Iraq, and so far, Iraq has at best done a crude and fumbling job of surveying wartime recovery needs.

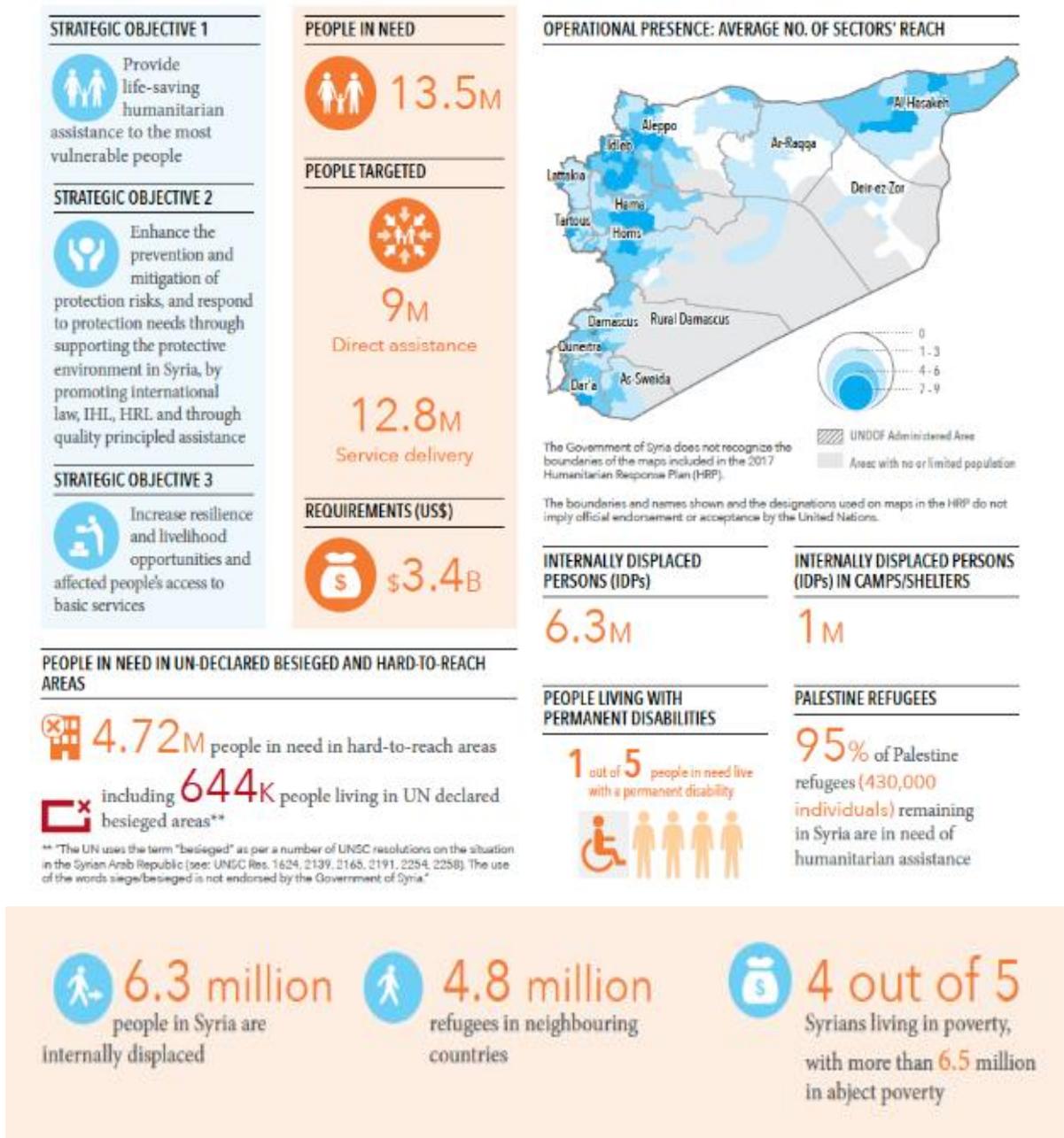
Figures Sixteen, Seventeen, Eighteen, and Nineteen provide a rough "snapshot" of the human costs involved by summarizing the recent United Nation's OCHA estimates of the short-term humanitarian impact of each war at the end of 2017 and in the first half of 2018. It is important to note that the OCHA data base from which each country summary is taken shows major uncertainties in such calculation, and wide areas where no current data are available.

No analysis or estimate can be better than the data on which it is based, and every aspect of the data in on failed states tends to be flawed or unreliable. For example, total population data cannot be based on a current census and there often has been no census in areas with minority populations. Moreover, casualty estimates – as noted earlier – are guesstimates, as are many aspects of IDB and refugee data. This helps account for the fact that estimates differ sharply by source.

Even if such "snapshots" were fully reliable, any estimate of the current cost of the fighting would be unreliable because there is still ongoing major fighting in each country. War and uncertainty continue to affect broad areas of economic activity. Fighting often means dislocating massive numbers of people from their homes, jobs/businesses, and key services like health and education.

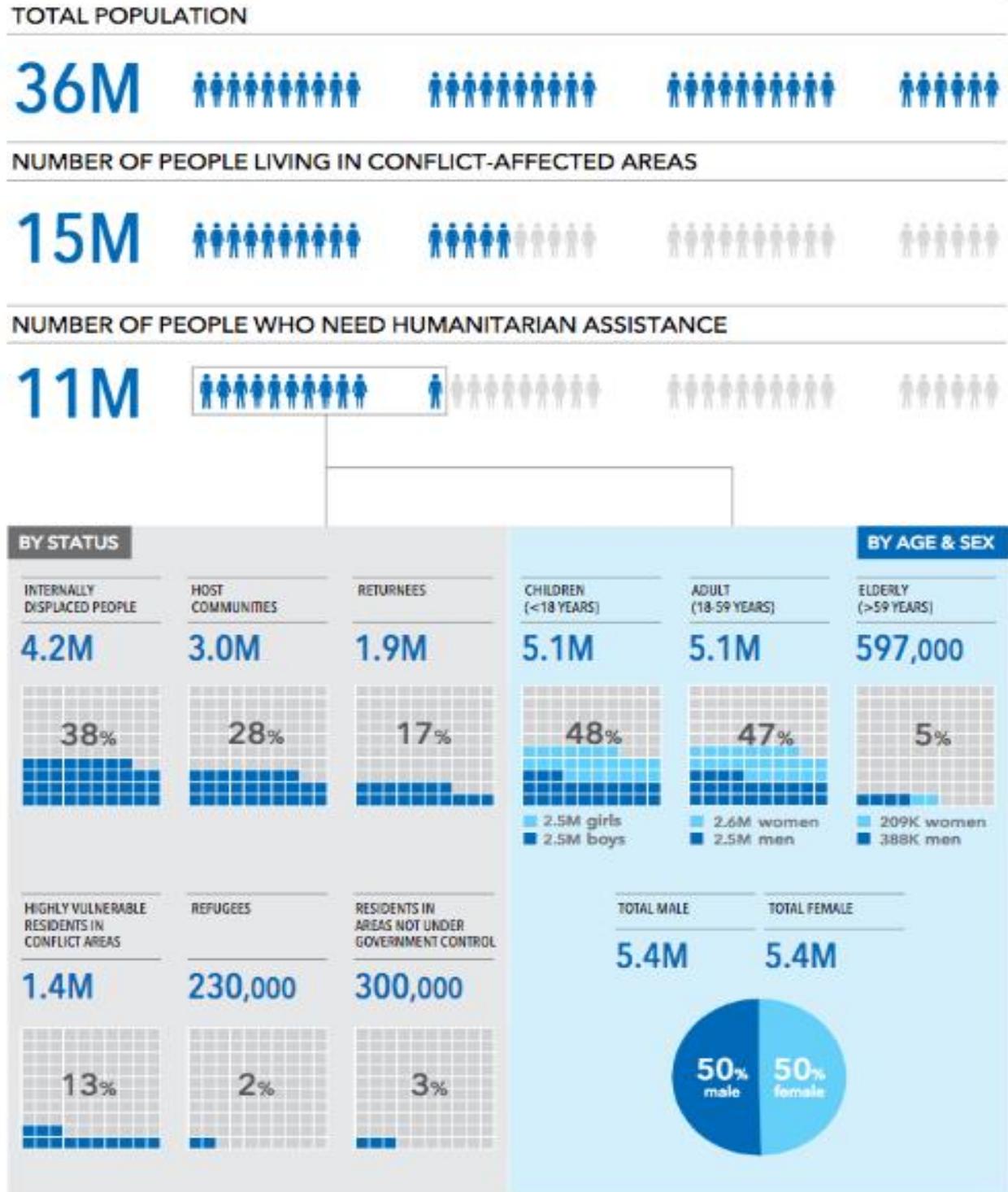
Further population movements at levels from the local to major urban areas and national districts will affect the balance – and potential future violence – of the ethnic groups described earlier. In each case, existing patterns of government services, markets, distribution systems, and infrastructure will be further damaged or require further changes to be effective.

