

Afghanistan 2005 and Beyond

Prospects for Improved Stability Reference Document

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Afghanistan 2005 and Beyond Prospects for Improved Stability Reference Document

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For the Clingendael Institute¹



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Preface

One of the most important challenges today is to design an integrated policy response that enables governance, security, and socioeconomic development in unstable societies. This applies especially to post-conflict settings such as Afghanistan. The Clingendael Institute has recently developed a new instrument for such an integrated approach for the Netherlands Ministry of Foreign Affairs, the *Stability Assessment Framework* (SAF).² The SAF methodology for assessing stability—especially the trends that affect stability—is drawn from the extensive conceptual and methodological work of The Fund for Peace.³

The report *Afghanistan 2005 and Beyond. Prospects for Improved Stability*, was prepared by the Center on International Cooperation, New York University, for the Clingendael Institute on the basis of the SAF methodology. The report was presented during a seminar held by the Royal Netherlands Embassy at the Intercontinental Hotel, Kabul, on February 23, 2005.

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http://www.clingendael.nl/publications/2005/20050200_cru_paper_stability.pdf

² Suzanne Verstegen, Luc van de Goor and Jeroen de Zeeuw, *The Stability Assessment Framework: Designing Integrated Responses for Security, Governance and Development* (The Hague, Clingendael Institute, 2005).

³ Pauline Baker and Angeli Weller (1998) *An Analytical Model of Internal Conflict and State Collapse: Manual for Practitioners*. Fund for Peace, Washington, D.C.

List of Abbreviations

AACA	Afghan Assistance Coordination Agency
ACF	Anti-coalition Forces
ADB	Asian Development Bank
ADF	Afghanistan Development Forum
AIHRC	Afghan Independent Human Rights Commission
AMF	Afghan Militia Forces
ANA	Afghan National Army
ANBP	Afghanistan New Beginnings Program
ANP	Afghan National Police
ANSO	Afghan NGO Security Office
ARD	Alternative Resolution of Disputes
ARDS	Afghanistan Reconstruction and Development Services
AREU	Afghanistan Research and Evaluation Unit
ARTF	Afghanistan Reconstruction Trust Fund
ASP	Afghanistan Stabilization Program
CMC-A	Combined Military Command - Afghanistan
CSC	Civil Service Commission
DAB	Da Afghanistan Bank
DDR	Disarmament, Demobilization and Reintegration
GWOT	Global War on Terror
IMF	International Monetary Fund
IAGs	Illegal Armed Groups
I-PRSP	Interim Poverty Reduction Strategy Paper
ISAF	International Security Assistance Force
ISI	Directorate of Inter-Services Intelligence (Pakistan)
JRC	Judicial Reform Commission
LOTFA	Law and Order Trust Fund for Afghanistan
MJ	Meshrano Jirga
NA	Northern Alliance
NATO	North Atlantic Treaty Organization
NDS	National Directorate of Security
NPPs	National Priority Programs
NSP	National Solidarity Program
PRR	Priority Reform and Restructuring
PRTs	Provincial Reconstruction Team
SMP	Staff Monitored Program
SNTV	Single Non-Transferable Vote
TAP	Trans-Afghan Pipeline

UNAMA UN Assistance Mission in Afghanistan
UNODC UN Office on Drugs and Crime
WJ Wolesi Jirga

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Executive Summary

Since the overthrow of the Taliban by the US-led coalition and the inauguration of the Interim Authority based on the UN-mediated Bonn Agreement of December 5, 2001, Afghanistan has progressed substantially toward stability. Not all trends are positive, however. Afghanistan has become more dependent on narcotics production and trafficking than any country in the world. It remains one of the world's most impoverished and conflict-prone states, where only a substantial international presence prevents a return to war. The modest results reflect the modest resources that donor and troop-contributing states have invested in it. Afghans and those supporting their efforts have many achievements to their credit, but declarations of success are premature.

To redress the shortcomings of current efforts, the paper proposes policy changes in the areas of assistance to security, governance, reconstruction, and regional cooperation. It also suggests consideration of a comprehensive renewal of commitment to Afghanistan through a "Kabul Process." The following are the report's main recommendations.

Address the continuing security shortfalls through:

- Ending the neo-Taliban insurgency primarily through peaceful reintegration of fighters, greater transparency in detention policy, the establishment of state administration in the Pashtun tribal belt, and the gradual end of war-fighting tactics in the area.
- Configuring the Provincial Reconstruction Teams into a more integrated nationwide stabilization force. This should include renamed Provincial Stabilization Teams focused on security sector reform and strengthening government administration, as well as regional mobile units with a more robust mandate to back up the demobilization of armed groups.
- Reorganizing Security Sector Reform by replacing the system under which individual lead donor nations are independently responsible for various sectors with a single Afghan-chaired multilateral coordination body.
- Establishing embedded monitoring and mentoring such as exists for the Afghan National Army to accelerate reform and improve performance of police and courts.

Strengthen governance by:

- Establishing a coordinated framework for sustained international assistance to the implementation of the constitution and the development of a civilian political process, including support for the National Assembly, local councils, judiciary, and political parties.
- Monitoring and improving provincial and district administrative appointments to remove abusive and corrupt officials and supporting efforts to develop elected provincial and district councils.
- Supporting measures to implement the constitution's provisions for multilingualism and assure the revival of bilingualism in Dari and Pashto.

- Supporting development of a carefully balanced and impartial program of transitional justice according to an Afghan timetable.

Build a basis for sustainable reconstruction by:

- Breaking the reconstruction bottleneck with a special fund or task force for project design and feasibility studies to accelerate road building, power generation, teacher training, water management, urban development, and environmental preservation.
- Building the human capacity needed for reconstruction through aid to higher education focused on skills needed for management and planning.
- Strengthening the Afghan public sector by:
 - Channelling an increasing share of reconstruction financing through channels controlled by the Afghan government, such as the Afghanistan Reconstruction Trust Fund.
 - Unifying procurement rules of all donors and the Coalition to assure transparency and increase the amount of goods and services procured locally and regionally.
- Using the World Bank's forthcoming public expenditure review of Afghanistan as the focus for a joint Afghan-donor initiative on supporting public finance and sustainability of the Afghan public sector, including the security sector, and reducing the relative weight of the international public sector. Donors should commit to the Afghan government's plan to increase domestic revenue to \$1.5 billion per year within five years. This could also be the occasion to initiate drafting of an Interim Poverty Reduction Strategy Paper (I-PRSP) in order to develop a strategy for relief of pervasive destitution.
- Implementing a counter-narcotics strategy that focuses initially on increasing economic alternatives to the opium economy and on breaking high-level links among traffickers, officials, and commanders. provide employment, credit, security, water, access to land, extension services, and marketing to rural communities; strengthen Afghan law enforcement capacity. and implement crop eradication only at the last stages.
- Strengthening the Afghan private sector by establishing a joint public-private and Afghan-international body to identify international marketing opportunities for Afghanistan, especially for commercial, high-value agriculture, and to encourage investment in these areas.

Develop regional cooperation by:

- Supporting agreements that lower transport and transit costs by road improvement, railroad building, and the harmonization of border and customs procedures with all neighbours.
- Developing internal and external regional trade in energy, and water.
- Building a regional regime for labour markets, training, and manpower to enable Afghans to find employment within the region, exchange and transfer needed human capacities throughout the region, and take advantage of regional training institutions.
- Establishing regional institutions for combating narcotics and the spread of diseases such as HIV/AIDS, drug-resistant malaria, and tuberculosis.

- Starting programs of cross-border cooperation in deprived frontier regions (Badakhshan, Durand Line, Sistan-Baluchistan) that can progressively be scaled up to larger security and development programs.
- Establishing a trust fund for funding programs of regional cooperation involving Afghanistan as part of the overall reconstruction budget.
- Assuring that US-Iran tensions do not destabilize Afghanistan.

Some of those engaged in discussing the future of international involvement in Afghanistan have suggested that a public recommitment of all stakeholders to the goals of the next stages of the stabilization process would both demonstrate international staying power and strengthen coordination among the many strands of activity required. Some have dubbed this a “Kabul Process,” in contrast with the “Bonn Agreement,” to indicate both that it would take place in Afghanistan, under Afghan sponsorship, and that it would include a number of stages, not just a one-time resolution, agreement, or conference.

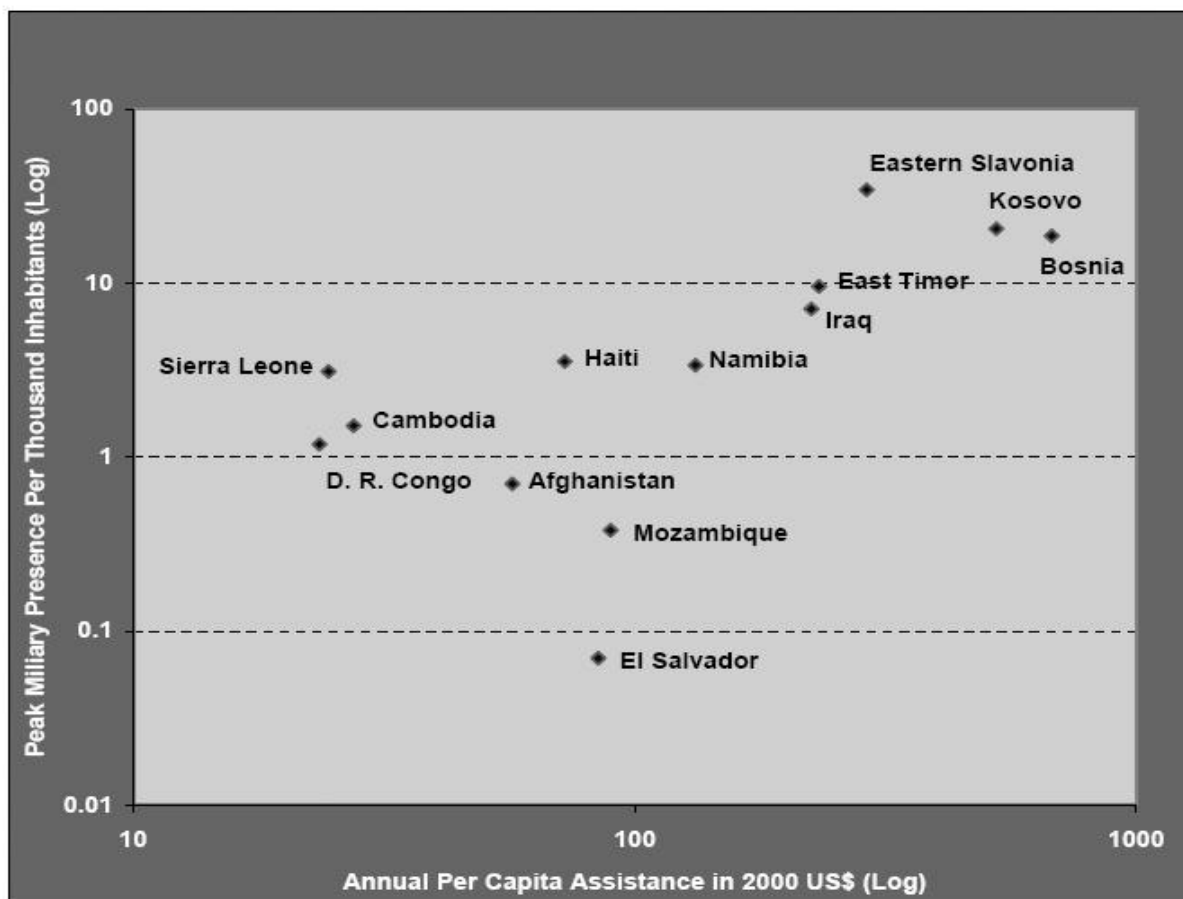
Whatever forms such a process might take, the assessment presented here shows that Afghanistan still requires comprehensive, coordinated international support to enable it to take its place as a full member of the international community of states. The events of September 11, 2001, showed that interdependence of security is a fact of life, not an abstract ideal. A spokesman of the Ministry of Defence echoed this recognition when announcing Afghanistan’s modest contribution of medical personnel to relief for victims of the Asian tsunami: “We have our own problems, but we are part of the family of nations.”⁴ Others have it in their power to help them fully rejoin that family.

⁴ Afghan Defence Ministry spokesperson General Azimi, Press Release of the Embassy of Afghanistan, Washington, D.C., January 6, 2005, www.afghanembassy.net/press_releases.html.

Introduction

Since the overthrow of the Taliban by the US-led coalition and the inauguration of the Interim Authority based on the UN-mediated Bonn Agreement of December 5, 2001, Afghanistan has progressed substantially toward stability. Not all trends are positive, however. Afghanistan has become more dependent on narcotics production and trafficking than any country in the world. It remains one of the world's most impoverished and conflict-prone states, where only a substantial international presence prevents a return to war. The modest results reflect the modest resources that donor and troop-contributing states have invested in it (figure 1). Afghans and those supporting their efforts have many achievements to their credit, but declarations of success are premature.

Figure 1
Security and Economic Assistance in Peace Building Operations



Source: James Dobbins, Keith Crane, Seth G. Jones, Andrew Rathmell, Brett Steele, and Richard Teltschik, "The UN's Role in Nation-Building: From the Belgian Congo to Iraq," RAND, (forthcoming).⁴⁰

The establishment of the major institutions required by the Constitution of 2004 will constitute the end of the implementation of the Bonn Agreement. That agreement on transitional governmental institutions, pending the re-establishment of permanent constitutional governance, was drafted and signed at the UN Talks on Afghanistan in Germany in November-December 2001. The election of the lower house of parliament (Wolesi Jirga) and provincial councils, now set for September 18, 2005, will mark the end of that transitional process, though only with a bit of constitutional stretching. Elections to district councils, needed to elect part of the Meshrano Jirga (upper house of the National Assembly), cannot be held in 2005, and the government will therefore establish a truncated upper house.

The establishment of elected institutions hardly constitutes the end of Afghanistan's transition toward stability. The long-term strategic objective of the joint international-Afghan project is the building of a legitimate, effective, and accountable state. State building requires balanced and mutually reinforcing efforts to establish legitimacy, security, and an economic base for both. Thus far internationally funded efforts to establish legitimacy through a political process (the only mandatory part of the Bonn Agreement) have outpaced efforts to establish security and a sustainable economic base. The next strategic objective must be to accelerate the growth of government capacity and the legitimate economy to provide Afghans with superior alternatives to relying on patronage from commanders, the opium economy, and the international presence for security, livelihoods, and services.

Afghanistan will not be able to sustain the current configuration of institutions built with foreign assistance in the foreseeable future. Given current salary levels and future staffing plans, maintaining the Afghan National Army will eventually impose a recurrent cost estimated at about \$1 billion per year on the Afghan government. This is equivalent to about 40 percent of the estimated revenue from narcotics in 2004. In order for Afghanistan to cover the cost of the ANA with four percent of legal GDP, near the upper limit of the global range of defence spending, it would have to more than quintuple its legal economy. The constitution requires Afghanistan to hold presidential elections every five years, Wolesi Jirga elections every five years, provincial council elections every four years, and district council elections every three years. This works out to between 8 and 10 nationwide elections every decade, depending on whether presidential and WJ elections are concurrent. Currently each election (including voter registration) costs international donors over \$100 million, which is equivalent to 40 percent of the government's current yearly domestic revenue. Hence the current efforts risk leaving Afghanistan with elections it cannot afford and a well-trained and well-equipped army that it cannot pay. Projecting the results of such a situation does not require sophisticated analytic techniques.

The end of the implementation of the Bonn accord should thus constitute a benchmark for the renewal of international commitment, rather than the declaration of success and the start of disengagement. The entire range of international actors in Afghanistan needs to publicly recommit themselves to support an Afghan-owned and led process. The UN Security Council has extended the mandate of the United Nations Assistance Mission in Afghanistan (UNAMA) until March 24, 2006. The resolution identified the main future tasks in Afghanistan as holding free and fair parliamentary elections, combating narcotics, completing the demobilization, disarmament, and reintegration of armed groups, continuing to build Afghan security forces, continuing to combat terrorism, strengthening the justice system, protecting human rights, accelerating economic growth to assure that

reforms are sustainable, and fostering regional cooperation.⁵ The Coalition (Combined Military Command – Afghanistan, CMC – A) has moved from a war-fighting toward a stabilization mandate through the establishment of Provincial Reconstruction Teams (PRTs) and an “allegiance program” to reintegrate returning Taliban. The North Atlantic Treaty Organization (NATO), having assumed command of the International Security Assistance Force (ISAF), has also established PRTs in a growing number of provinces and is considering a US proposal for unification of CMC-A and ISAF under a joint NATO command with a common mission focused on stabilization. International financial institutions, the US, the European Union, and other donor governments have responded with growing rather than shrinking commitments to reconstruction, largely in response to the coherent and far-sighted plan proposed by the Afghan government in its report Securing Afghanistan’s Future,⁶ presented to the Berlin Conference on March 31 – April 1, 2004. Some have suggested reaffirming commitment to all of these goals through a “Kabul process,” culminating in an international conference hosted by Afghanistan to establish the framework for political, military, and economic support beyond the Bonn Agreement.

This document reaches these conclusions by using the Stability Assessment Framework methodology developed by the Clingendael Institute (The Hague) to help governments and other institutions plan assistance to countries at risk of conflict.⁷ The document first presents qualitative assessments of the trends and levels of key indicators since the establishment of the Interim Authority. These indicators, which comparative research has shown to provide early warning of violent conflict, include political, economic, and social factors.

Understanding these indicators requires what F. Scott Fitzgerald called “the test of a first-rate intelligence”: “the ability to hold two opposed ideas in the mind at the same time, and still retain the ability to function.” One must evaluate both indicators’ level and their trend or direction of change. The levels of indicators in Afghanistan place it among the world’s most unstable, destitute, and conflict-prone countries, while many trends are positive. Trends that are not clearly positive, such as the size of income and assets derived from narcotics trafficking, the security of Afghan civilians and property rights, corruption, and the quality of local governance require focused attention.

After presenting the indicators, the analysis assesses the capacity and legitimacy of institutions necessary to provide stable governance. These include the key institutions of government, especially those for security and the rule of law, as well as those that finance its operations.

⁵ “Security Council Extends UN Mission in Afghanistan for Additional 12 Months, Unanimously Adopting Resolution 1589 (2005),” UN Press Release SC/8341, March 24, 2005, <http://www.un.org/News/Press/docs/2005/sc8341.doc.htm>.

⁶ Securing Afghanistan’s Future: Accomplishments and the Strategic Path Forward, a report prepared by the Government of Afghanistan in collaboration with the ADB, IMF, United Nations Development Programme and the World Bank (March 2004).

⁷ Suzanne Verstegen, Luc van de Goor and Jeroen de Zeeuw, The Stability Assessment Framework: Designing Integrated Responses for Security, Governance and Development (The Hague, Clingendael Institute, 2005).

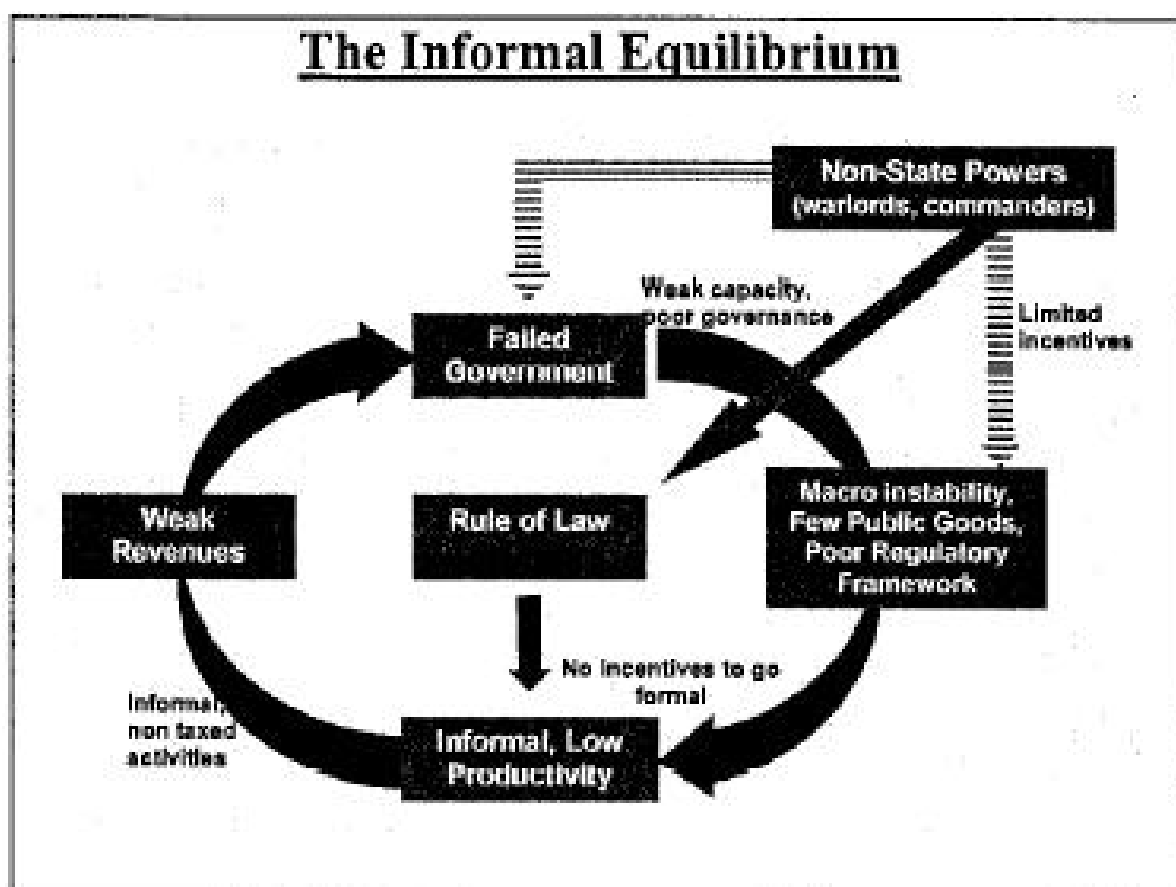
These institutions are constituted by actors, whose orientations, strategies, and resources the paper examines next. It starts with national actors and continues with the international actors present in Afghanistan. Long experience of violence and instability makes Afghan and regional actors reluctant to invest their assets fully in strategies based on expectations of stability, but the longer that change for the better persists, the more actors will gradually adjust their strategies toward stabilization. Any change in expectations remains fragile.

Finally, the paper presents policy recommendations to redress the gaps revealed by the foregoing analysis.

I. Indicators

Until the shock of September 11, 2001, and the international response it provoked, the situation in Afghanistan, as in many states undergoing crises of governance, could be characterized as what the World Bank has called an “informal equilibrium” at low levels of development and security. (See figure 2.) Insecurity and lack of infrastructure, due to both lack of investment and wartime destruction of assets, combined with pressure on scarce economic and natural resources, favoured the development of criminalized economic activities, especially those fuelled by demand in the developed countries. These activities funded, as they still do, illicit organized violence (warlordism and terrorism), which also derive their resources, especially weapons, from more developed countries. This dark side of globalization hinders attempts to constitute accountable, lawful governance. The consequent lack of security discourages licit investment, reinforcing the vicious circle of poverty, integration into global organized crime, and violence.

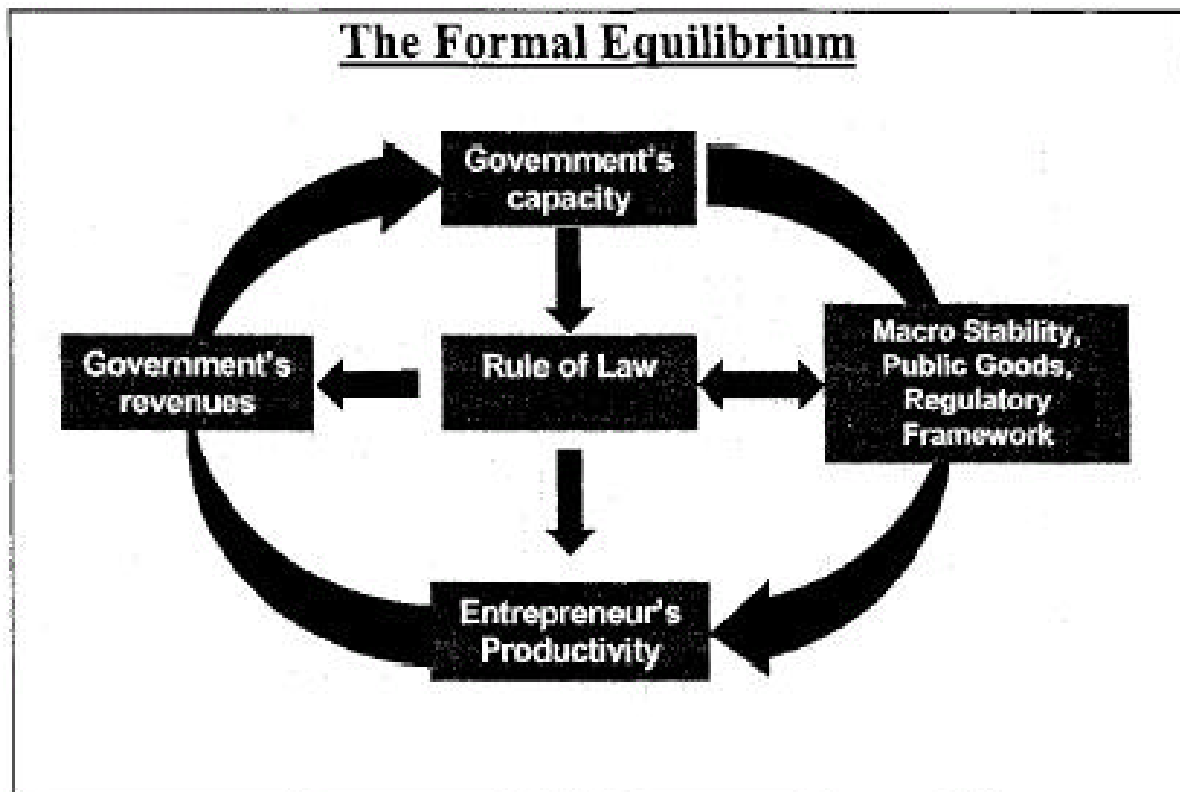
Figure 2: The Informal Equilibrium



Source: World Bank, *Afghanistan - State building, sustaining growth, and reducing poverty: a country economic report, 2005*, p. xi.

Moving from this harmful equilibrium to a virtuous circle where security and legitimate development reinforce each other to promote both the rule of law and the growth of productive global economic opportunities requires balanced efforts to transform the political, economic, and social factors, as well as the international environment, in a positive direction. While such efforts are under way, Afghanistan is still a long way from the “formal equilibrium” that characterizes more stable, economically developed societies (figure 3).⁸

Figure 3: The Formal Equilibrium



Source: World Bank, Afghanistan - State building, sustaining growth, and reducing poverty: a country economic report, 2005, p. xii.

This section evaluates the key elements of Afghanistan’s vicious circle to estimate how far the country has moved away from that equilibrium in the past three years. Figure 4 lists the twelve indicators. This report groups the indicators in four categories: governance, economy, social pressures, and international environment. Indicators of the state of governance include (1) the legitimacy of the state, (2) the delivery of public services, (3) the rule of law and human rights, (4) the coherence of the political elite, and (5) the performance of the security apparatus. Indicators of

⁸ This “formal equilibrium” constitutes the “liberal” model for democratic development in a market economy. A substantial critique of the liberal model has developed, arguing that it is not feasible in conflict-prone developing countries. Jolyon Leslie and Chris Johnson offer a critique of the application to this model to Afghanistan in *Afghanistan: The Mirage of Peace* (London: Zed Books, 2004). The Constitutional Loya Jirga affirmed Afghanistan’s commitment to a liberal political model, within an Islamic framework. There is as yet no comparable public consensus on an economic development model.

economic performance include (6) the general state of the economy and (7) the relative economic positions of groups. Indicators of social pressures include (8) demographic and environmental pressures. (9) migration, including brain drain, (10) displacement. and (11) group-based hostilities. Finally this section examines (12) Afghanistan's international environment.

Figure 4: List of Indicators for Stability Assessment Framework

Box 4.1 Twelve Top Indicators		
Nr.	Indicators of (In)stability	Trend Assessment
<i>Governance Indicators</i>		
1	Legitimacy of the State	Is the state viewed primarily as illegitimate or criminal, or as a legitimate actor representative of the people as a whole?
2	Public Service Delivery	Is public service delivery progressively deteriorating or improving?
3	Rule of Law and Human Rights	Are human rights violated and the rule of law arbitrarily applied or suspended, or is a basic rule of law established and are violations ceasing?
4	Leadership	Are elites increasingly factionalized, or do they have national perspectives? Are leaders capable of winning loyalties across group lines in society?
<i>Security Indicators</i>		
5	Security Apparatus	Does the security apparatus operate as a 'state within a state', or is a professional military established that is answerable to legitimate civilian control?
6	Regional Setting	Are destabilizing regional cross-border interventions increasing or reducing?
<i>Socio-Economic Development Indicators</i>		
7	Demographic Pressures	Are pressures mounting or easing?
8	Refugee and Internally Displaced Persons (IDPs) Situation	Is there massive movement of refugees and IDPs, creating humanitarian emergencies, or are these resettled and resolved?
9	Group-based Hostilities	Is there a legacy of vengeance-seeking group grievance and paranoia, or is there reconciliation and a reduction of hostilities?
10	Emigration and Human Flight	Is there chronic and sustained human flight or a reduction in the rate of emigration?
11	Economic Opportunities of Groups	Is there uneven economic development along group lines, or are such disparities reducing?
12	State of the Economy	Is there sharp or severe economic decline, or is the economy growing?

1.1 Governance Indicators

1.1.1 Legitimacy of the State

During the past quarter century, the legitimacy of the state in Afghanistan fell to an all-time low. Since the installation of the Interim Authority of Afghanistan on December 22, 2001, however, it has gained a diffuse legitimacy, based on its stated goals, increasing representativeness, adoption of a constitution, and holding of the first presidential election in Afghan history. This diffuse legitimacy is not yet supported by legitimacy based on performance, as the delivery of public services falls far short of popular demands and expectations.

Reinforcing the state's legitimacy faces a daunting contradiction and is interrelated with all other aspects of state building. Without steps to eliminate the narcotics trade, which the UN estimates equalled 60 percent of the legal and hence 40 percent of the total economy in 2004-2005, the government cannot implement the rule of law, diminish corruption, gain control over its local appointees, and curb illicit power holders. Yet the state cannot increase its legitimacy while destroying nearly half of the country's economy with foreign military assistance.⁹ Securing Afghanistan's Future estimated that growth in the legal economy would have to average 9 percent per year for over a decade in order to draw people out of the drug economy while supporting the institutions needed for the rule of law. The IMF projects growth for 2004-5 as falling below that level.

The Bonn Agreement outlined a process to build the legitimacy of an initially unrepresentative government. The Afghan authorities have met the benchmarks of that process. The Emergency Loya Jirga of June 2002 inaugurated a broadening of power beyond the armed groups aided by the US/Coalition to fight the Taliban and al-Qaida. The subsequent constitutional process led to the Loya Jirga that convened in December 2003 and approved a new constitution on January 4, 2004. The electoral registration and subsequent election of the president, on October 9, 2004, showed the strong desire of Afghans to participate in the new system of government.

Currently, Afghans appear to support the idea of a strong, central state, mainly to protect them from decentralized armed groups. Surveys show that an overwhelming majority (88 percent) of Afghans of all regions and ethnic groups call for the central government to end the rule of gunmen.¹⁰ Nonetheless consensus on how to organize that order remains fragile. The Constitutional Loya Jirga exposed a significant ethnic divide, as did the results of the presidential election. One opponent of state centralization describes the circles of power as "the hand-picked Karzai and his small circle of Western-educated Pashtun technocrats."¹¹ (The author of this statement is a Western-educated Uzbek anthropologist at an American university.) The "Pashtun technocrats" deny that their ethnic background determines their state building strategy and ask to be judged on their performance for the whole nation. The country's history of mistrust, personalized politics, and political exclusion places a

⁹ Thom Shanker, "Pentagon Sees Aggressive Antidrug Effort in Afghanistan," New York Times, March 25, 2005.

¹⁰ Take the Guns Away: Afghan Voices on Security and Elections (June-July 2004), survey undertaken by the Human Rights Research and Advocacy Consortium (HRRAC), a group of 12 Afghan and international NGOs, including CARE, Mercy Corps, Oxfam, and Save the Children.

¹¹ M. Nazif Shahrani, "Afghanistan's Presidential Elections: Spreading Democracy or a Sham?" MERIP Reports, October 7, 2004. Shahrani opposes state centralization in favour of decentralized democracy based on community self-government. Many Afghans believe that this option is not possible given the current security situation. The idea does have some common points with government initiatives such as the National Solidarity Program (NSP), however.

heavy burden on officials to prove that they are acting as legitimate state leaders rather than dispensers of ethnic or political patronage. Given the weakness of institutions and the lack of trust within the political elite, demands for inclusion are often posed in ethnic rather than political or merit-based terms.