Figure Sixteen: The Humanitarian Crisis in Syria in 2017/2018



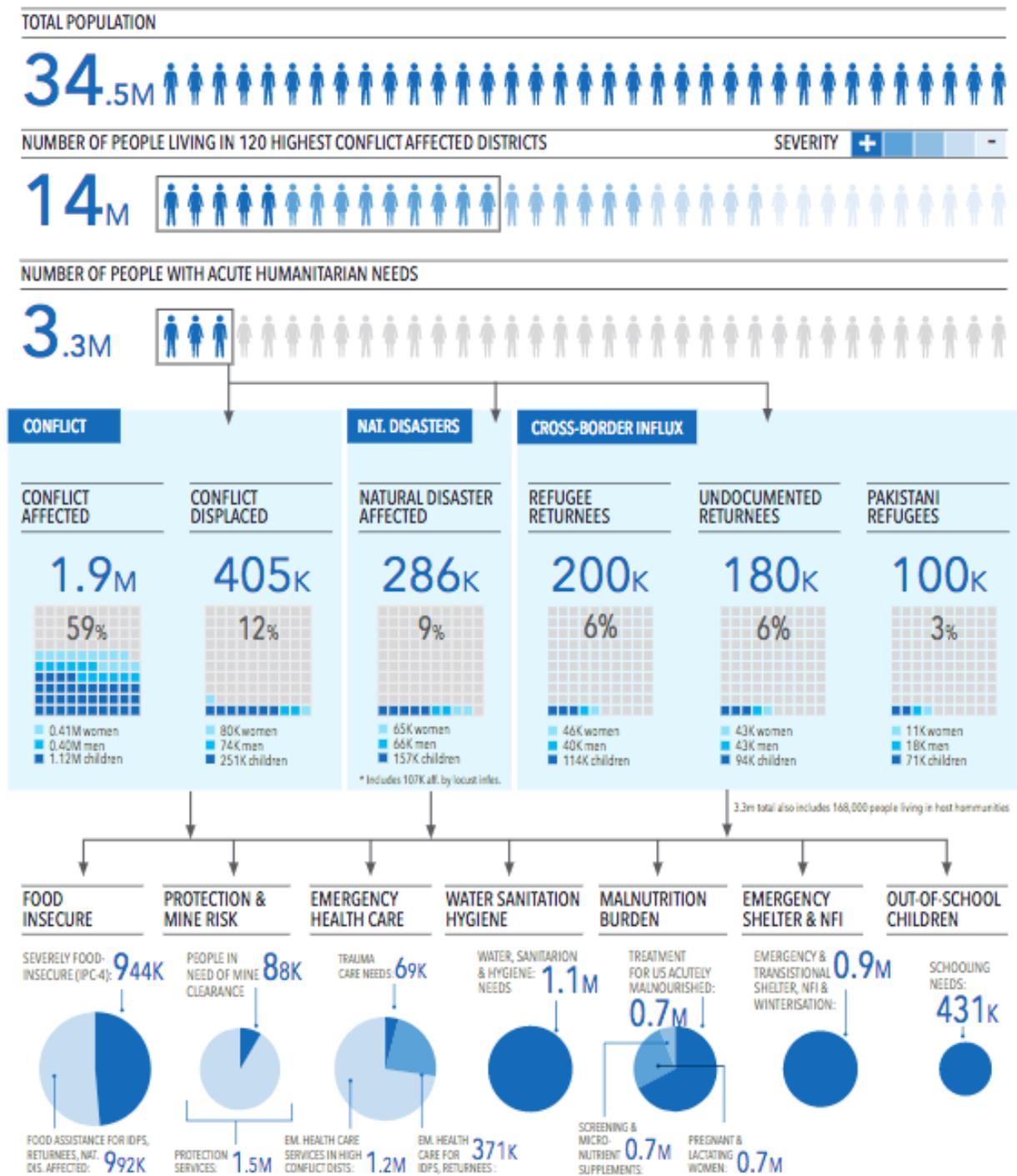
Source: OCHA, https://reliefweb.int/sites/reliefweb.int/files/resources/irq_2017_hno.pdf;
<https://reliefweb.int/report/syrian-arab-republic/2018-humanitarian-needs-overview-syrian-arab-republic-enar>.

Figure Seventeen: The Humanitarian Crisis in Iraq in 2017/2018



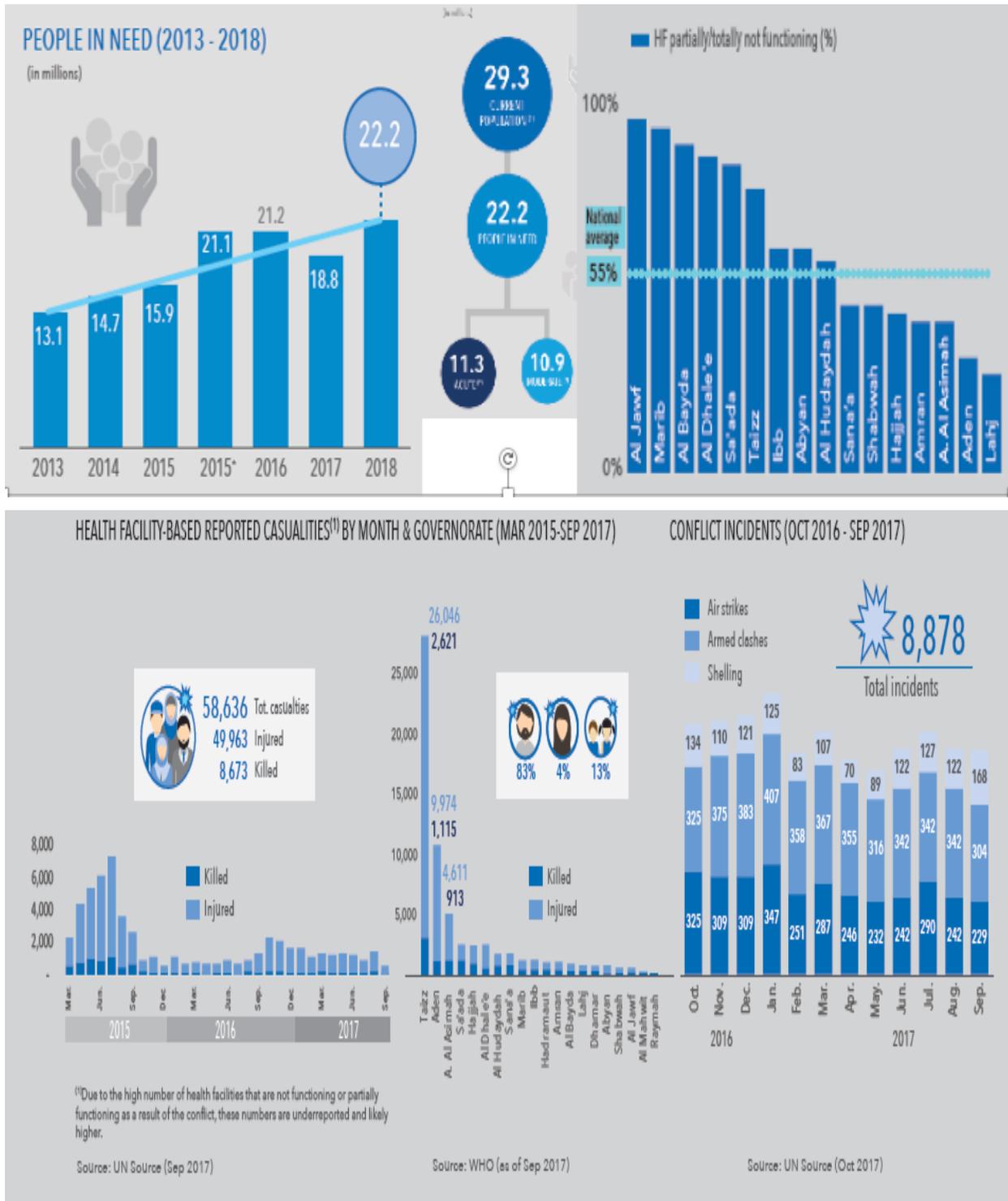
Source: OCHA, <https://reliefweb.int/country/irq>

Figure Eighteen: The Humanitarian Crisis in Afghanistan in 2018



Source: Source: HNO, <http://www.refworld.org/docid/5b0678957.html>.

Figure Nineteen: The Humanitarian Crisis in Yemen in 2017-2018



Source: <https://www.unocha.org/yemen>

Rough Indicators of the Economic Cost of Wars

Even if one ignores the human costs of war, and the uncertainties applying to the movements and final nature of the return of millions of citizens in each country, it is clear that creating any kind of even short-term future stability will involve major economic problems. **Figure Twenty** provides some illustrative data on the current economic status, population pressure, and employment issues in each country.

It is again important to point out that even official national population and economic data are highly suspect and unreliable, and there is no consensus among sources and studies over virtually every aspect of such data. In most cases, the methods used to make such estimates of the past, the ongoing impact of violence, and the current situation are equally uncertain and questionable.

As long as one only looks at a single source, and ignores that source's detailed caveats and explanations of where the data come from, it is possible to assume that they have some degree of accuracy.

When one compares sources, it quickly becomes apparent that much of the data on wartime economies and populations in less developed countries – particularly those with failed governments – is a classic demonstration of a key axioms that applies to far too many international economic statistics: the more one knows about what the source actually knew in generating such figures, the more one realizes how little the source actually knows and how unreliable most data actually are.