The state does not yet have the capacity to sustain itself without foreign military and financial support, though, as shown below, that small capacity is growing. The forces that might undermine the state are less ideological opposition than factors fuelled by the population's pervasive insecurity and destitution, as well as Afghanistan's continuing vulnerability to international destabilization. Most leaders accept that the current process of stabilization is better than a return to civil war, but the state could not yet mitigate the security dilemma that militias and their supporters in neighbouring countries would face in the absence of the international presence, or if that presence turned destabilizing.

The government has started to improve the delivery of public services, but it has a long way to go before meeting minimal standards or people's expectations. Figure 5 shows a cartoon depicting one view of the level of public services.

Figure 5: State of Public Services: the Afghan Nation Weighed Down by Warlordism, Official Corruption, Narcotics, Discrimination, Unemployment, Poverty, Illiteracy, the War on Terrorism, and Diseases.



1.1.2 Public Services

1.1.2.1 Security

Some Afghans say that their security has improved, but they overwhelmingly cite it as their principal problem.¹² The peaceful conduct of the presidential elections was a milestone in the re-establishment of security, but that resulted in part from uniquely intense, temporary international efforts.

Different actors define security differently. The Coalition measures it as security from attacks by insurgents. Coalition spokesmen claim that as a result of military campaigns, changes in Pakistan's behaviour, and the offer to reintegrate Taliban, this threat has decreased, though it continues.¹³

The UN and aid community focus on attacks on aid workers, which have increased. Preliminary data collected by the Center on International Cooperation show that the number of "major incidents" (killings, kidnappings, ambushes, landmines, and other injuries due to violence) affecting humanitarian workers in Afghanistan has increased from none under the Taliban in 2001 to 4, 10, and then 16 in the three following years. Data collected by the Afghan NGO Security Office (ANSO) on killings of all NGO staff shows 13 killed in 2003 and 21 killed in January-August 2004, many of them in connection with election preparation rather than humanitarian work.

Afghans cite the general state of impunity exploited by commanders, not the Taliban or al-Qaida, as the main source of insecurity, and they see establishment of the rule of law and disarmament as the solution. Many militias have been disbanded, but some claim that DDR has increased insecurity, especially in northern Afghanistan, as the former fighters have retained their personal weapons and are not reintegrated, and the new security institutions are not yet effective. Afghans also cite violent crime in the south and southeast has having increased since the defeat of the Taliban.¹⁴

The different definitions of security on the part defeat of the Afghans and internationals in Afghanistan result in very different perceptions of which parts of the country are more secure. Figure 6 compares the map of security incidents distributed by the UN with a map based on a survey of Afghan perceptions. It shows that international actors consider the Pashtun areas, where Taliban are active, as the main source of insecurity, while Afghans living in those areas actually feel more secure than those living in the northern and western parts of the country, where people report more factional fighting and property disputes.¹⁵

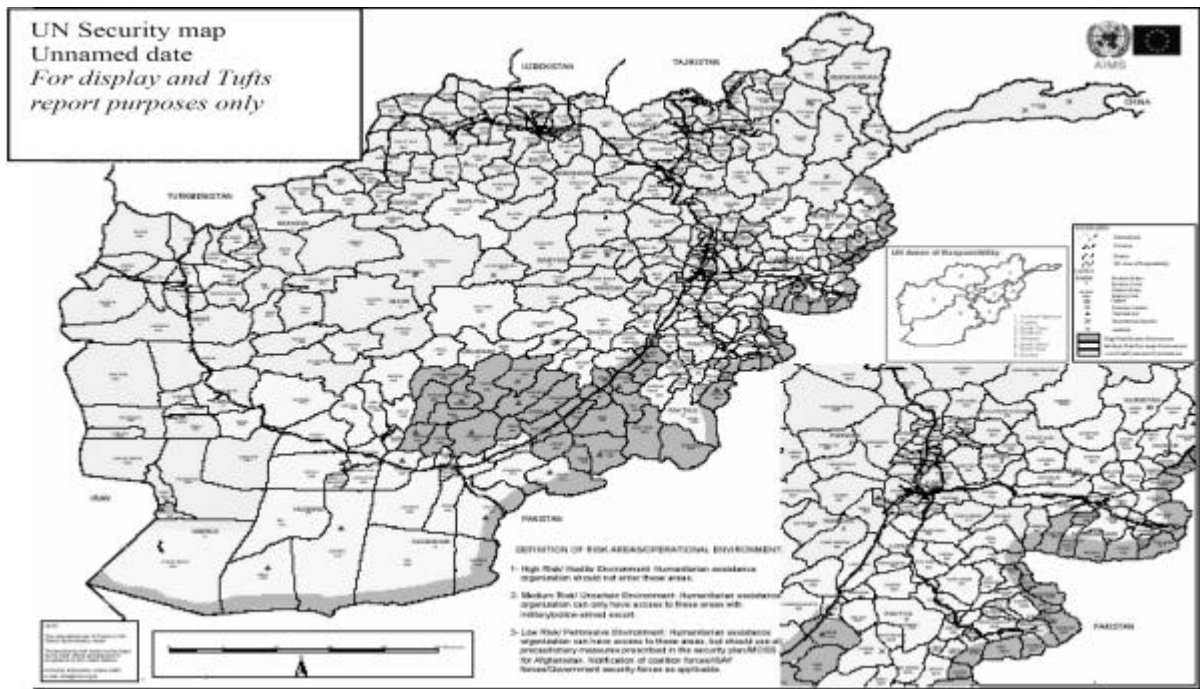
¹² "Speaking Out: Afghan Opinions on Rights and Responsibilities," (November 2003), HHRAC. "Afghans Most Concerned about Security" (March-April 2004), national poll conducted by IRI and Williams & Associates. "Take the Guns Away: Afghan Voices on Security and Elections," HRRAC.

¹³ Maj. Gen. Eric Olsen, second in command of US forces in Afghanistan, warned that the insurgent threat remained grave, and a premature drawdown of troops combined with increased militant activity in Pakistan would comprise "an incredibly volatile combination" (February 25, 2005, <http://www.cbsnews.com/>).

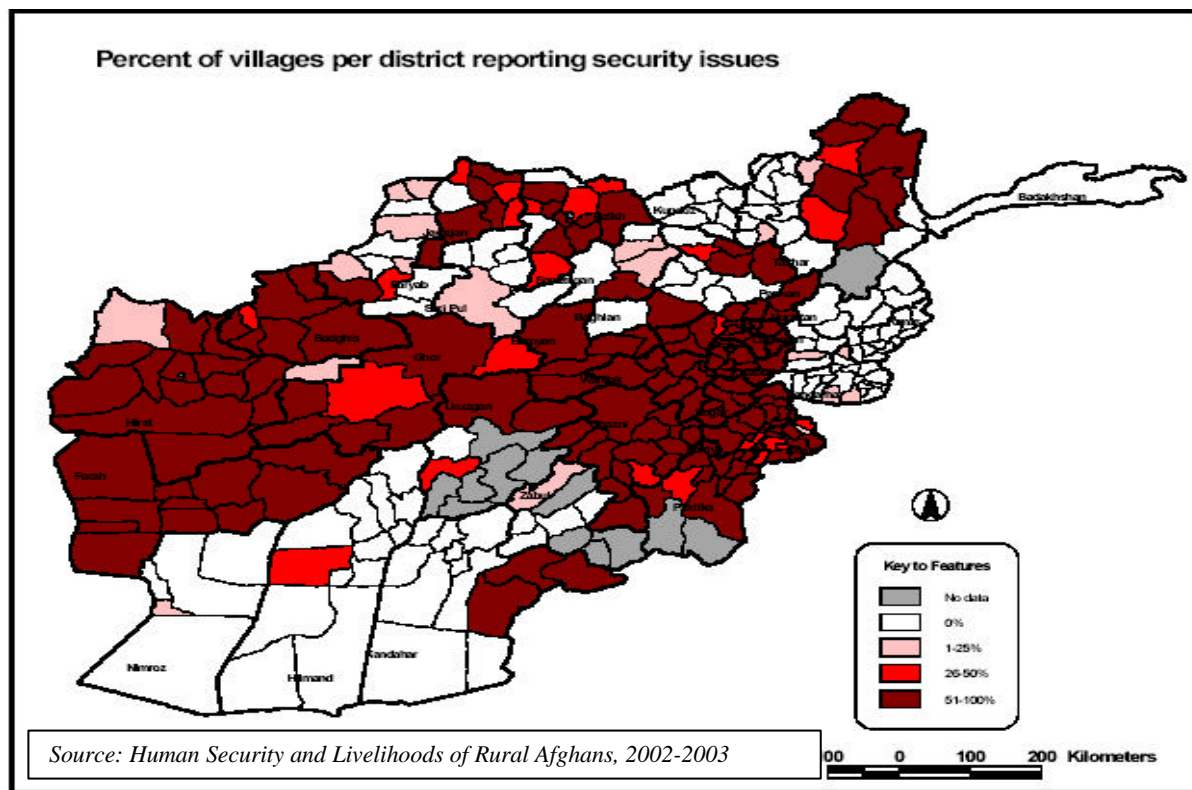
¹⁴ CIC researcher Kate Clark reported that Afghans in Khost stated that there was less crime under the Taliban because of the enforcement of shari'a. See also N. C. Aizenman, "Afghan Crime Wave Breeds Nostalgia for Taliban," *Washington Post*, March 18, 2005.

¹⁵ "Human Security and Livelihoods of Rural Afghans, 2002-2003," A Report for the United States Agency for International Development, Feinstein International Famine Center, Tufts University, June 2004, pp. 38-46.

Figure 6: Maps of Security



Map of Security as Perceived by Rural Afghans



A major source of insecurity cited by Afghans is the capture of local administration by commanders. In March 2005 demonstrators demanded the removal of corrupt and abusive local authorities in both Mazar-i Sharif and Qandahar.¹⁶ While hard data are lacking, many observers have the impression that, while cabinet appointments have improved, most of the government's provincial appointments and even more district and local appointments constitute de facto legitimation of control by commanders. Afghans have not seen the clear improvement in security that they hoped for.

1.1.2.2 Public Revenue and Budget

The abilities of the state to plan and manage expenditure and to raise revenue are a precondition for all other areas of public services. The Afghan state must contend not only with the legacy of a historically weak state and decades of war, but also with a dual public sector. Most international aid and hence most public expenditure does not go through the government budget or any mechanism controlled by the Afghan authorities, but rather through a separate international public sector established in Afghanistan by donors and contracting by international actors on the ground, especially the Coalition. Unlike national public expenditure, which is accounted for by the budget process and, after reform, paid from a single treasury account, international public expenditure is not subject to any comparable control by an authority that can be held accountable. It is administered by dozens of donors, international agencies, contractors, and implementing organizations, all of which have their own financial systems, accounts, and reporting procedures.

The Afghan government has introduced mechanisms, such as the Afghanistan Development Forum and the Consultative Groups, to introduce some order into donor expenditure, but these rely on voluntary compliance and reporting. Coalition contracting is not subject to even this oversight. The international public sector is not subject to taxation and competes with the national one for funding and personnel. While the establishment of the dual public sector constitutes an understandable short-term response to the lack of capacity of the Afghan national public sector, it develops vested interests in its own perpetuation that threaten the development of the Afghan national capacity that is essential for stability and political accountability.

The difference between positive trends and a very low level of indicators are evident in the fiscal development of the national public sector. Former Minister of Finance Ashraf Ghani instituted a budgetary process as the main instrument of policy, centralized revenue in a single treasury account, reformed and simplified customs, and gained increasing control of revenues captured by commanders. His successor is continuing the process of reform. Afghanistan has adhered to an IMF staff-monitored program (SMP) since 2002. It has exceeded all of the IMF revenue targets, though the governments' internal targets were higher. *Securing Afghanistan's Future* laid out a scenario for raising government domestic revenue to \$1.5 billion per year in five years, though this required a level of interim budgetary support that donors have not supplied. The government did not meet the SMP expenditure targets in 2004-2005 because of a decision to curtail excessive expenditure before the presidential elections. The delay in appointing the cabinet caused the extension of what was intended as a short-term measure.

Despite resource mobilization efforts, Afghanistan's ability to raise revenue is still far less than that even of a poor neighbour such as Pakistan, as shown in figure 7. The annual domestic revenue of the Afghan state currently stands at 4.5 percent of GDP, while both Pakistan and Thailand (low-

¹⁶ Amin Tarzi, "Afghan Demonstrations Test Warlords-Turned-Administrators," Radio Free Afghanistan, 9 March 2005.

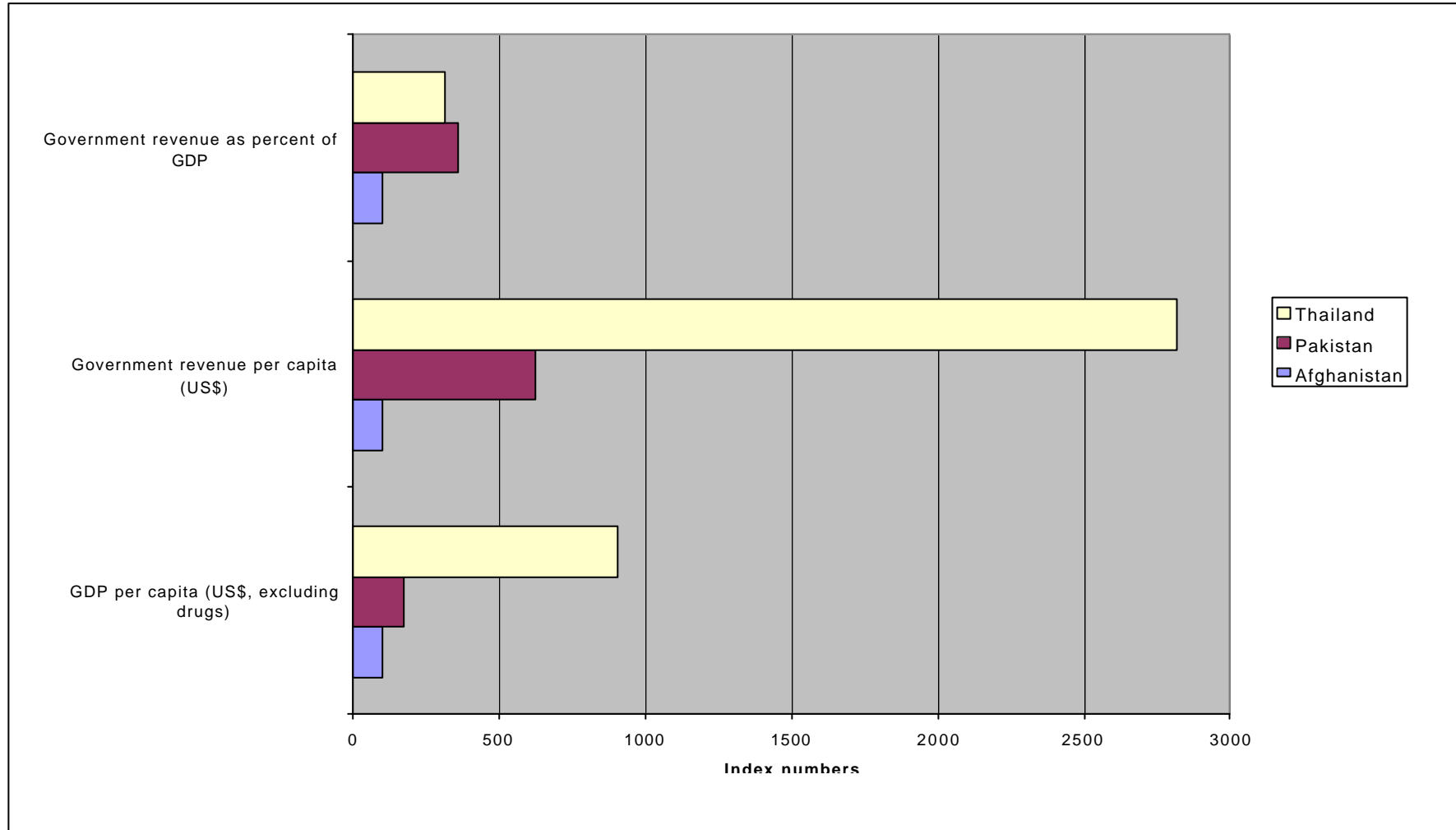
income and lower-middle income Asian states) are able to mobilize 16-17 percent of their GDP. Hence the domestic revenue of the Afghan state, the cost of services it can provide from its own resources without foreign aid, amounts to less than \$11 per capita per year.¹⁷ Furthermore, as long as the cash economy depends on tax-free international aid and illegal narcotics, the government will be able to tax most of the cash economy only indirectly. The government has tried to capture some of the income generated through import duties and by levying a new tax on high housing rents in Kabul.

These figures do not reflect the ability of Afghans to pay taxes, however. These figures include only the funds that are deposited into the single treasury account. Afghans pay substantially more taxes. Some are “legal” taxes that are retained by local power holders. Some power holders have also imposed their own taxes and fees. General Dostum, for instance, collects a capitation fee (head tax) through local mosques in the provinces under his control, though there is no basis for this tax in national law. Hence the government could substantially raise revenue while actually decreasing the current tax burden on the people by coordinating security and revenue policies.

The government has developed one mechanism to deliver public goods to communities while bypassing the public expenditure system: the National Solidarity Program (NSP). This program offers up to \$20,000 in block grants to villages. The villages must elect representative councils, including women, and agree on a development project to be financed with NSP funds and implemented by the village. The government has contracted with NGOs and international agencies to assist the councils in planning and to deliver and monitor the expenditure. Government officials claim that this program has been successful in making villagers feel like citizens of the country again by establishing direct links to the central government. In addition, by encouraging the villagers to achieve consensus and implement projects, it builds social capital for development, rather than fragmenting society to assure state predominance, as in the past. Government critics claim that NSP has established a patronage network to build political support for the government, which it is not always easy to distinguish from the legitimacy of the state.

¹⁷ Islamic State of Afghanistan—Second Quarterly Review under the Staff-Monitored Program and the 2004 Article IV Consultation Concluding Statement, November 3, 2004, <http://www.imf.org/external/np/ms/2004/110304.htm>

Figure 7: Fiscal Capacity of the Afghan State in Indexed Comparison (Afghanistan = 100) to an Asian Low-Income Country (Pakistan) and an Asian Low-Middle Income Country (Thailand)



1.1.2.3 Monetary Management

The Bonn Agreement mandated a reform of the central bank (Da Afghanistan Bank, DAB), which introduced a new currency at the end of 2002. The new currency, redenominated after decades of hyperinflation, has remained stable or appreciated, largely thanks to foreign exchange reserves earned through narcotics exports, remittances, aid, and the operating expenditures of foreign organizations in Afghanistan. Transaction costs have consequently decreased, and prices have stabilized relative to past hyperinflation.¹⁸ The appreciation of the exchange rate may be due to the “Dutch disease” resulting from foreign expenditures and a single-crop (opium) economy, pricing other exports out of the market.

Most payments, including within the government, are still carried out in cash. Some international banks have opened branches in Kabul, but their high fees and minimum balance requirements, combined with the continuing non-consumer orientation of DAB, means that modern banking services are not available to the public, which relies on the hawala system for payments, transfers, and remittances. Reform of the state banking system is also lagging.

1.1.2.4 Education

Under the Taliban in 2000, only 32 percent of Afghan school-aged children and only 3 percent of Afghan girls were reported to be enrolled in school.¹⁹ Reported school registration in Afghanistan is now at record highs for both boys and girls, passing 4 million children, one third of them girls, in 2003. UNICEF now estimates school attendance at 56 percent.

While these trends are positive, Afghanistan’s National Human Development Report, released in February 2005, stated that Afghanistan still has “the worst educational system in the world.”²⁰ Buildings and equipment are still lacking, the quality of teaching is low, and fewer than 15 percent of teachers have professional credentials.²¹ Afghanistan’s literacy rate of 36 percent is one of the world’s lowest, and, at 19.6 percent, it probably has the lowest female literacy rate in the world.²² Figure 8 compares Afghanistan’s literacy and enrolment rates with Pakistan and Thailand. With a tremendous youth bulge in the population (see below) and a transformation of attitudes toward education, the demand for education is growing rapidly, while expansion is constrained by the lack of schools, teachers, texts, and equipment. International assistance has concentrated on elementary education, and secondary and higher education are still limited, especially outside of major cities.²³ Donors are also more likely to fund school buildings than teacher training, potentially leaving future governments with infrastructure they cannot use or maintain.²⁴ Overcrowding and poor facilities at Kabul

¹⁸ Islamic State of Afghanistan—Second Quarterly Review under the Staff-Monitored Program and the 2004 Article IV Consultation Concluding Statement, November 3, 2004, <http://www.imf.org/external/np/ms/2004/110304.htm>

¹⁹ Basic Education Coalition, “Education in Emergencies: Afghanistan and other Hot Spots” (figures quoted from UNICEF and USAID) March 2004, <http://www.basiced.org/facts/afghanistan.pdf>.

²⁰ UNDP, *Afghanistan National Human Development Report 2004: Security with a Human Face*, February 2004, 66.

²¹ UNICEF, “Afghanistan Education Fact Sheet,” September 2004. IRIN Afghanistan, “New school year opens on optimistic note,” 22 March 2004.

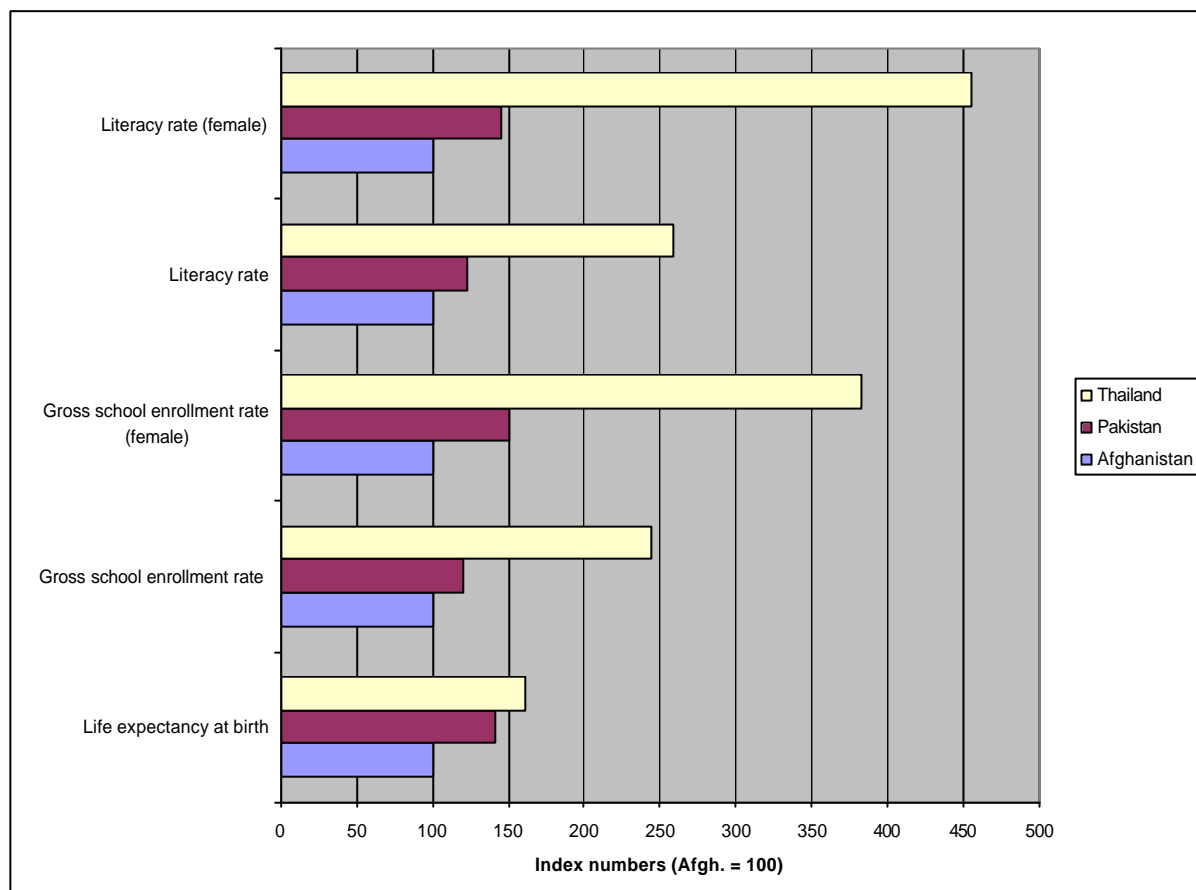
²² UNDP, “Human Development Index for Afghanistan.”

²³ Asian Development Bank, “Afghanistan: Comprehensive Needs Assessment in Education,” Final Draft Report, July 2002.

²⁴ The Afghan Government’s Donor Assistance Database (DAD) lists 101 separate projects funded by international donors for “Educational Infrastructure” (buildings, repairs, etc.) totalling \$198 million, but only 20

University led to demonstrations in November 2002. Inept police repression turned these demonstrations into riots in which six students were killed. The new chancellor plans to introduce reform.

Figure 8: Human Capital Goods: Education and Life Expectance (Indexed Comparison, Afghanistan = 100)



1.1.2.5 Health

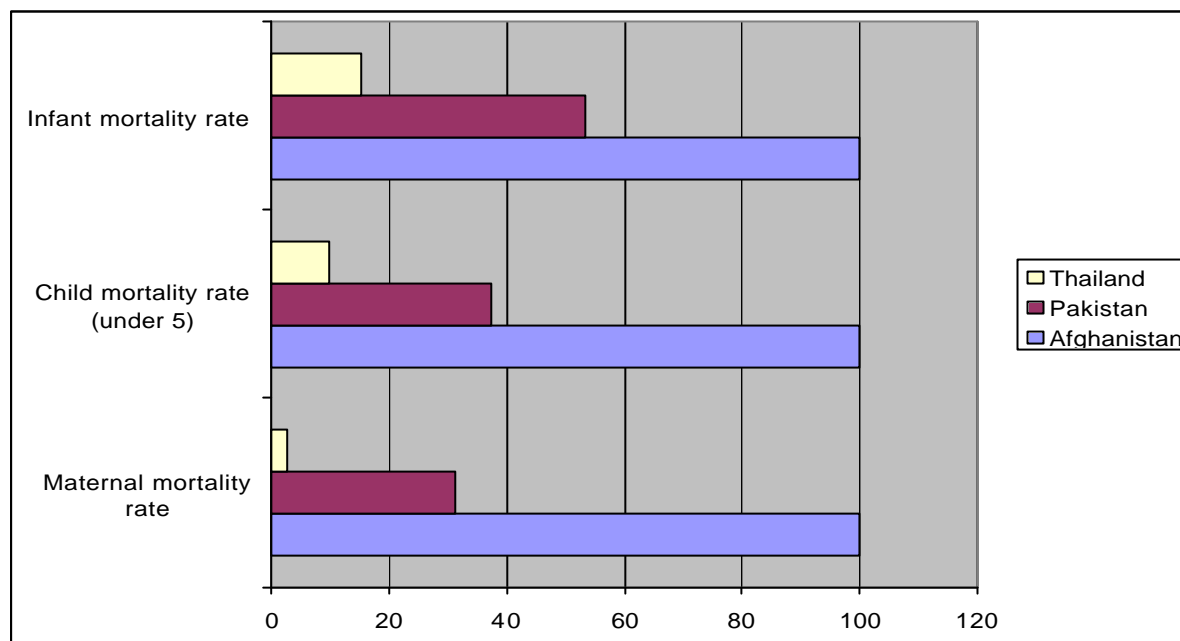
The government has responded to the country's exceedingly poor state of health with a plan for a Basic Package of Health Services (BPHS), developed by the Ministry of Health with the World Health Organization. In view of its lack of capacity, the government is offering contracts to NGOs and international organizations to deliver these services in various locales.²⁵ It will take time, however, to improve Afghanistan's disastrous mortality and morbidity rates, which more resemble the most deprived, war-torn countries of sub-Saharan Africa than any country in Asia. As the comparison in figure 9 illustrates, Afghanistan has some of the lowest health indicators ever seen, especially for women. UNICEF and the Centers for Disease Control and Prevention found in 2002 that the maternal mortality rate in Afghanistan was the highest in the world, estimated at 1,600 deaths per 100,000 live

projects totalling \$25 million under "Curriculum, Materials, and Teacher Development." <http://www.af.dad/index.html>.

²⁵ Transitional Islamic Government of Afghanistan Ministry of Health, "A Basic Package of Health Services for Afghanistan" (March 2003).

births, with pregnancy and childbirth complications accounting for nearly half the female deaths between ages 15 and 49.²⁶ Afghanistan also ranks among the lowest in the world for infant and child health, with an infant mortality rate of 165 per 1,000 live births, an under-five child mortality rate of 257/1000 (the fourth highest in the world), and 48 percent of children underweight for age.²⁷

Figure 9: Human Capital Bads: Indicators of Mortality and II Health



Efforts to lower infant, child, and maternal mortality have started.²⁸ In 2002 UNICEF and the government reached 80 percent measles immunization, but UNICEF estimates that 35,000 Afghan children still die of measles each year.²⁹ Afghanistan recently recorded its first deaths from AIDS. drug use and road construction will inevitably spread HIV unless preventive measures are undertaken.³⁰

Mental health has been neglected. Some surveys indicate that Afghans are among the world's most traumatized populations, and that post-traumatic stress disorder, depression, sleep disturbance, substance abuse, domestic violence, and other syndromes are widespread.³¹ The current government includes a psychiatrist, Dr. Mohammad Azam Dadfar (Minister of Refugees), who has studied and tried to treat these disorders, but thus far Afghans have virtually no access to mental health services.

²⁶ "Afghanistan is among worst places on globe for women's health, say UNICEF and CDC," Joint press release, 6 November 2002 (<http://www.unicef.org/newsline/02pr59afghanmm.htm>.)

²⁷ Figures from UNICEF and UNDP Human Development Index (<http://hdr.undp.org/statistics/data/>).

²⁸ USAID "Afghanistan Health Program" Presentation 2004, <http://www.maqweb.org/miniu/present/2004/Afghanistan%20Health-G.%20Cook.ppt>.

²⁹ UNICEF, "At a Glance: Afghanistan," <http://www.unicef.org/infobycountry/afghanistan.html>.

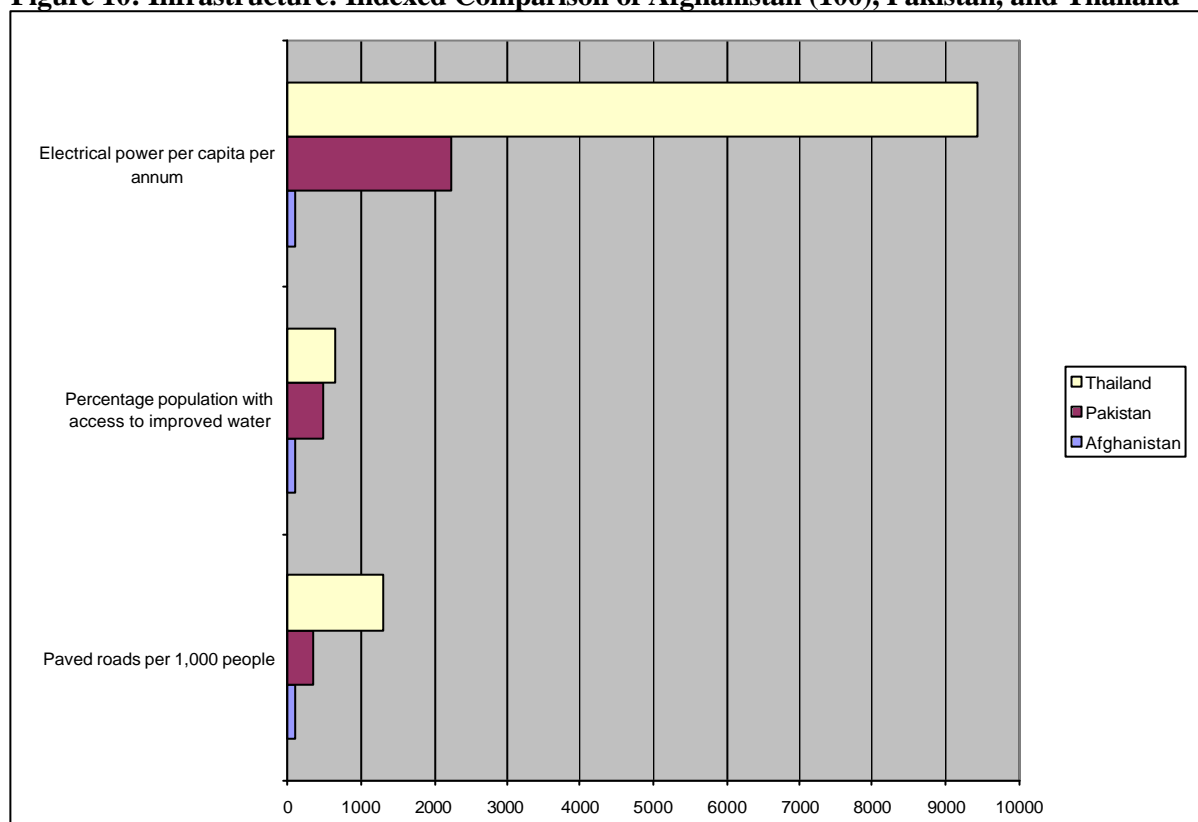
³⁰ The Afghan Ministry of Health reports 31 clinically proven cases of HIV/AIDS but estimates the true total to be between 600 and 700 cases nationwide. IRIN, "Afghanistan: Struggle to raise HIV awareness as first official AIDS-related deaths reported." December 1, 2004, [www.irinnews.org/report.asp?ReportID=44451&SelectRegion=Central Asia&SelectCountry=AFGHANISTAN](http://www.irinnews.org/report.asp?ReportID=44451&SelectRegion=Central%20Asia&SelectCountry=AFGHANISTAN)

³¹ Barbara Lopes Cardozo, et al., "Mental Health, Social Functioning, and Disability in Post-war Afghanistan," *Journal of the American Medical Association* 2004. 292:575-584.