Some of the best sources, however, still provide the kind of warnings that show that there is no way to deal with the human costs of war – or the causes of extremism, terrorism, and insurgency in failed states that does not address the economic dimension. Sources as diverse as the CIA *World Factbook* and World Bank estimates, do for example, broadly agree on their assessments of the scale of the immediate economic crisis in all four states.

Per Capita Income

One broad indicator of the level of crisis in all four countries is shown in **Figure Twenty**. Regardless of the uncertainties in GDP data, even Iraq's highest estimates are grimly low by the standards of its neighbors. The World Bank estimate of the per capita income of a moderately successful Gulf state like Bahrain is \$23,655 – more than four times higher than its estimate of Iraq (\$5,165.7) and 40 times the per capita income of Afghanistan (\$58.5.6). The Bank's latest estimate for Syria is \$2,058, made back in 2007 – before the war and at a time when it was much higher than today. The last estimate for Yemen is \$660, made in 2016.

Syria

Current poverty data is extremely unreliable and contradictory for almost all developing countries, but the CIA provides an estimate for Syria that is all too likely to be real. It puts the percent of poverty at 82.5% of the total population and the average level of unemployment at 50% – with youth unemployment almost certainly much higher.

More broadly, the CIA summarizes Syria's current economy as follows:

“Syria's economy has deeply deteriorated amid the ongoing conflict that began in 2011, declining by more than 70% from 2010 to 2017. The government has struggled to fully address the effects of international sanctions, widespread infrastructure damage, diminished domestic consumption and production, reduced subsidies, and high inflation,

which have caused dwindling foreign exchange reserves, rising budget and trade deficits, a decreasing value of the Syrian pound, and falling household purchasing power. In 2017, some economic indicators began to stabilize, including the exchange rate and inflation, but economic activity remains depressed and GDP almost certainly fell.

“During 2017, the ongoing conflict and continued unrest and economic decline worsened the humanitarian crisis, necessitating high levels of international assistance, as more than 13 million people remain in need inside Syria, and the number of registered Syrian refugees increased from 4.8 million in 2016 to more than 5.4 million.”

The World Bank provides a similar picture. Its April 2018 overview of Syria states that,

“Now into its seventh year, the violent conflict in Syria continues to take a heavy toll on the life of Syrian people and on the Syrian economy. The UN estimates that more than 250,000 people have died, while other sources place the death toll at almost 500,000 (470,000) with 1.2 million people injured. More than 6.3 million people are internally displaced and 4.9 million are officially registered as refugees.

“The social and economic impacts of the conflict are also large—and growing. The lack of sustained access to health care, education, housing, and food have exacerbated the impact of the conflict and pushed millions of people into unemployment and poverty. In addition, a severe decline in oil receipts and disruptions of trade has placed even more pressure on Syria’s external balances, resulting in the rapid depletion of its international reserves.”

Iraq

In October 2018, the CIA *World Factbook* estimated that some 55% of Afghanistan’s population was below the poverty line in 2017, and 24% was unemployed. It summarized the situation in Afghanistan as follows:

“Iraq's GDP growth slowed to 1.1% in 2017, a marked decline compared to the previous two years as domestic consumption and investment fell because of civil violence and a sluggish oil market. The Iraqi Government received its third tranche of funding from its 2016 Stand-By Arrangement (SBA) with the IMF in August 2017, which is intended to stabilize its finances by encouraging improved fiscal management, needed economic reform, and expenditure reduction. Additionally, in late 2017 Iraq received more than \$1.4 billion in financing from international lenders, part of which was generated by issuing a \$1 billion bond for reconstruction and rehabilitation in areas liberated from ISIL.

“Investment and key sector diversification are crucial components to Iraq’s long-term economic development and require a strengthened business climate with enhanced legal and regulatory oversight to bolster private-sector engagement. The overall standard of living depends on global oil prices, the central government passage of major policy reforms, a stable security environment post-ISIS, and the resolution of civil discord with the Kurdish Regional Government (KRG).

“Iraq's largely state-run economy is dominated by the oil sector, which provides roughly 85% of government revenue and 80% of foreign exchange earnings, and is a major determinant of the economy's fortunes. Iraq's contracts with major oil companies have the potential to further expand oil exports and revenues, but Iraq will need to make significant

upgrades to its oil processing, pipeline, and export infrastructure to enable these deals to reach their economic potential.

“In 2017, Iraqi oil exports from northern fields were disrupted following a KRG referendum that resulted in the Iraqi Government reasserting federal control over disputed oil fields and energy infrastructure in Kirkuk. The Iraqi government and the KRG dispute the role of federal and regional authorities in the development and export of natural resources. In 2007, the KRG passed an oil law to develop IKR oil and gas reserves independent of the federal government. The KRG has signed about 50 contracts with foreign energy companies to develop its reserves, some of which lie in territories taken by Baghdad in October 2017. The KRG is able to unilaterally export oil from the fields it retains control of through its own pipeline to Turkey, which Baghdad claims is illegal. In the absence of a national hydrocarbons law, the two sides have entered into five provisional oil- and revenue-sharing deals since 2009, all of which collapsed.

“Iraq is making slow progress enacting laws and developing the institutions needed to implement economic policy, and political reforms are still needed to assuage investors' concerns regarding the uncertain business climate. The Government of Iraq is eager to attract additional foreign direct investment, but it faces a number of obstacles, including a tenuous political system and concerns about security and societal stability.

“Rampant corruption, outdated infrastructure, insufficient essential services, skilled labor shortages, and antiquated commercial laws stifle investment and continue to constrain growth of private, nonoil sectors. Under the Iraqi constitution, some competencies relevant to the overall investment climate are either shared by the federal government and the regions or are devolved entirely to local governments. Investment in the IKR operates within the framework of the Kurdistan Region Investment Law (Law 4 of 2006) and the Kurdistan Board of Investment, which is designed to provide incentives to help economic development in areas under the authority of the KRG.

“Inflation has remained under control since 2006. However, Iraqi leaders remain hard-pressed to translate macroeconomic gains into an improved standard of living for the Iraqi populace. Unemployment remains a problem throughout the country despite a bloated public sector. Overregulation has made it difficult for Iraqi citizens and foreign investors to start new businesses. Corruption and lack of economic reforms - such as restructuring banks and developing the private sector - have inhibited the growth of the private sector.

The World Bank does see better immediate prospects for Iraq as a result of the apparent defeat of ISIS, but its April 2018 Overview still contains important warnings:

“The ISIS war and the protracted reduction in oil prices have resulted in a 21.6 percent contraction of the non-oil economy since 2014 and contributed to a sharp deterioration of fiscal and current accounts. Higher oil prices and better security in 2017 contributed to economic stability and a return to growth in the non-oil sector.

“The ISIS war and widespread insecurity have also caused the destruction of infrastructure and assets in ISIS-controlled areas, diverted resources away from productive investment, severely impacted private sector consumption and investment confidence, and increased poverty, vulnerability and unemployment. The poverty rate increased from 19.8 percent in 2012 to an estimated 22.5 percent in 2014. The unemployment rate is about twice as high

in the governorates most affected by ISIS compared to the rest of the country (21.6 percent versus 11.2 percent).

“Because of increased oil production and exports, overall GDP growth remained positive in the 2015-2016 period but is estimated to have contracted by 0.8 percent in 2017 due to a 3.5 percent reduction in oil production to fulfill the OPEC+ agreement and further oil output reduction from areas that returned under the GOI’s control. At the end of 2017, the cumulative real losses due to the conflict stood at 72 percent of the 2013 GDP and 142 percent of the 2013 non-oil GDP. The improved security situation and initial reconstruction efforts have sustained non-oil growth at 4.4 percent in 2017. The pegged exchange rate and subdued demand have kept inflation low at around 0.1 percent in 2017.

“The fiscal deficit is estimated to have narrowed to 2.2 percent of GDP in 2017 due to higher oil prices and measures to contain current expenditures. GOI also tapped the sovereign bond market in August 2017, the first independent issuance since 2006, with a US\$1 billion bond. Large borrowing and issuance of debt guarantees increased the public debt-to-GDP ratio from 32 percent in 2014 to 64.4 percent in 2016.

Thanks to fiscal consolidation and higher oil prices, total public debt is estimated to have declined to 58 percent of GDP in 2017. In 2017, the government made progress to reduce a large stock of guarantees and improve their management. The GOI is also prioritizing investment expenditure for reconstruction in areas liberated from ISIS and for increasing electricity production.”

Afghanistan

In October 2018, the CIA *World Factbook* estimated that some 55% of Afghanistan’s population was below the poverty line in 2017, and 24% was unemployed. It summarized the situation in Afghanistan as follows:

“Despite improvements in life expectancy, incomes, and literacy since 2001, Afghanistan is extremely poor, landlocked, and highly dependent on foreign aid. Much of the population continues to suffer from shortages of housing, clean water, electricity, medical care, and jobs.

“Corruption, insecurity, weak governance, lack of infrastructure, and the Afghan Government's difficulty in extending rule of law to all parts of the country pose challenges to future economic growth. Afghanistan's living standards are among the lowest in the world. Since 2014, the economy has slowed, in large part because of the withdrawal of nearly 100,000 foreign troops that had artificially inflated the country’s economic growth.