1.1.2.6 Transport

The government envisions transforming Afghanistan from a landlocked country to a land-bridge country, but investments have not kept pace with this vision. In fall 2002 President Karzai convinced President Bush that the US should sponsor reconstruction of the Kabul-Qandahar highway. With great trouble, and with some Japanese assistance, a single layer of asphalt was laid down in a year. Reports claim that the road is already deteriorating after a difficult winter. Some other road improvement projects have begun, but Afghanistan still had only 0.15 km of paved road per 1,000 people and 16 percent of roads paved in early 2004.³² Pakistan, in comparison, has 0.72 km of paved roads per 1,000 people (see comparison in figure 10). Road building has been delayed by donor procedures and security concerns.

Figure 10: Infrastructure: Indexed Comparison of Afghanistan (100), Pakistan, and Thailand



Municipal buses supplied by India and Japan have improved public transportation in Kabul, Herat, and Mazar-i Sharif. Kabul airport, controlled by ISAF, has improved in every respect since 2002, though it was so bad to begin with that it still does not meet the most basic international standards. The national air carrier, Ariana, and a few other carriers (UN, Azerbaijan Airlines, and private charters) have increased service to major cities and selected international destinations, but safety and quality are poor, as indicated by the February 4, 2004 crash of a KAM Air flight from Herat to Kabul. Corruption is high, and drug smuggling is reported as part of some operations. Ariana, a state

³² Securing Afghanistan's Future: Accomplishments and the Strategic Path Forward, a report prepared by the Government of Afghanistan in collaboration with the ADB, IMF, United Nations Development Programme and the World Bank (March 2004).

monopoly, has blocked the expansion of service by others (e.g. Qatar Airways). High officials of the government claim that air transport is controlled by powerful “mafias.”

A transport issue of great symbolic and political importance has been the repeated scandals surrounding the transport of Afghan pilgrims to Mecca. The Minister of Aviation was murdered at the airport during the Hajj in 2002, and no one has been arrested, although (or because) evidence indicated that a high official of the Ministry of the Interior from the Shura-yi Nazar faction was responsible. In 2005 30,000 Afghan hajjis registered to travel, but only around 10,000 were transported until the last days, while the rest suffered in unheated waiting facilities during the winter. The new minister of aviation, Enayatullah Qasimi, succeeded in transporting all by exceptionally operating the airport around the clock for several days with lighting borrowed from ISAF. The country has no railroads.

1.1.2.7 Electricity and Energy

The availability of electricity was curtailed by both the war and the lengthy drought, and it has hardly improved. Foreigners, the powerful, and the wealthy rely on private generators, lessening pressure to improve public electrical supply. At the beginning of 2004, only 6 percent of Afghans had access to power, one of the lowest rates in the world (see figure 10). A third of 234,000 energy consumers connected to the public grid were in Kabul.³³ Yet Kabul receives electricity only intermittently even in the better-off neighbourhoods. Some cities (Herat, Mazar-i Sharif) purchase electricity from neighbouring countries, but there is a shortage of transmission lines, and supply is sometimes cut for failure to pay arrears. The government is considering several schemes to purchase more power from neighbouring countries. There is no significant provincial or rural electrification. Among all National Development Program sectors, donors have disbursed the smallest proportion (11 percent) of their commitments to the energy sector.³⁴

Fuel is available in part due to smuggling from Iran, which is subject to no quality control. North Afghanistan has natural gas, but the wells, capped in 1989, have not been rehabilitated. Other reported oil and gas deposits have not yet been explored. No efforts have been made thus far to exploit Afghanistan’s geothermal reserves.³⁵

1.1.2.8 Water

Water scarcity is worsening, as a result of drought, population growth, and opium poppy cultivation, as described below. Organization of government for water management is poor, as it involves at least ministries for energy and water, mines and industry, public works, urban development and housing, rural development, and agriculture. Under the first phase of the cabinet reform, several ministries were merged to form the Ministry of Energy and Water. Afghans have less access to improved (let alone clean) water than any of their neighbours (figure 10).

1.1.2.9 Public Employment

There has been little improvement in excessive but underpaid public employment. Generally public sector employment is in accord with the allotted amounts (*takhsis*), but the salaries are so low and the

³³ Power Sector Technical Annex (January 2004), *Securing Afghanistan’s Future*.

³⁴ Out of \$798,522,475 in committed funds, only \$86,892,995 has been disbursed and \$83,352,995 activated in programs. Figures are from the Donor Assistance Database (DAD), <<http://www.af/dad/index.html>>

³⁵ Daud Saba, M. E. Najaf, A. M. Musazai, and S. A. Taraki, “Geothermal Energy in Afghanistan: Prospects and Potential,” <http://www.cic.nyu.edu/pdf/Geothermal.pdf>.

training of employees so poor (as are the systems they work with) that the public sector is nonetheless full of unneeded workers. The president has been understandably reluctant to authorize dismissals in the absence of alternative employment. Public sector over-employment is less of an issue than quality of service and corruption.³⁶ While hard to quantify, public sentiment feels that the influx of foreign aid, foreign contracting, and narcotics money has significantly worsened corruption.³⁷ Afghans see foreign involvement as the source of corruption more than as its solution.

1.1.2.10 Agricultural Extension and Investment Support

With international aid, the Ministry of Commerce has opened the Afghanistan Investment Support Agency, which provides one-window service for granting investment licenses. It is now possible to register a company in one day, but Afghan businessmen still complain that the government hinders their legitimate activities.³⁸ Banking and payment services have slightly improved with the currency reform and the opening of some banks, but land titles and legal services essential for legitimate business remain rudimentary to non-existent.

Agricultural extension is being increased largely as part of the counter-narcotics alternative livelihoods program, which means it is concentrated in a few poppy-producing provinces. The best functioning agricultural extension program in Afghanistan is still the one operated by opium traffickers.

1.1.3 Rule of Law and Human Rights

Afghans characterize the situation of the past few decades and even today in most localities as “tufangsalari,” or rule by the gun, indicating the lack of rule of law or respect for human rights.³⁹ In contrast to other Afghan governments since 1978, the current government does not carry out mass killings, mass arrests, or systematic torture of political opponents. Most abuse results from the weakness of national government compared to armed commanders, who often took power in localities in 2001-2002 and have seen their positions legitimized by official appointments, including to the police. One detainee held for investigation during the recent UN hostage crisis died in custody, apparently as a result of torture, despite police reform. There are occasional charges of blasphemy levied against liberal or secular writers or newspapers, which have caused a few people to flee the country. Rights are also violated by the Coalition, including homicides of detainees, arbitrary detention, and torture and mistreatment of detainees. There is no legal recourse for these violations, at least within Afghanistan.⁴⁰ Taliban and elements linked to al-Qaida conduct regular attacks on the government (especially police) and terrorist acts.

³⁶ “Subnational Administration Update, Initial Findings and Conclusions from the Provincial Visits,” AREU, Kabul (forthcoming). <http://www.areu.org.af>

³⁷ IRIN, ‘Bittersweet Harvest: Afghanistan’s New War,’ IRIN Web Special on the threat of opium to Afghanistan and the region, July 2004, <http://www.plusnews.org/webspecials/opium/regOvr.asp>.

³⁸ Don Ritter and Saad Mohseni, “Privatizing Afghanistan,” *Washington Times*, March 17, 2005.

³⁹ UN General Assembly, “Report of the independent expert of the Commission on Human Rights on the situation of human rights in Afghanistan,” 21 September 2004, (A/59/370) <http://daccessdds.un.org/doc/UNDOC/GEN/N04/518/00/PDF/N0451800.pdf>.

⁴⁰ Human Rights Watch, “Killing you is a very easy thing for us,” <http://hrw.org/reports/2003/afghanistan0703/>. “Open Letter to Secretary Rumsfeld,” Human Rights Watch, December 13, 2004. The Afghan Independent Human Right Commission also reported complaints of human rights violations by international coalition forces. These consisted of bombings of civilians, beatings, detention of innocent people, damage to houses, injuries to

Protection of property rights, essential for economic development, seems to have deteriorated rather than improved. Afghans sometimes remark that protection of property rights has become worse since the overthrow of the Taliban, whose courts were more impartial and effective, and whose commanders were less corrupt, though at times very brutal. A Sikh businessman who said his property had been seized illegally under several governments made such a claim to one of the authors. Thirty-one percent of complaints received by the AIHRC in the first half of 2004 were related to land grabbing by government officials.⁴¹

Land grabbing set off a major political scandal in 2003, involving an attempt by then Defence Minister Muhammad Qasim Fahim to distribute land belonging to the ministry of defence on which people had been living for decades to members of the cabinet and presidential administration. This incident was the subject of reports by both the UN Special Rapporteur on the Right to Housing and a special commission of inquiry.⁴² The latter report charged that a large majority of cabinet members were to have received land. Gul Agha Shirzai, governor of Qandahar, has openly allocated public land to his family members and followers. According to a government official:

Ismail Khan in Herat destroyed some houses and grabbed part of the people's land to expand the land for the shrine of his son. In Takhar militiamen loyal to Daud grabbed land belonging to a weaker sub-tribe, which led to a relatively tense situation unresolved till now in Farkhar district. In Badakhshan, Commander Nazir Mohammed has started his own township and is creating a Yaftali settlement to consolidate his power in Faizabad. Iranians are secretly helping Shi'a to buy more land in Farah, Herat, and Mazar-i-Sharif as well as west of Kabul. In the Shamali plains [north of Kabul, commanders] Almas and Amanullah Gubar are distributing government-owned land to their relatives and followers. Governors of Paktia, Nangarhar, Helmand, Uruzgan, and Khost have also been in one way or another involved in land grab.

1.1.4 Coherence of the Political Elite

The formation of a national leadership or political elite that agrees on the rules of legal, peaceful political competition is essential to stability. After years of violent intra-elite conflict and disruption of the social fabric, during which various elites were killed, arrested, persecuted, expelled, and dispersed to different parts of the world, Afghanistan's leaders and skilled people are once again returning to Kabul and interacting with each other in a national framework. This process requires time to build both institutions and the trust to make them work. The reluctance of the losing candidates to accept the outcome of the presidential election shows how the lack of trust undermines adherence to rules.

The Bonn Agreement established an uneasy coalition government including commanders and officials of the United Front (Northern Alliance) and other Coalition-supported militias, former officials of the royal government, and some western-trained Afghans without political affiliation. The

people, and a lack of respect for Afghan culture during coalition raids. See Monitoring Human Rights, AIHRC, http://www.aihrc.org.af/mon_inv.htm

⁴¹ Afghan Independent Human Rights Commission, 2003-4 Annual Report, <http://www.aihrc.org.af/>.

⁴² "Special Rapporteur on adequate housing expresses concern over forced evictions in Kabul," ReliefWeb, September 10, 2003 <http://www.reliefweb.int/rw/rwb.nsf/db900SID/SKAR-647G9Y?OpenDocument>. AIHRC's Annual Report 2003-04, 28.

new cabinet is largely composed of educated individuals without personal followings or armed groups. Except for Ismail Khan and Abdul Karim Brahui, they are not former commanders or warlords. A number of other NA officials have remained at their posts or even been promoted. One test of elite integration will be whether these leaders can perform well under the new conditions and are integrated into the new elite. Besides Ismail Khan, these include Foreign Minister Dr. Abdullah Abdullah, Army Chief of Staff Bismillah Khan, NDS Chief Amrullah Saleh, and Deputy Minister of Internal Affairs for counter-narcotics General Muhammad Daud. The next stage of elite integration will be development of a consensus over the election and conduct of the National Assembly and broadening the national leadership to include parliamentarians.

1.1.5 Security Apparatus

The security apparatus has made the first steps away from factional control and toward professionalism based on legal authority, but the newly trained portions of the security forces are still pilot programs confronted with the power of militia groups and drug traffickers. All security forces are now commanded by members of the “reformist” camp: Minister of Defence Abdul Rahim Wardak, Minister of Interior Ali Ahmad Jalali, and NDS head Amrullah Saleh. The UN Secretary-General reports that reform of the Ministry of Defence is “now in its fourth and last phase.”⁴³ NDS reform, though a late starter, has also progressed. The Ministry of the Interior, which has the larger and more complex job of managing both the police and the territorial administration, is still largely captured by commanders in some departments and at the middle and lower levels.

The trend of demobilization of militias and establishment of new security forces is positive, if mixed and slow. A contrary trend is the formation of unofficial armed groups by drug traffickers (also often commanders) and others. In early 2005 the UN’s ANBP began to survey such “Illegal Armed Group” (IAGs) with a view to demobilizing and disarming them before the Wolesi Jirga and provincial council elections.

1.2 Economic Indicators

1.2.1 General State of the Economy

Growth of the non-opium economy has slowed, just as the counter-narcotics program has been launched. A counter-narcotics policy with an inadequate program of alternative livelihoods and macroeconomic support and a premature emphasis on eradication is the most likely immediate source of economic retrogression and of consequent political and social conflict.

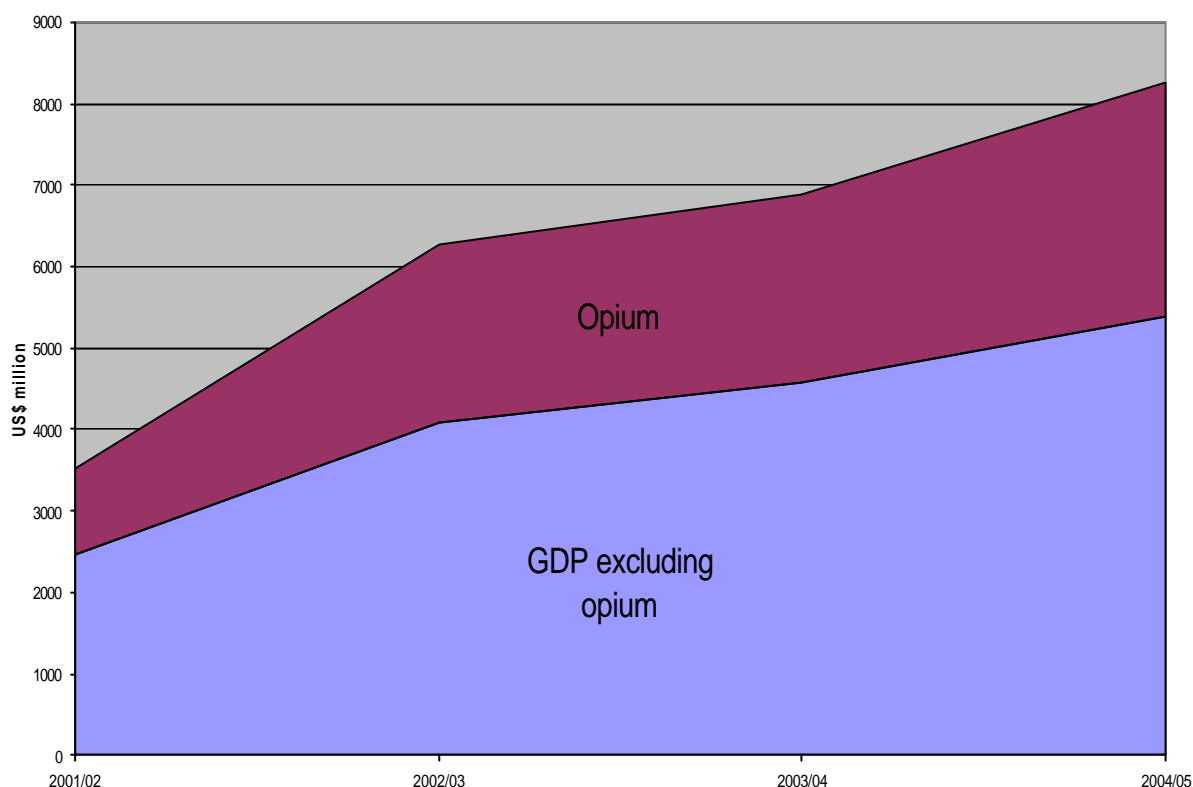
In 2002/03 and 2003/04 the legal Afghan economy was estimated to have grown by 29 and 16 percent per year respectively. In January 2005 the IMF downgraded its growth projection for 2004/05 to only 8 percent (see figure 11), though a month later it projected slightly stronger performance (10 percent growth) for 2005-6.⁴⁴ The growth in the first two years resulted in part from a rebound in

⁴³ “The situation in Afghanistan and its implications for peace and security: Report of the Secretary-General,” United Nations Security Council (S/2005/183), March 18, 2005, para. 19.

⁴⁴ IMF, “IMF Executive Board Concludes 2004 Article IV Consultation with the Islamic State of Afghanistan,” January 27, 2005, <http://www.imf.org/external/np/sec/pn/2005/pn0509.htm>. IMF, “Islamic State of Afghanistan, Third Review under the Staff Monitored Program -- Concluding Statement” February 3, 2005, <http://www.imf.org/external/np/ms/2005/020305.htm>

agricultural production due to good rains after three years of severe drought and an influx of foreign aid, including the pump-priming effect of the hundreds of millions of dollars in cash supplied to commanders by the US.⁴⁵ *Securing Afghanistan's Future* estimated that a growth rate of 9 percent per year in the non-opium economy was the minimum needed for recovery. Thanks to government monetary and fiscal policy and an influx of foreign exchange, hyperinflation has abated.

Figure 11: Growth of Opium-Related and Non-Opium-Related GDP, 2001-2004



The narcotics economy has been the most dynamic sector, though the gains appear to have gone mainly to traffickers and commanders and only secondarily to farmers, many of whom are heavily indebted (figure 12).⁴⁶ UNODC administrator Antonio Maria Costa has observed, "Just like people can be addicted to drugs, countries can be addicted to a drug economy. That's what I am seeing in Afghanistan."⁴⁷ Afghanistan is now more dependent on narcotics income than any country in the world (figure 13).

⁴⁵ *Afghanistan: State Building, Sustaining Growth and Reducing Poverty*, World Bank, September 2004, <http://siteresources.worldbank.org/INTAFGHANISTAN/News%20and%20Events/20261395/AfghanistanEconomicReportfinalversion909.pdf>.

⁴⁶ William Byrd, and Christopher Ward, "Drugs and Development in Afghanistan," World Bank, Social Development Papers, Conflict Prevention and Reconstruction, Paper No. 18 (December 2004), [http://inweb18.worldbank.org/ESSD/sdvext.nsf/67ByDocName/DrugsandDevelopmentinAfghanistan/\\$FILE/WP18_Web.pdf](http://inweb18.worldbank.org/ESSD/sdvext.nsf/67ByDocName/DrugsandDevelopmentinAfghanistan/$FILE/WP18_Web.pdf).

⁴⁷ Quoted in Anne Barnard and Farah Stockman, "US weighs role in heroin war in Afghanistan," *Boston Globe*, October 20, 2004.

Figure 12: Distribution of Opium-Related Income, 2001-2004 (UNODC Estimates)

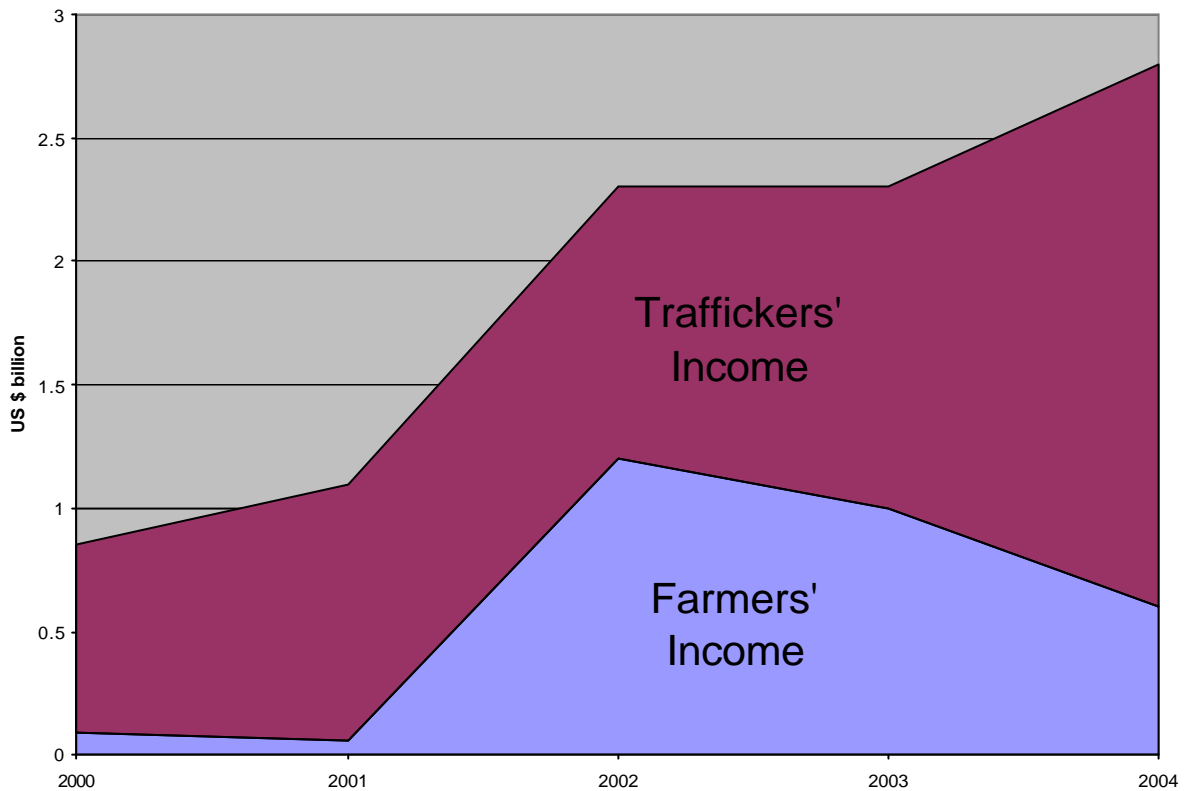
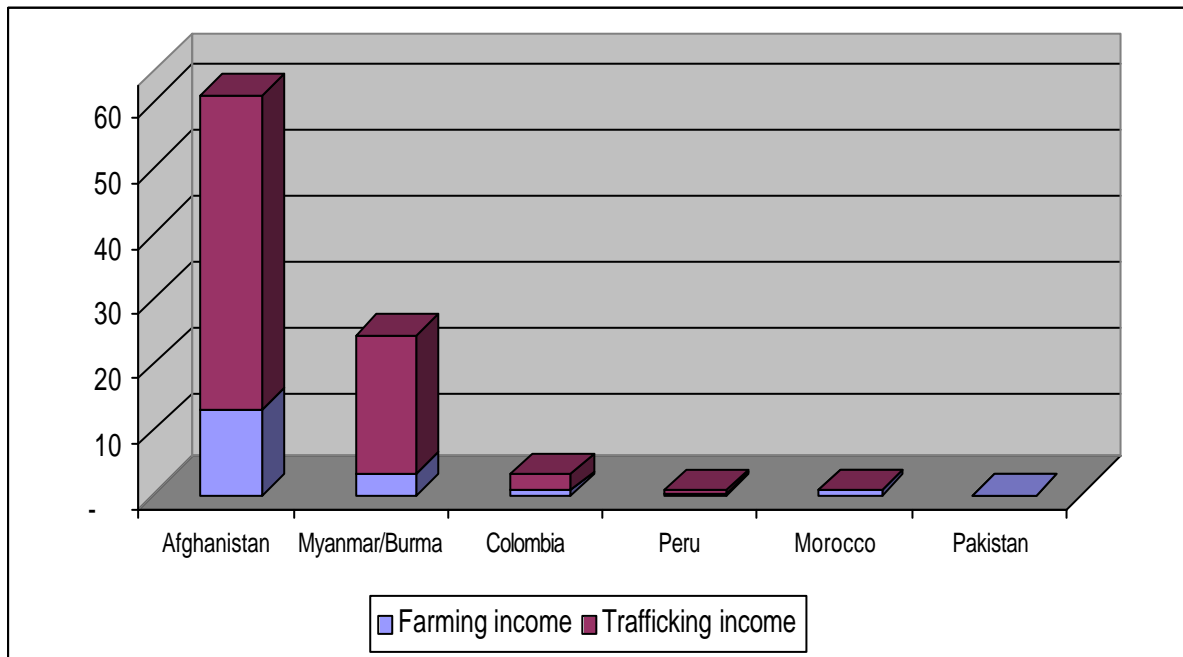


Figure 13: Narcotics-Related Income as Percentage of Legal GDP (Based on Estimates from UNODC and INCB, Various Dates, 2001-2004)



1.2.2 Relative Economic Position of Groups

The economic opportunities of identity groups do not differ systematically at the national level. Leaders of all groups complain of discrimination in the pattern of public expenditure and distribution of aid. The lack of transparency in aid distribution, which depends largely on donors' priorities and responses to perceived security threats, contributes to suspicions. Objectively, deprivation is shared, but the sense of injustice and need is so intense that even small perceived differences could incite strong resentments. Within families, women bear the brunt of the worst deprivation, including the sale of daughters for survival.

Otherwise, the major dividing line regarding economic opportunities is between the cities and the countryside and, within the cities, between those who can work in English and those who cannot. Most expenditure and aid goes to Kabul, though the expenditure in Kabul largely consists of salaries paid to the central government rather than public services to the city. This results not from discrimination but from lack of capacity to deliver services. The standard of living of many people in Kabul and other cities has actually deteriorated since the defeat of the Taliban. The opportunities for those with access to the aid economy, together with the spread of Western liberal social practices among both expatriates and the Afghans who work for them, has given rise to a nativist reaction. Imams preach on Fridays against foreigners, alcohol consumption, and cable television, which have provoked several fatwas from the Chief Justice. These are symbols of resentment and desperation over skyrocketing costs of housing and fuel, disruption of transport mainly by the huge US presence, and neglect of urban services despite a visible influx of money.⁴⁸

The poorest people in the country are probably tribal Pashtuns along the Afghan-Pakistan border, Pashtun nomads devastated by the drought, and the Hazaras in the Central Highlands. Emigration and remittances from family members working in the Persian Gulf Arab states or Iran have mitigated poverty among these groups since the 1970s. Moves to expel Afghans from Iran and other Persian Gulf countries would have an impact on them.

The legal status of women has greatly improved since the defeat of the Taliban. The new constitution guarantees legal equality and a presence in legislative bodies beyond what they enjoy in most developed countries. Women participated in both Loya Jirgas, where they were the most outspoken and controversial speakers. The school enrolment of girls is at an all-time high, though girls' schools have been attacked in Pashtun tribal areas. These attacks do not appear to reflect community sentiment, which increasingly favours universal education.

Nonetheless, the deficits in education, health, social status, and economic opportunity of Afghan women are so deeply embedded in family and social structure that it will take generations to change them. Families still sell daughters to settle debts, forced marriage is common, and women are denied even the half share of inheritance to which Islam entitles them. Domestic violence against women is endemic, partly as a cultural phenomenon and partly as a result of the society's unacknowledged trauma after a quarter century of pervasive violence.

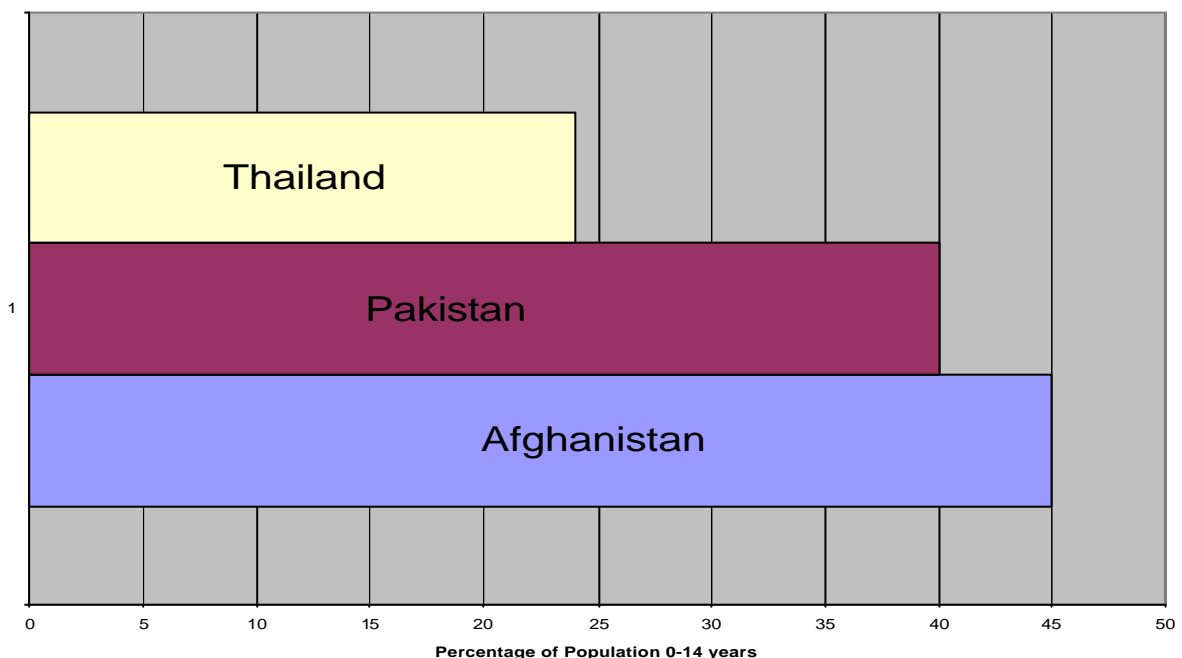
⁴⁸ UN Commission on Human Rights, "Adequate housing as a component of the right to an adequate standard of living" Report by the Special Rapporteur, Miloon Kothari (E/CN.4/2004/48/Add.2) 4 March 2004.

1.3. Social Indicators

1.3.1 Demographic and Environmental Pressures

Demographic and environmental pressures are associated with demands for services that outstrip state capacity. In particular, a “youth bulge” in the population is statistically associated with outbreak of violent conflict, as uneducated, unemployed, and frustrated young men can be recruited to armed groups or organized crime. Afghanistan has such a youth bulge, with 45 percent of the population under the age of 15, more than any of its neighbours (figure 14).⁴⁹ A few simple improvements in health care that lower infant and child mortality (immunization, treatment for diarrhea) may soon make the population even younger, before demographic transition sets in. The expansion of education and employment is not able to keep up with the growth of the youthful population.

Figure 14: Percentage of Population Under 15 Years of Age



Population pressure is particularly visible in the degradation of cities and the shortage of water. Several cities, most of all Kabul, are overrun with returning migrants, who have undergone forced urbanization as a result of displacement. Kabul, which was estimated to have a population of 800,000 before the war, now contains over 3 million people, on the same land and with less water. The consequences include traffic congestion and transport delays, crowded housing at skyrocketing prices, air pollution, and lack of sanitation. (Figure 15.) There are many illegal settlements on land without services. Shantytowns could become incubators for protest movements.

⁴⁹ CIA, The World Fact book: Afghanistan (July 2004 est.), <http://www.cia.gov/cia/publications/factbook/geos/af.html>.

Figure 15: Cartoon Depictions of Urban Amenities in Kabul

Sanitary conditions in Kabul are in crisis: “We need to think of a solution. The sanitary conditions are even dangerous for our health.”



Traffic in Kabul has gotten so bad that only a traffic [cop] can save the traffic [cop] from the traffic. [Proverb: Only an elephant can pull an elephant from the mud.]



Availability of water has always been the main constraint on human settlement and agriculture in Afghanistan. During 1999-2001, Afghanistan suffered from one of the worst droughts in decades,

lowering the water table as much as 15 feet (5 meters) in many areas.⁵⁰ Several areas to which refugees and IDPs are returning (e.g. the Shamali plain north of Kabul) have had insufficient water to support them. Water shortage is also a constraint on food production needed to feed the growing population and an incentive for cultivating opium poppy, a drought-tolerant cash crop. Only tube wells can now reach the water table in some areas, and only poppy cultivation can produce the income to finance the operation of diesel-powered tube wells. These wells are mining the underground aquifers that constitute the country's water reserves.⁵¹ One study reported the water table dropping by one meter per year in tube well areas.⁵²

Other parts of Afghanistan's environment have also become severely degraded. Both the hardwood forests of the east and the pistachio groves of the north have been rapidly depleted by peasants seeking firewood and timber merchants seeking construction materials. Soil quality has been eroded through lack of care and leeching by repeated poppy harvests. Air pollution in Kabul city is now among the worst in the world.⁵³

1.3.2 Migration and Brain Drain

Since 1978, over a third of Afghans became refugees, and many were displaced within the country. Persecution killed and drove into exile many of the most skilled and educated Afghans. According to UNHCR, since the inauguration of the Interim Authority, 3.5 million refugees have returned to Afghanistan, including all regions and ethnic groups.⁵⁴ Refugees from Pakistan are pulled back to Afghanistan, while some refugees feel they have been pushed out of Iran. A smaller number of refugees and émigrés have returned from developed countries, sometimes to high positions. President Karzai asked eight members of the current cabinet to renounce citizenship in the US, Germany, Switzerland, and Sweden. A few individuals have fled the country, sometimes temporarily, because of politically motivated threats, but such cases are rare.