“The international community remains committed to Afghanistan's development, pledging over \$83 billion at ten donors' conferences between 2003 and 2016. In October 2016, the donors at the Brussels conference pledged an additional \$3.8 billion in development aid annually from 2017 to 2020. Even with this help, Government of Afghanistan still faces number of challenges, including low revenue collection, anemic job creation, high levels of corruption, weak government capacity, and poor public infrastructure.

“In 2017 Afghanistan's growth rate was only marginally above that of the 2014-2016 average. The drawdown of international security forces that started in 2012 has negatively affected economic growth, as a substantial portion of commerce, especially in the services sector, has catered to the ongoing international troop presence in the country.

“Afghan President Ashraf GHANI Ahmadzai is dedicated to instituting economic reforms to include improving revenue collection and fighting corruption. The government has implemented reforms to the budget process and in some other areas. However, many other reforms will take time to implement and Afghanistan will remain dependent on international donor support over the next several years.”

The World Bank provided the following summary of the current crisis in the Afghan economy in its October 2018 Overview. While it did report some positive developments in terms of budgets, GDP growth and balance of payments, its analysis of the situation the Afghan people faced was grim:

“Economic recovery is slow as continued insecurity is curtailing private investment and consumer demand. Agricultural growth has been constrained by unfavorable weather conditions. The fiscal position has remained strong, driven by improvements in revenue performance, although the government remains heavily reliant on donor grants. Poverty has increased amid slow growth, security disruptions to services, and poor agricultural performance.

“Afghanistan faces numerous political challenges as it fights the insurgency. Parliamentary elections are scheduled to take place on October 20, 2018. Presidential elections are due in April 2019.

“Peace talks have gained some momentum after the Kabul Conference in February 2018 in which President Mohammad Ashraf Ghani made an unconditional offer for negotiations with Taliban, followed by a brief first-ever ceasefire in June, and subsequent direct talks between the US and Taliban.

“The security situation has worsened. Civilian casualties are at their highest since 2002, with an unprecedented level of conflict-induced displacement. Since 2007, the number of injuries and deaths has increased five-fold, and in 2016 and 2017, more than 1.1 million Afghans were internally displaced due to conflict. Between January – June 2018, the United Nations Assistance Mission for Afghanistan (UNAMA) recorded 1,692 civilian casualties – more than at any comparable time over the last 10 years since records have been kept....UNAMA attributed 52 percent of civilian casualties from suicide and complex attacks by Daesh, mainly in Kabul and Nangarhar Province.... The Taliban were responsible for 40 percent and the remainder were attributed to unidentified anti-government elements.

“At the same time, 2016 and 2017 witnessed the return of almost 1.7 million documented and undocumented Afghan refugees, primarily from Pakistan and Iran. Internal displacement and large-scale return within a difficult economic and security context poses risks to welfare, not only for the displaced, but also for host communities and the population at large, putting pressure on service delivery systems and increasing competition for already scarce public services and economic opportunities.”

Yemen

The CIA *World Factbook* estimated that 54% of the population below the extreme poverty line in 2017, even by Yemen’s low standards and characterized the situation in Yemen as follows in October 2018:

“The ongoing war has halted Yemen’s exports, pressured the currency’s exchange rate, accelerated inflation, severely limited food and fuel imports, and caused widespread damage to infrastructure. The conflict has also created a severe humanitarian crisis - the world’s largest cholera outbreak currently at nearly 1 million cases, more than 7 million people at risk of famine, and more than 80% of the population in need of humanitarian assistance.”

“Prior to the start of the conflict in 2014, Yemen was highly dependent on declining oil and gas resources for revenue. Oil and gas earnings accounted for roughly 25% of GDP and 65% of government revenue. The Yemeni Government regularly faced annual budget shortfalls and tried to diversify the Yemeni economy through a reform program designed to bolster non-oil sectors of the economy and foreign investment. In July 2014, the government continued reform efforts by eliminating some fuel subsidies and in August 2014, the IMF approved a three-year, \$570 million Extended Credit Facility for Yemen.

“However, the conflict that began in 2014 stalled these reform efforts and ongoing fighting continues to accelerate the country’s economic decline. In September 2016, President HADI announced the move of the main branch of Central Bank of Yemen from Sanaa to Aden where his government could exert greater control over the central bank’s dwindling resources.

“Regardless of which group controls the main branch, the central bank system is struggling to function. Yemen’s Central Bank’s foreign reserves, which stood at roughly \$5.2 billion prior to the conflict, have declined to negligible amounts. The Central Bank can no longer fully support imports of critical goods or the country’s exchange rate. The country also is facing a growing liquidity crisis and rising inflation. The private sector is hemorrhaging, with almost all businesses making substantial layoffs. Access to food and other critical commodities such as medical equipment is limited across the country due to security issues on the ground. The Social Welfare Fund, a cash transfer program for Yemen’s neediest, is no longer operational and has not made any disbursements since late 2014.

“Yemen will require significant international assistance during and after the protracted conflict to stabilize its economy. Long-term challenges include a high population growth rate, high unemployment, declining water resources, and severe food scarcity.”

The World Bank faces the same critical problems in trying to analyze the impact of war on Yemen’s economy as every other institution, and its public reporting lags behind the fighting in some important respects. Even so, it warns that Yemen may well become to worst case in all four wars. Its October 2017 economic outlook states that:

“The violent conflict in Yemen has caused a dramatic deterioration of the economic and social conditions in the country. Output has contracted sharply. FAO estimates that over 7 million people are at risk of famine in 2017, and cholera outbreaks are ravaging the country with nearly 450,000 suspected cases having resulted in nearly 2,000 deaths per end of August.

“Since the escalation of violent conflict in March of 2015, Yemen’s economy has deteriorated sharply. Although official statistics are no longer available, evidence suggests that Yemen’s GDP contracted by about 37.5 percent cumulatively since 2015 while employment opportunities in the private sector have significantly diminished. Economic

activity in agriculture services, and oil and gas production—the largest components of GDP, remains limited due to the ongoing conflict. Furthermore, the commensurate dramatic decrease in government revenues, especially from the much reduced oil and gas production, have contributed to the implosion of the formal social safety net and infrequent payment of public salaries.

“In addition, the conflict has led to increasing inflation and pressure on the exchange rate, which further undermined household income at a time when approximately 40 percent of households reported to have lost their primary income source (according to the 2016 Gallup World Poll). Imports have greatly contracted given the dwindled foreign reserves of the Central Bank of Yemen (CBY). Critical food and energy imports are facilitated exclusively through private channels without support from financial trade services offered earlier by the CBY.

“Additionally, the involvement of Yemen’s key ports in the conflict have further undermined the ability to import key commodities including food, fuel, and medical supplies to parts of the country. These hurdles are particularly challenging given that Yemen had previously imported approximately 90 percent of its food, and the conflict has exacerbated the need for fuel and imported medical equipment.”

The World Bank’s Overview for April 2018 notes that: “After more than three years of escalating conflict, Yemen continues to face an unprecedented humanitarian, social and economic crisis.

“About 75% of the population (22.2 million people) requires humanitarian assistance. An estimated 17.8 million are food insecure -8.4 million people are severely food insecure and at risk of famine. 16 million lack access to safe water and sanitation, and 16.4 million lack access to adequate healthcare. Cholera, diphtheria and other communicable diseases rates have hit the Yemeni people hard.

“Nation-wide, about 1.8 million children and 1.1 million pregnant or lactating women are acutely malnourished including 400,000 children under the age of five who are suffering from severe acute malnutrition. Over 3 million people have been forced to flee from their homes. Yemen’s public institutions are struggling with service delivery at even the most basic levels, a situation further been complicated by the lack of regular salary payments to many public workers.

“Moreover, the economy is badly hit by the prolonged conflict, depriving millions from their livelihoods and jobs and driving poverty levels to over 80 percent.”

Figure Twenty: Selected Key Economic Indicators

Syria

- 34th worst UN Human Development Indicator Ranking (155th out of 189 countries)
- Gross Per Capita Income in \$US Dollars, and Rank from top, in 2017. CIA last estimated as \$2,900 in 2015. Was then 35th lowest in the world out of 229 countries.

	<u>CIA</u>		<u>IMF</u>		<u>World Bank</u>		<u>UN</u>	
	\$US	Rank	\$US	Rank	\$US	Rank	\$US	Rank
Nominal	-	-	-	-	-	-	1,203	158
PPP	-	-	-	-	-	-	2,900	164

Iraq

- 69th worst UN Human Development Indicator Ranking (120th out of 189 countries)
- Gross Per Capita Income in \$US Dollars, and Rank from top, in 2017. CIA ranked as 125th lowest in world out of 229 countries.

	<u>CIA</u>		<u>IMF</u>		<u>World Bank</u>		<u>UN</u>	
	\$US	Rank	\$US	Rank	\$US	Rank	\$US	Rank
Nominal	-	-	5,088	97	5,166	96	4,301	103
PPP	17,000	104	17,004	77	17,197	74	17,000	80

Afghanistan

- 21st worst UN Human Development Indicator Ranking (168th out of 189 countries)
- Gross Per Capita Income in \$US Dollars, and Rank from top, in 2017. CIA ranked as 22nd lowest in the world out of 229 countries.