A less visible brain drain, however, is depriving the country of much-needed capacity. Most Afghans with modern skills, especially those who can work in English, are now employed by international organizations in the dual public sector. Many working for the government are paid high salaries by donors, outside of the official framework. Efforts to build the capacity of Afghans in government stumble, as those trained leave to work for international organizations at far higher salaries, even if the new job is less skilled. In addition, as young Afghans receive more scholarships to study abroad, more decide to stay there. Whenever the international presence in Afghanistan diminishes, many Afghans now working for international organizations in Afghanistan will seek to emigrate, if current conditions persist.

⁵⁰ Marta Colburn, "Water Conservation and Scarcity in Afghanistan," in Mercy Corps International, *the many faces of Afghanistan* Curriculum Guide, <http://www.mercycorps.org/pdfs/1081988010.pdf>.

⁵¹ International Center for Agricultural Research in Dry Areas (ICARDA) "Seed and Crop Improvement Situation in Afghanistan" http://www.icarda.org/Afghanistan/NA/Full/Physical_F.htm

⁵² FAO, Special Alert No. 309 (8 June 2000) "FAO/WFP Crop and Food Supply Assessment Mission to Afghanistan," <http://www.fao.org/documents>.

⁵³ Daud Saba, "Environment and Human Development in Afghanistan," background paper for UNDP, *Afghanistan National Human Development Report 2004: Security with a Human Face*, February 2004.

⁵⁴ IRIN, "Pakistan: Afghan refugee returns top 100,000 in 2004" (10 May 2004). UNHCR OCM Afghanistan, "Return Information Updates" <http://www.unhcr.org.uk/afghanistan/>. UNHCR "Return to Afghanistan" January, 2005, <http://www.unhcr.ch/cgi-bin/texis/vtx/afghan>.

1.3.3 Displacement

During the consolidation of the power of Northern Alliance commanders in North Afghanistan in 2001-2002, incidents of ethnic cleansing of Pashtun communities in northern Afghanistan displaced tens of thousands of people, now mostly sheltered in IDP camps around Qandahar.⁵⁵ This violence, including some killings and rapes, was the latest round in disputes over control of land dating back to the settlement of Pashtuns in that area by the Afghan monarchy in the late nineteenth century. Some of the earlier rounds in which Pashtuns dispossessed non-Pashtuns were equally violent.

The government and UN established a security commission to help the IDPs to return. IDPs in the Qandahar area also include nomads whose herds and pastures have been destroyed by drought. Both they and the victims of ethnic cleansing have now requested to be resettled on the barren land where they have been temporarily housed, for lack of any alternative.⁵⁶

Security and survival are still so precarious in many areas that small disturbances can lead to forced migration. The residents of one border district with Pakistan belonging to the Momand tribe have reportedly decided to return to Pakistan this year, because they will not be able to survive if the government prevents them from growing opium. Reduction or eradication of opium poppy production without sufficient alternative livelihoods may provoke more emigration.

The return of refugees and IDPs has generated numerous land and water disputes, as land titles and water rights, not always recorded in rural areas, have become clouded over decades in which successive occupants fled, sold, or leased land.⁵⁷ According to a government official:

Land-related disputes have led to tribal clashes in Khost, Jalalabad, Takhar, Badakhshan, Kabul, Ghazni, Herat and Kapisa. . . In Ghazni, Kuchis [Pashtun nomads] and Hazaras fought last year over pastures. In Nangarhar, two big tribes are at each other's throat over the land grab issue.

Many returnees to Kabul from the West found their former houses occupied by commanders. Returnees to rural land also find that their homes, land, and wells are occupied by others. Except for the expulsions of Pashtuns from the north, also related to land disputes, none of these has yet escalated to the political level, but the existing dispute resolution and legal institutions cannot resolve them satisfactorily.⁵⁸

⁵⁵ Human Rights Watch, "Paying for the Taliban's Crimes: Abuses against Ethnic Pashtuns in Northern Afghanistan, April 2002, <http://hrw.org/reports/2002/afghan2/>. IRIN, "Afghanistan: IDPs Willing to Settle in South" IRIN, 27 December 2004, (www.irinnews.org)

⁵⁶ Ibid.

⁵⁷ Afghanistan Research and Evaluation Unit (AREU) published three case studies on land use rights in 2003/2004: L. Alden Wily, Land Relations in Bamyan: Findings from a 15 Village Case Study (Kabul: AREU. 2004). L. Alden Wily, Land Relations in Faryab Province: Findings from a Field Study in 11 Villages (Kabul: AREU. 2004). and M. Patterson, The Shiwa Pastures, 1978-2003: Land Tenure Changes and Conflict in Northeastern Afghanistan (Kabul: AREU. 2004).

⁵⁸ Ibid.

1.3.4 Group-based Hostilities

This land conflict in the north is one example of inter-group hostility, including mass killing and ethnic cleansing. Other instances of mass inter-group conflict or killing from the decades of conflict include:

- Killings and looting in Paghman (Kabul province) and in Qandahar by Jawzjani militias of the Najibullah regime in 1988 and 1990.
- The massacres of all communities that accompanied the battle for control of Kabul city among former mujahidin and former communist regime militias during 1992 and 1996.
- The scorched-earth policy of the Taliban and al-Qaida in the Shamali plain north of Kabul, leading to the expulsion of many of the inhabitants, accompanied by extra-judicial executions and the destruction of land, crops, and property.
- The massacre of probably over a thousand Taliban prisoners by some Northern Alliance militias in Mazar-i Sharif in May-June 1997.
- The revenge massacre of probably several thousand Hazara and Uzbek civilians by Taliban in and near Mazar-i Sharif and at the Kunduz airport in August 1998.
- The executions of dozens or hundreds of Hazara civilians by Taliban in Hazarajat in summer-fall 1998, which was accompanied by a struggle over control of valuable pasture between Pashtun nomads and local Hazaras.

This is only a short list of better-known incidents. Especially because these events occurred during a civil conflict that included many instances of political or opportunistic killing and persecution with no ethnic overtones, Afghans disagree over whether it is legitimate to interpret these incidents as cases of ethnic conflict. In the absence of any political or judicial process of fact-finding, accountability, or restitution, however, resentments that ethno-political entrepreneurs can exploit may grow.

1.4 International Environment

Compared to the global neglect and regional interference of the 1990s, Afghanistan has benefited from the international attention it has received in the past few years. The country's role as a front-line state in the US's Global War on Terror (GWOT) motivates continuing US engagement but also risks embroiling the country in a conflict between the US and Iran. Such conflict could threaten the formation of a regional consensus on the stabilization and sovereignty of Afghanistan, which is essential to peace and development there.

Afghanistan borders three regions: Central Asia, South Asia, and Iran/Persian Gulf. All of these regions have exported and imported instability to and from Afghanistan. All neighbouring governments officially support the current Afghan government and do not oppose the Coalition presence there, though Iran protested the increased US presence in western Afghanistan at the end of 2004, which was connected to the removal of Ismail Khan. All neighbours seek transit and trade agreements and compete for shares of trade with Afghanistan. Hence all have both growing stakes in Afghan stability and residual doubts about how long it will endure.

The India-Pakistan conflict has led Pakistan to try to impose a pro-Pakistani government on Afghanistan to create "strategic depth." Competition with Pakistan has led India both to support anti-

Pakistan forces in Afghanistan and to seek to use Afghan territory for intelligence operations aimed at its neighbour's rear. US pressure after 9/11/2001 forced Islamabad to reverse its open support for the Taliban and toleration of al-Qaida activities. Pakistan has collaborated in the search for al-Qaida, but until recently the Taliban acted against Afghanistan from Pakistani territory with impunity. Some claim that the Pakistani intelligence agency, the Directorate of Inter-Services Intelligence (ISI), supported a low level of Taliban activity to exert pressure over the presence of Indian consulates in Jalalabad and Qandahar and to maintain a pro-Pakistani force in readiness for the day the US leaves Afghanistan. Intense US pressure in the run-up to the Afghan presidential election began to change this.

On the other hand, the burgeoning trade between Afghanistan and Pakistan, consisting largely of Pakistani exports to Afghanistan, has shown Pakistani elites that a stable Afghanistan can benefit Pakistan even if its government is not subservient to Islamabad. Current political trends have also alleviated some Pakistani concerns. The relative marginalization of the Northern Alliance, which Pakistan perceives as pro-Indian, is a source of satisfaction to Pakistan. Pakistan's open advocacy of a Pashtun-ruled Afghanistan aggravates ethnic competition.

Russia and Central Asian governments have not been pleased with the change of fortune of the Northern Alliance, and they too aggravate ethnic conflict. The Russian Minister of Defence, Sergei Ivanov, recently provoked a harsh incident when he stated at a press conference with his counterpart in New Delhi that "attempts to Pashtunize Afghanistan" could lead to "a new war."⁵⁹

Iran collaborated with the US in overthrowing the Taliban and establishing the Interim Authority. Only a few months later, President Bush labelled Iran a member of the "Axis of Evil." Given the Bush administration's inflexible hard line on Iran, Iran has treated the US presence in Western Afghanistan as a security threat. The Pentagon has not denied the report by Seymour M. Hersh in the *New Yorker* that special intelligence units of the DoD have used western Afghanistan as a base for covert operations in Iran, though officials of the Coalition in Afghanistan have also tried to reassure Tehran.⁶⁰ The US decision to offer conditional support to the European negotiations with Iran may calm tensions temporarily, but the potential for disruption remains.

At the same time, Iran, in collaboration with India, has invested heavily in transportation infrastructure linking Afghanistan to Persian Gulf ports and has signed very favourable trade and transit agreements with Afghanistan. A stable Afghanistan with political space for Shi'a and some recognition of Shi'a jurisprudence is in Iran's interest, but a US military and intelligence presence on its border is not.

Landlocked Afghanistan desperately needs stable, secure relations with all its neighbours for transit to international markets. The same routes that Afghanistan needs for its international trade could also link the three bordering regions to each other and to the global market. Both hydro-electric and hydrocarbon energy sources could be transported from Central Asia to South Asia via Afghanistan. The best-known example of such transit projects is the proposed Trans-Afghan Pipeline (TAP) carrying natural gas from Turkmenistan to Pakistan. The three countries have signed protocols,

⁵⁹ Russian Minister of Defence Sergei Ivanov, speaking in New Delhi, December 1, 2004. Quote from Radio Free Afghanistan website: <http://www.azadiradio.org/en/weeklyreport/2004/12/08.asp>.

⁶⁰ Seymour M. Hersh, "The Coming Wars," *The New Yorker*, January 24-31, 2005. Stephen Graham, "General in Afghanistan Urges Care on Iran," AP (Bagram), January 24, 2005.

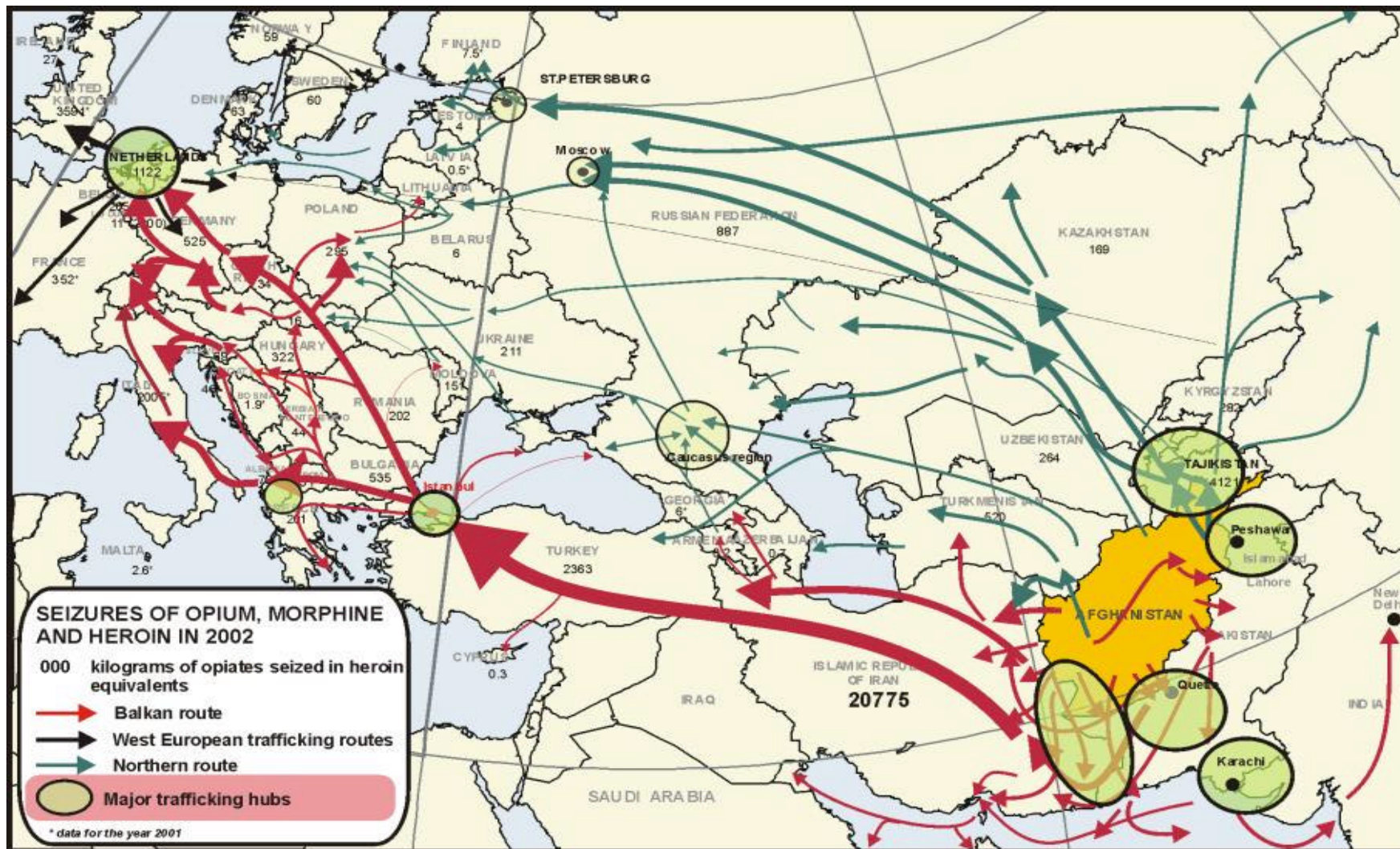
and the ADB recently completed a feasibility study.⁶¹ Afghanistan has signed a protocol with Uzbekistan to provide transit to the Pakistani ports of Gwadar and Karachi, but this, like other transit projects, is held up by the slow pace of road construction and the lack of railroads. Regional markets in electricity, water, and labour can also be expanded.

Criminal and corrupt official elements in the surrounding regions are involved in the trade in opiates originating in Afghanistan, as well as other forms of trafficking (timber, persons). Figure 16 shows the main trafficking routes for opium according to UNODC. This map shows the path of opiates from Afghanistan to the retail markets. The direction of the arrows could be reversed, showing the path of demand, money, and precursor chemicals from markets and organized crime groups into Afghanistan. These organized crime groups have links to all security and intelligence services in the region and can also supply weapons and other contraband.

Coalition presence currently deters open regional competition, but the international community has not invested sufficiently in regional cooperation. The growing drug trade carries the potential for regional destabilization. Growing regional legitimate trade has the opposite impact, but the fear of drugs and other threats from Afghanistan makes neighbouring countries reluctant to allow free passage of people or cargo.

⁶¹ US Department of Energy, “Afghanistan Fact Sheet, June 2004, <http://www.eia.doe.gov/emeu/cabs/afghan.html>.

Figure 16: Main Trafficking Routes for Opiates from Afghanistan (Source: UNODC)



II. Institutions

At the start of the Bonn process all major Afghan state institutions either did not exist (parliament) or exercised limited functions under the control of armed groups. Much if not most trained personnel had been killed or fled the country. Soviet training produced some technical capacity in, for instance, health and engineering, but Soviet management models have added another level of resistance to reforms.