	<u>CIA</u>		<u>IMF</u>		<u>World Bank</u>		<u>UN</u>	
	\$US	Rank	\$US	Rank	\$US	Rank	\$US	Rank
Nominal	-	-	588	177	586	173	584	172
PPP	2,000	207	1,889	170	1,981	164	1,900	180

Yemen

- 11th Worst UN Human Development Indicator Ranking (168th out of 189) countries)
- Gross Per Capita Income in \$US Dollars, and Rank from top, in 2017. CIA ranked as 7th lowest in the world out of 229 countries.

	<u>CIA</u>		<u>IMF</u>		<u>World Bank</u>		<u>UN</u>	
	\$US	Rank	\$US	Rank	\$US	Rank	\$US	Rank
Nominal	-	-	558	171	-	-	920	175
PPP	1,300	222	2,300	161	-	-	2,300	171

Note: Comparisons of national wealth are frequently made on the basis of *nominal* GDP and [savings](#) (not just income), which do not reflect differences in the [cost of living](#) in different countries (see [List of countries by GDP \(nominal\) per capita](#)); hence, using a PPP basis is arguably more useful when comparing [generalized](#) differences in [living standards](#) between nations because PPP takes into account the relative cost of living and the [inflation rates](#) of the countries, rather than using only [exchange rates](#), which may

distort the real differences in income. This is why GDP (PPP) per capita is often considered one of the indicators of a country's standard of living,^{[2][3]} although this can be problematic because GDP per capita is not a measure of [personal income](#).

Source: Wikipedia, [https://en.wikipedia.org/wiki/List_of_countries_by_GDP_\(PPP\)_per capita](https://en.wikipedia.org/wiki/List_of_countries_by_GDP_(PPP)_per_capita) and World Bank Governance Indicators, <http://info.worldbank.org/governance/wgi/#reports>, accessed 27.9.218

Every War Does Not Have to Have an End: The Challenge of Meaningful Conflict Termination

All of these challenges in each failed state where the U.S. is now fighting will continue to increase until there is some form of conflict termination. No country can do more than begin its process of recovery and restructuring – much less moving on to stable long-term growth – until the fighting stops. This makes peace negotiations, efforts to create ceasefires and security zones, a key part of any successful military and civil strategy. Just as there is no purely military form of victory, there is no civil form. The governments and factions the U.S. backs must find ways to end the fighting on favorable (or necessary) terms and this clearly requires effective security arrangements.

Necessary may have to take priority over favorable. Depending on the nature of the conflict, it may be necessary to accept an outcome that puts an end to the fighting even if it does not address any of the primary causes of the fighting or offer credible probability of a lasting peace. History is filled with wars that ended by laying the groundwork for the next round of fighting or actual defeats, and in some cases the outcome was clearly more favorable to the peoples concerned than seeking any decisive result.

At the same time, the wrong forms of conflict termination can easily result in massive internal instability, outside challenges, and either repeated all the political and governance failures of the past or in creating new ones. Simply putting an end to the fighting does not create a meaningful basis for dealing with the civil dimensions of war.

There is a serious short-term risk that many immediate problems and potential causes of future violence will grow worse after the fighting ends if a given government is not far more successful in dealing with recovery and restructuring than it has been in meeting any serious challenge in the past. For all the reason just shown, even the best peace negotiations and conflict terminations will prelude to years of civil and economic effort. This means that all forms of conflict terminations and peace negotiations must address the civil as well as the military dimensions of war.

Poor Prospects in All Four Cases

The present prospects are not good. Real world strategies cannot ignore the real world negotiating conditions that shape the probability of any form of actual victory, and this is all too true of all four of America's current wars. No one can predict how any given conflict will really end, but some all too possible endings can take a form that will cripple future efforts at recovery, restructuring, and longer-term development:

- *Syria is likely to end largely under an Assad regime that will be far more repressive than at the conflict's start and with the nation plunged deeply into a humanitarian and economic crisis with unstable enclaves on its margin, and serious new tensions with outside powers. ISIS may be defeated as a protostate, and the other Sunni extremist and rebel factions in Idlib may or may not be defeated. Most possible "peaces" and "conflict terminations" are, however, more likely than not to lead to new forms of terrorism, extremism, and violent action against the Assad regime. Without new and far better forms of politics and governance, Syria seems unlikely to be able to move towards any lasting internal stability, full recovery, and shift back to*
- *Iraq is the only war the U.S. is fighting that now seems to have a higher probability of ending in some stable way than simply offering temporary stability and becoming the*

prelude to either new forms of repression or new forms of fighting. It too is likely to see the defeat of ISIS as a protostate, although it too will certainly have to deal with remaining ISIS fighters for some time. The key issue, however, is whether it can come out of the political uncertainties created by its 2018 election, and the challenges posed by its sectarian and ethnic divisions, to create successful governance and development. The odds so far are only marginally favorable.

- *Afghanistan may be the scene of eventual U.S. withdrawal and a kind of Taliban victory, or an unstable peace settlement and divided nation and government.* Afghanistan's politics and governance government remain deeply divided, U.S. and Afghan government forces are not currently winning, and poverty and security problems continue to increase in spite of limited growth in its GDP. The prospects that legislative and Presidential election will produce effective governance are poor. Pakistan will remain a problem, and outside powers like Iran will compete to serve their own interests. Serious terrorist and extremist enclaves may or may not remain.
- *Yemen was an economic and political basket case ruled by a corrupt authoritarian regime that kept power by repression and exploiting competing internal factions before the start of its civil war. It seems likely to return to that status under far worse conditions as a deeply war-damaged crisis state if the Houthi and their supporters are defeated.* It is unclear that any form of Houthi defeat will achieve lasting stability, the vague plans suffered to defeat for recovery and development are a triumph of hope over probability, and it is far from clear that the turn of elements of the Hadi government will bring even temporary lasting security – much less put an end to AQIP and violent extremism.

There is no credible way to know how much worse the situation will get in any given country before there is an end to conflict. There is no way to know if any apparent form of conflict resolution in Syria, Iraq, Afghanistan or Syria will end in a lasting ceasefire or peace, or simply be a prelude to new forms of violent extremism and ethnic, sectarian, and other internal conflicts. Even if there is no further violence, there is no way to determine whether the regime will be any less authoritarian, corrupt or willing to favor one part of a nation's people over another.

Simply putting an end to open violence, or limiting it, is better than nothing, but it scarcely guarantees that options exist for kind of recovery and a restructuring that will help bring a nation together, reduce or resolve factional tensions and conflicts, and meet popular expectations and needs. Even far greater success in the security dimension than currently seems likely does not guarantee civil success, either in the immediate period following a conflict or in the years that follow. Improving governance and politics are no substitute for economic opportunity and a reasonable degree of equity.

The Peaceful Development Fallacy

These risks and challenges make it even more clear that conflict termination must take as much account of civil needs, and be shaped to create the best possible outcome for cooperation, unity, for meeting humanitarian needs, and for future human development. Ending the fighting is not enough if it ends in civil failure, or simply pauses the fighting for a limited time.

Yet, civil efforts need to take equal account of military and security problems. Far too much of the writing on conflict resolution and the economic impact of war to date suffers from the same *peaceful development fallacy*. Discussions of possible peace negotiations and conflict resolution

tactics generally ignore the depth of the causes that led to violence in the first place, and assume that negotiating to end the fighting will provide some kind of unity that will allow a government and country to ignore of the divisions that led to terrorism and extremism in the first place, and focus on broad national development.

This *peaceful development fallacy* is compounded by a failure to examine and quantify the inequities involved between competing factions, the overall impact of corruption and economic favoritism and inequality, and the scale of the problem a failed state faces in meeting popular needs and expectations.

Most of the economic planning and analysis effort by bodies like the UN, IMF, and World Bank ignores both the civil causes of conflict and ignore the real world challenges to policies that do not deal with the problems and inequities and assume that government's somehow become fair, honest, and effective simply because the fighting ends or is sharply reduced. It assumes that national progress towards the conventional goals of economic progress and reform in peace and more developed states – stable financial systems on national basis, a grossing GDP, and a reasonable balance of trade are enough, and will mysteriously dominate a state's action once conflict ends.

None of these assumptions seem remotely likely to be valid in Syria, Iraq, Afghanistan, or Yemen. Far too many of the problems that led to terrorism, insurgency, and civil war – as well as failed politics and governance – will still exist after any conceivable peace settlement. There have been far too many other times in modern conflict where the failure to address the most critical underlying causes left a national unable to recover or pushed it back into conflict. A failure to idealized concept of peaceful development on a unified basis is not the exception, it is virtually the rule.

Creating the Civil Conditions for Successful Conflict Termination and Post Conflict Progress

There are no good or easy options for dealing with these problems. Governments that are deeply involved in combat and political conflict are scarcely the best forum for exploring future con promises and carrying out detailed planning and analyses of possible ends to conflict, major reforms, and creating civil compromises between warring factions.

There are, however, some options that can help. There are competent officials and technocrats in each failed state, but they never had the power and authority to be effective in peace time, and they have far less priority in war. Far too often they are now tied up in planning massive aid requests and creating sweeping reform plans to justify such request, rather than addressing ways to bring stability, end a conflict, and move forward in practical and affordable terms. Creating groups to plan for meaningful civil conflict resolution, critical near-term reforms and economic development that can focus on healing a divided country – rather than classic economic development – would at least offer each country a voice in shaping the civil outcome of war.

Outside powers like the United States can help with planning and technical assistance, and looking beyond the narrow goals of immediate diplomacy, and helping to offer options for civil development, could help to both offer the proper priorities for the civil side of conflict resolution and give Syrian, Iraqi, Afghani, or Yemeni options that look beyond their current divisions and political rivalries. USAID and the State Department do not have the kind of staffs that are suited to broad economic planning efforts, but they do have many experts with country experience and specialized skills.

It takes time and patience to make the right kind of changes, and the careful use of diplomatic leverage and conditionality in allocating aid. There are no quick and easy solutions, and the U.S. almost certainly lacks the time and internal political support to zero base any major civil effort in a single country where it is now fighting. Moreover, it now must try to walk a diplomatic tight rope in which it must consider the competing desires of each major internal faction and its other local strategic partners, and the threat posed by competing powers like Iran, Russia, and Turkey.

The U.S. does, however, still have options. A strong, proactive country team can accomplish a great deal by providing encourage and focused expertise. Even limited U.S. civil aid can play a key role if it is linked to clear conditions for planning and allocation, and tight fiscal controls, *and host country officials find the flow of money stops and they are criticized by name, they and their families are denied visas, and/or the U.S. makes it clear to other countries that given programs, officials, and officers are corrupt or incompetent.*

Taking Serious Action on "Conditionality"

As has been touched upon earlier, the U.S. can also accomplish a great deal by focusing on limiting the impact of serious areas of corruption and incompetence on actual allocation, spending and activity – rather than on encouraging formal anti-corruption programs that almost inevitably fail, destroy the careers of the host country personnel involved, only punish scapegoats, or are exploited to attack political opponents.

“Conditionality” can be strengthened in a number of less overt and controversial ways. Media background briefings can be as effective as official statements. So can open disclosure of the extent to which a given aid effort, or host country promise and program fails to be honestly and effectively administered or even implemented. Limiting public affairs efforts to the turf, without ritual praise of host country government can be critical. Only praising actual success when it meets a real popular need, rather than praising host country “plans” and good intentions could be a major step forward.

Honest and full transparency as to progress and effectiveness is another important and focusing on key trends that directly affect the people most concerned is another key tool. As the U.S. Embassy in Peking demonstrated simply by providing open reporting on the city’s air quality index, the U.S. can lever a host country by reporting on the extent to which it fails to meet key popular needs, or takes action that can encourage further sectarian, ethnic, tribal, and regional tension and conflict. Encouraging similar UN, IMF, and World Bank reporting can help increase the pressure.

The U.S. can also gain far more leverage and influence if it cooperates with other aid donors and allies to create a major aid program that had the same broad conditionality as the Marshal Plan, that enforced the same demands for honest and effective use of resources and the same penalties for corruption and failure, and that focused on the worst grievances of a host country’s major popular factions rather than ideological goals or economic goals divorced from the realities that divide a given country and encourage extremism, terrorism, and insurgency.

Money does not talk, but it can be made to speak. A ruthless degree of transparency will acquire power and influence in direction proportion to how much money is involved and how much it motivates given parts of a nation’s people.

Mobilizing International Support

One key to success is to avoid the past tendency to "internationalize" such efforts as a way of reducing U.S. effort and responsibility, and to focus on international cooperation as a means of making such efforts more effective. The UN's development activities have often been highly constructive, but the UN's internal politics have made it a much better forum for meeting humanitarian needs than dealing with the challenges imposed by making objective assessments of member country's internal problems and dealing with the complex politics of creating the necessary plans for reform and economic development.

In contrast, the work already done by the World Bank illustrates how valuable an international organization can be in offering diagnostics and options that probe deeply into a nation's most critical problems but are not be seen as serving a given internal faction or outside power. The World Bank's diagnostics and assessments of all four states have addressed key civil issues in relatively practical ways. The World Bank does not have the same primary focus on international financial stability as the IMF, and has shown that it can address the key structural problems that shape and divide Syria, Iraq, Afghanistan, and Yemen.

At the same time, the World Bank is no more free of pressures to minimize key issues than other outside bodies. None of the work it has done on Afghanistan has fully address the Afghan shift back to a narco-economy. It has not addressed the regional, sectarian, ethnic, and tribal divisions that need to be reconciled in each country it has assessed. Like other aid organizations, the World Bank talks generically about corruption and the failures of governance, but does not identify the scale of the more critical cases involved, or offer solutions. Here, it is critical to recognize that finding real world solutions means addressing all of the critical real world problems in "failed states," and to date, neither outside states or any international organization have been willing to do this.

Addressing all of the civil challenges necessary to both resolve a conflict and then move on to recovery, restructuring, and development cannot be an exercise in good manners, and being "diplomatic" and tactful. It has to openly face key problems, and offer real world solution rather than broad goals, good intentions, and generic set-piece advice. Moreover, any group or team that helps plan for conflict termination is the logical base for a team that can continue to provide support, aid, and valid criticism in transparent form once some form of conflict termination is in place and the long struggle to put a nation on the path towards stable development begins

Using International Aid as an Incentive and Leverage

Another key option the U.S. can pursue is working with its allies, security partners, and friends to create conditional aid packages that will offer large-scale, public incentives to each country to move forwards towards the proper post-conflict development activities. The key, however, is to make it clear to a recipient nations leaders and people that such aid depends on that nation in actually taking action, and on fiscal accountability, the personal accountability of its leaders and officials, proper progress and effectiveness reporting, and full transparency.

No "failed state" needs or can effectively use a Marshall Plan, and the entire history of aid conferences, country promises of reform, and vaguely defined outside pledge of aid is filled with consistent enough examples of failure to border on farce. What it does need is the assurance that aid is available if it meets the right conditions, that it will only come if it takes actions that actually

serve all its people, and that some international group will work full time in country to help develop suitable plans and methods of executing them, and to ensure full accountability

Moving Towards Stable Development

Conflict termination, humanitarian aids and "recovery" are only part of the civil economic third of a successful strategy. Each of the "failed states" where the U.S. is now fighting, or where it is assisting a host government in war, will have to deal with greater and deeper structural economic challenges than the recovery problems described earlier. Some of each country's most serious challenges, however, are the ones that already existed before its fighting began.

It is not enough to "recover" by restoring the housing, economy, and living conditions that existed before the war. Aid must be provided to meet urgent humanitarian needs, but no "failed state" can or should be rebuilt as it was. Serious wars do not simply damage the states where they are fought, they create conditions that force major changes in the entire structure of a nation's society, demographics, and the economy. Each state will need to restructure its entire economy to deal with lost trade and markets, lasting impacts on refugees and IDPs, and shifts in the need for infrastructure and services.

"Recovery" Really Means Restructuring and Finding New Paths to Near, Mid, and Long-Term Development

Many of the forces that drive such needs are clear from the sources and reporting that highlights the human and economic impact of war. Many indeed were described long before the violence fighting began in Middle Eastern countries in a series of UN Arab Development Reports. Others were highlighted in other UNDP reporting, IMF Article 14 reports and studies, World Bank studies, and a wide range of academic, NGO, and research center efforts.

These efforts need to be reviewed, updated, and made another key part of the civil side of the strategies that deal with terrorist, extremist, and insurgency efforts. And, once again, these needs become clear from even a brief review of the assessments made by sources like the CIA and World Bank.

Population Pressure

As noted earlier, many of the efforts to provide comparative statistics and data on the human and economic development of given countries – and particularly "failed states" – are unreliable, lack a credible source, use different methods and definitions, or are simply self-serving efforts to present anything from a favorable picture of a given regime to justifications for added outside aid. These caveats apply to most education, medical, life expectancy, income distribution, and other human factors data as well as economic data.

Figure Twenty-One for example, shows a range of unemployment figures which grossly understate the employment problems in each country, the lack of current data on youth unemployment, and impact of disguised unemployment where low wages are paid to hire several persons to perform the equivalent of one person's efforts. These data are all too typical of formal international statistics.

There are some more credible cases, and these are illustrated in **Figure Twenty-One**. The particular numbers shown are highly uncertain but the broad growth trends are almost certainly correct:

- Syria's population grew by 4.9 times between 1950 and 2019 – in spite of the loss of some 5 million refugees as a result of the current fighting. It is estimated to grow another 1.8 times by 2050.
- Iraq's' population grew by 7.9 times between 1950 and 2019, and is estimated to grow another 1.9 times by 2050.
- Afghanistan's population grew by 4.4 times between 1950 and 2019, and is estimated to grow another 1.8 times by 2050, and,
- Yemen's population grew by 6.1 times between 1950 and 2019, and is estimated to grow another 1.6 times by 2050.

These figures show that a near population explosion has taken place in all four countries each of which has a relatively small and marginally productive manufacturing sector, and limited arable land and water. Climate change seems to be a problem in each case, and it – along with the competing water demands of other countries – are seriously affecting water supplies.

Urbanization and migration off of far too small farms – for both economic and security reasons – is taking place without suitable infrastructure, services, and job opportunities was already a problem. Factional differences, poor distribution of income and poverty, mismanagement of the state sector, and corruption were all additional structural problems.

Syria

The World Bank has illustrated the scale of these longer term economic and structural challenges in two recent analyses on the impact of the Syrian conflict: (i) a Damage Assessment (DA) of Aleppo, Idlib, and Hama, and (ii) an Economic and Social Impact Analysis (ESIA) of the conflict on Syria, called the *Toll of War*. It summaries the challenges Syria now faces in its current Overview:

“The human toll of the conflict (casualties and forced displacement) and damage to productive factors and economic activity has been extensive, damaging capital stock (e.g. about one-third of housing stock and one half of health and education facilities damaged or destroyed), while disrupting economic activity. From 2011 to 2016, cumulative GDP loss is estimated at \$226 billion.

“Disruptions in economic organization are the most important driver of the economic impact, superseding physical damage. Conflict has disrupted economic activity by diminishing economic connectivity, reducing incentives to pursue productive work, and disconnecting networks and supply chains. Cumulative GDP loss due to disruptions in economic organization exceeds that of physical destruction by a factor of 20. This contrast is explained by how the economy reacts to different shocks.

“A ‘capital destruction only’ is like some natural disasters: in a well-functioning economy, its effects on investment are limited (-22% in simulations) as capital can be rapidly rebuilt and repercussions contained. In comparison, economic disorganization reduces investments significantly (-80% in simulations); and effects propagated over time.

“The longer the conflict lasts, the more difficult recovery will be, as effects of economic deterioration become more persistent over time. Should conflict end in its 6th year, GDP is estimated to recoup about 41% of the gap with its pre-conflict level within 4 years, with

cumulated GDP losses 7.6 times 2010 GDP by the 20th year. In comparison, GDP recoups only 28% of the gap in 4 years if it ends in its 10th year, with cumulated GDP losses 13.2 times 2010 GDP by the 20th year. Simulations also show that outmigration could double between the 6th and 20th year of the conflict.”

Iraq

The World Bank and IMF have carried out studies of Iraq that warn that even the one state of the four that does have major outside revenues faces major long-term challenges. Iraq has lost decades of development opportunities since 1980, but it does have the petroleum resources to pay for future development and to meet many of the needs of all its people *if it can create an effective state of governance and the unity to act*. Unlike the other three failed states, Iraq is only seriously damaged, not shattered.

The practical problem, however, is that the current war is only part of its problems. Iraq has long been its own worst enemy and it suffered from deep self-inflicted wounds long before Saddam Hussein invaded Iran in 1980. At an economic level, these wounds include massive waste on showpiece efforts and palaces, and massive military spending. They include creating one of the largest bureaucracies and least productive and expensive state sectors in the developing world, crippled its private sector, and systematically mismanaged agricultural development and its use of water.

Its economic development now faces the challenge of emerging from a bitter fight against ISIS with a population that still remains deeply divided along sectarian (Sunni vs. Shiite) and ethnic (Arab vs. Kurd vs. Turcoman vs. minority) lines. It also faces critical outside pressures. Iran has penetrated deeply into its security and Shi'ite power structure, Turkey threatens its Kurdish areas, its armed forces are still weak and in transition, it had its second failed national election in 2018 and one that again has acted largely to make rival factions turn on each other rather than compromise and govern effectively.

Even potentially wealthy states can be crippled by gross corruption. As noted earlier, Transparency International ranks Iraq as the 11th most corrupt country in the world – better than 3rd for Syria and 4th for Afghanistan, but still relatively dismal. The World Bank *Systemic Country Diagnostic* and *2017 Economic Diagnostic* warn that Iraq faces major problems, and while the World Bank seems remarkably optimistic about its post ISIS recovery for a country with no clear government or plan for the future, the Bank warned in its April 2018 *Economic Outlook* that,

“The ISIS war and the protracted reduction in oil prices have resulted in a 21.6 % contraction of the non-oil economy since 2014 and contributed to a sharp deterioration of fiscal and current accounts. Higher oil prices and better security in 2017 contributed to economic stability and a return to growth in the non-oil sector.

“The ISIS war and widespread insecurity have also caused the destruction of infrastructure and assets in ISIS-controlled areas, diverted resources away from productive investment, severely impacted private sector consumption and investment confidence, and increased poverty, vulnerability and unemployment. The poverty rate increased from 19.8 percent in 2012 to an estimated 22.5% in 2014. The unemployment rate is about twice as high in the governorates most affected by ISIS compared to the rest of the country (21.6% versus 11.2%).

“Because of increased oil production and exports, overall GDP growth remained positive in the 2015-2016 period but is estimated to have contracted by 0.8 percent in 2017 due to a 3.5% reduction in oil production to fulfill the OPEC+ agreement and further oil output reduction from areas that returned under the GOI’s control.

“At the end of 2017, the cumulative real losses due to the conflict stood at 72 percent of the 2013 GDP and 142% of the 2013 non-oil GDP. The improved security situation and initial reconstruction efforts have sustained non-oil growth at 4.4% in 2017. The pegged exchange rate and subdued demand have kept inflation low at around 0.1% in 2017.”

These challenges are particularly severe because Iraq also has a long history of poor governance in each of the six areas the World Bank rates, including corruption. These problems in governance have helped lead to critical shortfalls in electric power and serious infrastructure problems. They have also triggered a recent series of riots and demonstrations against the government even in its relatively secure Shiite areas in its Southeast. The attendance at these demonstrations have shown all too clearly Iraq faces massive economic challenges and problems in creating effective employment for both its youth and general population.

The U.S. again has helped to create these problems. The U.S. government seems to have largely abandoned efforts to provide the kind of aid and political efforts that address these civil issues, and its level of commitment to providing effective post-ISIS military support is somewhat uncertain even if Iran does not succeed in limiting U.S. efforts. At least some U.S. experts also seem to be claiming an early victory against ISIS while others indicate ISIS still has some 15,000-30,000 fighters left in Iraq and Syria.

The U.S. focus on ISIS seems particularly dangerous not only in terms of Iraqi civil stability but because the U.S. START data base on terrorism indicates that there were some 18,802 incidents of terrorism in Iraq and Syria between 2012 and 2017, and ISIS only accounted for 5,437 (29%) of them and Al Qaida for only 386 incidents or 2.1%. Being obsessed with the worst current part of the problem of terrorism scarcely means solving it.

In short, standing aside in Iraq can be as bad a solution as accepting Assad in Syria or focusing on undefined and open-ended peace negotiations in Afghanistan. The strategic stakes in Iraq are also far higher. Iraq is a major oil power, a critical buffer against Iran, and a far more dangerous source of future conflicts that can directly threaten key U.S. strategic interests.

Afghanistan

A World Bank summary of the broader and longer term problems Afghanistan must deal with deal raises equally serious longer term challenges – although it does not touch on its critical dependence on narcotic exports and massive levels of corruption:

“...Reflecting slow recent growth, poverty has increased significantly, resulting in 55 percent of the population living below the national poverty line in 2016–2017, compared to 38.3 percent in 2012–2013 – an increase of 5 million. Living standards are also threatened by continued drought conditions, which are negatively impacting wheat harvests, generating food insecurity in many areas of the country. The displacement crisis also continues, with more than 1.7 million Afghans internally displaced and more than 2 million returning to Afghanistan – mostly from Pakistan and Iran – since 2015.

“Few Afghans have access to productive or remunerative employment. A quarter of the labor force is unemployed, and 80 percent of employment is vulnerable and insecure,

comprising self- or own account employment, day labor, or unpaid work. Almost three-quarters of the population are below the age of 30, and roughly 25 percent are between the ages of 15 and 30. This large youth cohort of approximately 8 million is entering the labor market with little education and few employment opportunities. A natural consequence of the poor security situation and limited development resources, job creation has been unable to keep up with population growth, and good jobs are few and far between.

“Though increasing over time, just over half (54 percent) of young Afghans are literate. Labor force participation rates of young Afghan women are particularly low due to higher rates of inactivity and unemployment. Young Afghans (age 15–24) have a high unemployment rate of 31 percent, while 42 percent are neither in employment, education, or training. Progress with education is threatened by the security situation. The net attendance rate in secondary education fell from 37 percent to 35 percent between 2013 and 2016, driven by declining attendance among girls.

“Afghanistan faces substantial risks in the short-term arising from the possibility of political instability and violence in the context of upcoming elections. The contested 2014 presidential elections had negative impacts on confidence, investment, and governance, feeding into lower growth and revenues. A similarly disruptive election period could have major negative impacts on revenues, investment, and growth over 2018, 2019, and beyond. On the other hand, progress with a negotiated peace settlement with the Taliban could have a major positive impact on investment confidence, potentially spurring accelerated growth and improved government revenues.

“Over the medium term, and in the context of expected declines in aid, economic development progress will depend on mobilizing the sectors with greatest capacity to support increased growth, job creation, exports, and government revenues. This is likely to require a balanced growth strategy, including increased investment in agricultural productivity (including through expanded irrigation), increased investment in human capital, and the realization of Afghanistan’s substantial extractives potential.”

Yemen

Yemen has been regarded as the basket case of the Arab world for decades. Its limited water and arable land cannot adequately support its population. Its use of drugs has long been than more damaging to its society and economy than Afghanistan's production of them. Its limited petroleum resources are too small to be a key source of development income, and the World Bank reports that, "

The poverty rate (with the poverty line at a US\$3.20 PPP) is estimated to have increased since 2014 by 32 percentage points to approximately 81 percent today. Poverty was already on the rise in Yemen prior to conflict, rising nearly 14 percentage points between 2005 and 2014. However, this deprivation is not uniformly felt through-out the household. Estimates suggest that in particular women are shouldering an inequitable share of the burden and are experiencing even worse deprivations than the average of the population

The World Bank's summary of its development prospects are largely an appeal for international aid.

Economic prospects in 2018 and beyond will critically depend on rapid improvements of the political and security situation, and ultimately whether an end to the ongoing conflict

will allow for rebuilding the economy and social fabric. If violence can be contained by late 2018, GDP is projected to begin to recover in 2019, with double-digit GDP growth. Inflation is likely to decline in such a case as supplies will increase. Less conflict might also help to stabilize further the exchange rate and bring back more options for monetary policy. Restoration of more peaceful conditions will allow for resumption of hydrocarbon production, which in turn will help restore government revenues and the balance of payments.

However, even in this scenario, little of a such projected growth is to translate into a substantial reduction of poverty. Rather, poverty is projected to remain high at approximately 76 percent in 2019 (with the poverty line at a US\$3.20 PPP), or 44 percent of the population living below US\$1.90 a day. Given the bleak outlook, massive foreign assistance would continue to be required to fund recovery and reconstruction in a post-conflict period. In particular, foreign assistance would be needed to help re-store basic services and rebuild confidence in institutions.

The significant increase in absolute poverty in Yemen since 2014 poses a tremendous challenge for peace building, with a prerequisite of large external assistance. In order to make peace more sustainable, fiscal and other policies need to be de-signed to support increased investment and to create jobs for the large share of Yemenis who were unemployed and excluded before the conflict. Leveraging support for recovery and reconstruction to improve economic and social inclusive-ness could help to mitigate the risk of conflicts arising in the future.

Figure Twenty-One: Population Dynamics and Current Unemployment Levels: Syria, Iraq, Afghanistan, and Yemen

Mid-Year Total Population: 1950-2015 (in Millions)

	1950	1975	2000	2019	2025	2050
Syria (Growth: 1950 to 2019 =X4.9; 2019 to 2050 = X1.8)						
			3.5	7.4	16.5	17.1
					24.5	31.2
Iraq (Growth: 1950 to 2019 =X7.9; 2019 to 2050 = X1.9)						
			5.2	11.1	23.1	41.2
					47.7	76.5
Afghanistan (Growth: 1950 to 2019 =X4.4; 2019 to 2050 = X1.8)						
			8.2	14.1	22.5	35.8
					41.1	63.8
Yemen (Growth: 1950 to 2019 =X6.1; 2019 to 2050 = X1.6)						
			4.8	7.9	17.2	29.3
					32.8	46.1

Employment in 2017

	% of Participation		<u>Youth Unemployment</u>		% of Youth Not in
	<u>Women</u>	<u>Men</u>	<u>% Ages 15-24</u>	<u>% Ages 5-17</u>	<u>School or Employed</u>
Syria	11.9	70.2	15.2	39.9	-
Iraq	18.7	74.1	8.2	18.0	40.6
Afghanistan	19.5	86.7	8.8	17.7	-
Yemen	6.	69.3	13.8	25.5	44.8

Source: U.S. Census Bureau, *International Data Base*, accessed 10.4.18, <https://www.census.gov/data-tools/demo/idb/region.php?N=%20Results%20&T=13&A=separate&RT=0&Y=1950,1960,1970,1980,1990,2000,2010,2019,2030,2040,2050&R=-1&C=AF,IZ,SY,YM>; UNDP, *Human Development Indices and Indicators: 2018 Statistical Update*, 2018, p. 60

Meeting the Longer Term Development Challenge

A slow progression from war to ending the fighting, to immediate humanitarian needs, to recovery and finally to development is still possible in all four countries. Given the costs, institutional and human barriers to effective development, and dependence on outside aid and investment, however, any success will be a long-term process at best. Work by the World Bank and IMF has already shown that it is likely to require a minimum of a decade even in a state with substantial self-financing capability like Iraq, and the work of the Arab Development Reports and UN has also shown that it will have to meet major additional challenges like population growth and youth employment problems in the process.

The World Bank, IMF, and various NGO's have sometimes gone further and made preliminary estimates of the actual cost of wartime recovery and some truly rough "guessestimates" of the cost and challenges involved in creating a stable path of development that can compensate for years or decades of lost development opportunities. A number of institutions, NGOs, and research centers have issued rough estimates of recovery costs at the hundreds of billions of dollar level. At least as yet, however, none of these estimates seem to be based on a credible methodology, seems to set real world priorities that are based on real world resources in terms of national budgets and outside aid.

At present, such "guesstimates" have three serious problems:

- First, for all the math and statistics that that are sometimes provided, there is no meaningful methodology for making such estimates. The cost figures issued to date are crude guesstimates at best.
- Second, setting impossible spending goals that at best can only result in unmet pledges is not going to help. If anything, it encourages another cycle of aid conferences that end with unrealistic goals, promises of reform that are never met, and pledges of aid that turn into loans or are never fully paid.
- Third, near-term stability depends on setting real world priorities and creating executable plans at credible resources levels that actually reduce critical internal tensions and distrust is feasible. It is what is actually needed and ignoring this reality is yet another way to fail "failed states."

This again highlights the need for the kind of permanent international field team, serious plans and reporting systems, and conditional international aid efforts outlined earlier.

Key Lessons for the Future

The analyses in this report have focused on two key issues. The first is the need to give the civil dimension of war, and the causes of extremism and insurgency the same priority as the military dimension of warfighting. The second is the scale of the civil challenges in "failed states" and the difficulty and cost of meeting them. The case for giving the civil dimension of war the same priority as the military one has already been made.

Making a Clear Commitment to the Civil Side of Strategy

If the U.S. is to have any kind of real-world and lasting victory in any of its current wars in failed states, it needs to make a firm commitment to a civil effort large enough – and well planned enough – to actually win. This means honestly addressing the failures of host country governments, identifying the causes that led to war, and doing enough to at least address the worst grievances of a nation's population.

More generally, the U.S. needs to give the civil dimension equal priority in choosing whether and how to engage in future wars that involve serious extremist and insurgent threats. This analysis has focused on some potential solutions, but unless such wars involved a truly vital national interest, there is another side to the story. Failed state wars are scarcely existential conflicts for the U.S., but it is all too clear that they can be remarkably long and expensive.

Applying Strategic Triage

Major involvement in a "failed state" war involves a very real risk that it is too late to engage successfully. Even the best managed mix of military and civil efforts U.S. effort may simply prolong a country's agony. Moreover, disengagement is also an option and may actually increase U.S. leverage in the future if it is clearly tied to a given country's failure to meet either the military or civil conditions necessary to survive or win.

As for the future, the answer cannot be to fight everywhere outside the United States to keep the threat of terrorism from emerging within it. The U.S. needs to be far more careful about strategic triage. It needs to be far more careful about where it engages, how deeply it engages, and the real world costs of an effective military and civil effort.

Containment, rather than engagement may well be the better real world options in dealing with failed states. When the U.S. does choose to engage, it must be ready to devote both the military and civil resources that are really needed. It should be realistic about the probabilities of success, and make its aid conditional from the start.

Conditionality Means Both Willingness to Stay and Willingness to Leave

The host country or strategic partner should know from the start that the U.S. can and will withdraw if its partner does not perform. The U.S. should also make it clear that it will deal with major corruption, internal disputes, and other failures to perform by halting aid until the host country deals with such problems and takes steps like denying visas or sanctioning the host country officials and officers involved. U.S. public affairs efforts and officials should not praise failure, or exaggerate success. The U.S. should be prepared to name names, report the real world level of progress, and out the corrupt and incompetent. It should not let its cooperation with strategic partners or other outside countries lead to a failure to enforce such conditionality.

Execute a Real "Whole", not "Hole," of Government Approach

At the same time, the U.S. does owe any government it engages with several improvements in the quality of U.S. efforts. The first is the focus on the host country's urgent needs – as seen by the key factions of its people. The second is find ways to make the host countries existing approaches work whenever possible – rather than try to impose U.S. methods and set U.S. goals. Transformational efforts tend to be the fastest way to fail and alienate in the process. They also require the largest staff and resources.

The U.S. should develop real "whole" of government approaches and serious integrated civil-military national plans and measures of progress that will then be used to actually implement and manage, and be regularly modified when necessary. It should not create disconnected individual program efforts, and it should focus on a limited number of key overall national priorities for improved governance and political unity, and not on projects or efforts that have a marginal wartime need.

Put More Reliance on Effective International Efforts

Finally, where possible, the U.S. should seek to internationalize the civil efforts effort as much as possible, and place it under collective leadership by using the UN, World Bank, NATO, etc. This may not be possible in many cases, but it offers a way to avoid making the U.S. appear responsible for the entire effort, allows the U.S. to draw on a broad range of expertise, and may be able to reduce the gap between the pledges of aid by other countries and actual payment.

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