Efforts are under way to create new institutions. In some areas (central bank, Afghan National Army), the efforts have produced visible results. In other areas (judicial reform, civil service reform) almost no improvement is evident. Even in the most successful areas, the new institutions do not appear to be sustainable under current projections. In an effort to compensate for Afghanistan's enormous gaps, donors have launched new institutions that quick calculations such as those presented at the start of this paper show could be financed by Afghanistan only if its GDP expanded by a factor of at least five. While international commitments will certainly continue, an army that is completely funded by foreign powers will sooner or later (probably sooner) cease to behave or be perceived as a "national" army. Paying for all the operations of a security force one does not control will also pose dilemmas for funders, who may not want to be responsible for everything an Afghan army will do.

Most institutions and processes of transformation are perceived rightly or wrongly as politicized: Northern Alliance commanders and politicians have seen DDR as aimed against non-Pashtun militias, who were much better armed than Pashtuns. Some Afghans continue to complain, without clear evidence, that the ANA is predominantly Tajik or Panjshiri. Northern Alliance leaders suspect the Minister of the Interior of imposing a Pashtun agenda, while others accuse him of having done too little to break the hold of Panjshiris over his ministry. "Mujahidin" have accused the Afghan Independent Human Rights Commission of serving the political agenda of its director, who has a past involvement with "Maoist" groups. Liberal or pro-democratic forces believe that the court system is controlled by followers of hard-line Islamist Abdul Rabb Rasul Sayyaf. Except for the president himself, there are no institutions that all sectors of the political elite consider reasonably impartial. That fact is a measure of both Hamid Karzai's achievement and of that achievement's fragility.

2.1 Executive (Presidency and Cabinet)

Hamid Karzai became chairman of the Interim Administration without leading any powerful group, which enhanced his legitimacy by placing him above factionalism but deprived him of direct levers of power. The government consisted of a coalition of commanders with individuals either affiliated to the former king or with international technical skill or backing. Most ministers had no expertise in their ministries or administrative experience. The government executive has improved, but it is still lacking in political clout, policy expertise, and management skills.

The president's style of leadership has been consensual and has therefore sometimes appeared indecisive. Since being popularly elected, he has shown greater strength by, for instance, removing Abdul Rashid Dostum from the north and stopping US plans for aerial spraying of opium poppy fields.

He has projected a vision that commands considerable consensus both within the country and internationally. He has not shown comparable skills in assuring implementation of the policies he articulates.

Many Afghans have seen President Karzai as dependent on the US, and specifically on Ambassador Zalmay Khalilzad. Though the president resisted US pressure for aerial poppy eradication, Ambassador Khalilzad seems to have discreetly supported him against other actors in the US government. The fact that the President is guarded by a US private security company and sometimes relies on the US and other foreign militaries for his transport damages his legitimacy, though many Afghans accept the need for such arrangements.

The cabinet has progressed as a decision-making body. It has passed four budgets, a process with which most cabinet members were not familiar. Despite being composed mostly of newcomers to government, it has far more responsibilities than other national cabinets, as it is both the executive and legislative body until the formation of the National Assembly. This dual responsibility has placed a heavy burden on the cabinet, leaving a backlog of unenacted legislation and insufficient attention to governmental management.

Professional support for the executive remains weak. The presidency and cabinet are only starting to constitute expert bodies of advisors on economic or strategic analysis or on policy making. The National Security Council has developed limited expertise in its own field. The presidency inherited a large bureaucracy (*Idara-yi Umur*, the Department of Administration) of about 1,500 employees, which has sometimes proved more of an obstacle than help. The lack of discipline in the president's office has resulted in meetings with too many attendees and lack of note taking and follow-up, though discipline has improved since the president's direct election.

The problem of succession remains. Under the constitution, should Hamid Karzai die or be incapacitated, the presidency would pass for three months to his first vice president, Ahmad Zia Massoud, who does not command a strong following in either his own group or the country at large. The country would be constitutionally obliged to hold new elections within three months, and, given the difficulty and expense of the last election, it seems unlikely that it could do so.

2.2 Security Sector

The professional army collapsed in 1992, leaving a vacuum of state power that was filled by various armed groups. After the fall of the Taliban, the military consisted of recently uniformed armed factions of common ethnic or tribal origin under the personal control of commanders, originating as anti-Soviet mujahidin or tribal militia of the Soviet-installed regime. The police served various factions, were corrupt, and routinely beat those they arrested. The courts and attorneys-general had no legal texts. Hence they tended to apply a rudimentary conservative interpretation of the Islamic shari'a.

Annex 1 of the Bonn Agreement called upon the Security Council to deploy an international security force to Kabul and eventually other urban areas. For the militias to withdraw from Kabul and eventually those other areas to which the force would deploy. and for the international community to help Afghans establish new security forces. Those new security services have made the first steps away from factional control and toward professionalism based on legal authority, and the power of warlords and commanders at the national and regional level has diminished. Many if not most localities, however, are still under their sway, as the central government initially appointed commanders to official positions, often in the police, in the areas where they seized power. The

government is now trying to transfer some of them away from their places of origin, and hence their power bases.

The Afghan National Army (ANA) could defeat any warlord militia, but the security strategy of the government, UN, and Coalition is based almost entirely on negotiation and incentives, not confrontation. The structure, size, and mission of the new security forces have not been the subject of any Afghan political deliberation and have resulted more from the decisions of the major donors and troop contributors.

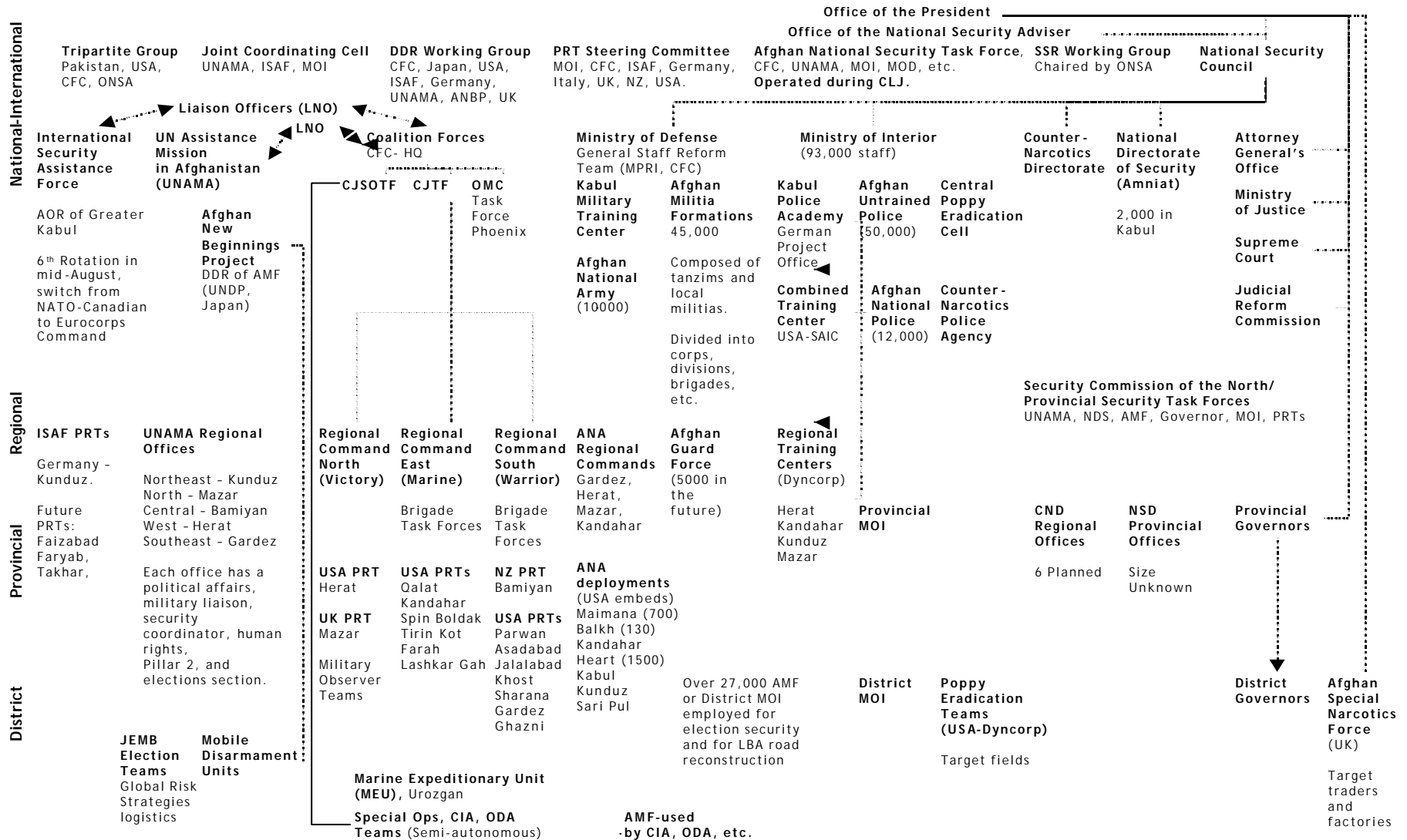
The security services consist of the army and air force under the Ministry of Defence, the police forces, including national, border, highway, and counter-narcotics under the Ministry of the Interior, and the intelligence service, the National Directorate of Security (NDS). All consist of a combination of: low to mid-level personnel who have served all governments, commanders and others from the militias that took power at the end of 2001, and new units trained by donor and troop-contributing countries.

The former militias now within the Ministry of Defence are referred to as the Afghan Militia Forces or AMF, while the new army trained by the US with help from the UK and France, and deployed with embedded US trainers, is the ANA. Within the Ministry of the Interior, the newly trained forces are called the Afghan National Police (ANP), while the border, highway, and counter-narcotics police are new units. Demobilized militia fighters constitute fewer than two percent of the ANA, with the rest being fresh recruits, while the ANP consists largely of retrained militia and former MoI personnel. The NDS leadership was changed after the Constitutional Loya Jirga, and the new director is gradually introducing new personnel and structures.

In addition to this formal security sector, there is also an “informal” security sector, composed of numerous militias and private security agencies employing both Afghans and foreigners for a variety of tasks. The Coalition has funded, armed, and deployed militias for fighting the insurgency. The US and UN have hired private military and security contractors (Global Risk, Dyncorps) to provide security for president Karzai, elections, road construction security, poppy eradication, and other tasks. International actors often respond to the inadequacy of Afghan security forces by creating ad hoc armed groups for specific purposes without any clear legal framework. The result has often been confusion on the ground. The authors of a study of security for the Afghanistan Research and Evaluation Unit depicted the security “architecture” of Afghanistan in early 2004 in the diagram reproduced in figure 17.⁶²

⁶² Bhatia, Lanigan, and Wilkinson: “Minimum Investment, Minimum Results: The Failure of Security Policy in Afghanistan,” Kabul: AREU, 2004.

Figure 17: Security Architecture of Afghanistan, Early 2004 (Courtesy of Bhatia, Lanigan, and Wilkinson)



2.2.1 Military

The establishment of a lawful military consists of: (1) disarmament, demobilization, and reintegration (DDR) of the militia forces. (2) reform of the ministry of defence. and (3) the training of the new army. These processes were linked. Many commanders refused to demobilize so long as the MoD was under factional control. MoD reform met with considerable resistance under Defence Minister Fahim. Rahim Wardak, a US-trained professional soldier from the royal regime who also served as a military official of the anti-Soviet mujahidin, enjoys the confidence of the UK and US. Chief of Staff Bismillah Khan, former deputy of Ahmad Shah Massoud, is a respected former mujahid who, unlike Fahim, has inherited Massoud's honorific "Aamir sahib" (chief commander). He may help integrate new and old elements in the ministry.

According to some reports, however, the diversification of the ministry's personnel is occurring through negotiation among diverse patronage networks, rather than through a unified merit-based system. One security official claimed:

The candidates who fill these positions will naturally have their first loyalty to their ethnic group not to the system, because it was not the system in the first place that gave them a position, but their ethnic group, and their loyalty is to a guy, not to the government. This will work fine as long as CFC-A [the Coalition] is there but will disintegrate into factions and ethnic division immediately after cessation of US funding.

This is precisely what happened to the Soviet-trained Afghan national army after the withdrawal of Soviet troops, which had kept a lid on factional fighting. Thirteen months after the Soviet withdrawal, Khalqi sections of the armed forces launched a failed coup against President Najibullah and the sectors of the security forces controlled by their factional rivals, the Parchamis.

ANBP reported that as of February 2005, the DDR process had cantoned 8,630 heavy weapons, with seven regions considered free of unsecured heavy weapons.⁶³ Despite initial resistance, by March 2005 all known heavy weapons had been cantoned in the Panjshir Valley, the last untouched major weapons cache. UNAMA has announced the completion of DDR in northern Afghanistan. ANBP is expected to conclude the demobilization of the AMF by June 2005.⁶⁴

DDR has thus far dealt only with the AMF, those militias previously integrated into the Ministry of Defence. A new program of disbanding of Illegal Armed Groups (IAGs) is expected to start in April 2005, in coordination with the counter-narcotics program, since many IAGs are involved with trafficking. Unlike the AMF, the IAGs will receive no incentives, and more resistance may occur.

Disarmament has referred only to the cantonment of heavy weapons. No effort has been made to collect all automatic rifles and other weapons possessed by households. Hence many policies, such as counter-narcotics, must take into account that much of the population is still armed for guerrilla warfare. Reintegration is less successful, as the economy is not expanding quickly enough. Anecdotal evidence from northern Afghanistan suggests that demobilized fighters who kept their weapons may be preying on the population. One security official described the creation of "insecurity in vast areas

⁶³ The regions are Kabul, Jalalabad, Qandahar, Gardez, Mazar-i-Sharif, Bamyan, and Panjshir. UNDP, Afghanistan's New Beginnings Programme (ANBP), <http://www.undp.org.af/psl4.htm>

⁶⁴ UNDP, Afghanistan's New Beginnings Programme (ANBP), <http://www.undp.org.af/psl4.htm>.

of Afghanistan from Khairkhana to Wakhan and to Murghab River in Badghis,” effectively in most of Afghanistan north of Kabul.

The ANA was reported to have 21,000 men on duty as of February 2005 and is continuing to grow.⁶⁵ It appears to have overcome to some extent the problems of ethnic imbalance and high turnover that plagued it at the start. Growth has been slow, due to a valid emphasis on quality of recruits and training.

The ANA was originally deployed full-time only to the Central Garrison in Kabul, with mobile units occasionally going to the provinces. In 2005 the ANA is scheduled to be permanently deployed to the four major regional military garrisons. The ANA has performed well in the limited tasks it has been assigned, mainly involving stabilization operations where warlords have been weakened. It has not been consistently deployed on the front lines in the war against the Taliban.

The plan for the ANA calls for a force of 70,000 men, a number that appears to have been chosen by the US through negotiation with Marshall Fahim. Currently the ANA is entirely funded by international donors, mainly the US, and also relies on the direct participation of embedded US trainers. The troops are currently paid several times more than civil servants. Some analysts believe that the use of fully cash payment rather than the provision of in-kind services for soldiers and their families weakens the attachment of soldiers to the institution. Soldiers must often go on leave to deliver pay to their families, some of whom live in Pakistan, where housing is cheaper than in areas of Afghanistan where land prices are inflated by drug trafficking and the international presence. The Afghan national government is unlikely to be able to sustain a force of this size, salary level, and technical sophistication using its own resources.

2.2.2 Police

Police in Afghanistan have always been concerned more with the security of the state than that of the public. They included only a national gendarmerie, whose paramilitary units expanded during the Soviet period. There was no local or community policing. Villages, where most of the population lived, provided their own security. By the start of 2002, Afghan police could have been the subject of Walter Mosley’s novel Always Outnumbered, Always Outgunned.

Reform started with the appointment of Ali Ahmad Jalali as minister in November 2002. Jalali, then head of the Persian Service of the Voice of America, had been a military officer and professor of military history at the Kabul Military Academy before 1978. In exile in the US, he had published several well-regarded books and articles on the military history of Afghanistan.

Germany has refurbished the police academy. Training centers have also been established in eight regional centers. A joint effort of Germany, the US, and others has reportedly trained 40,000 Afghan National Police (ANP). The salaries of ANP officers increase from less than \$20 to \$70 per month upon graduation. The ANP has been deployed, sometimes with the ANA, in stabilization operations in provinces where warlords have been in conflict with each other or the central government (Balkh, Herat).

The number of police trained overstates the thoroughness of reform. When the UN sought to deploy for election security the 30,000 police reportedly trained by October 2004, it found that only 5,000 were actually available. Many police are rehatted militia fighters still loyal to their

⁶⁵ Kevin Dougherty, “Building an Army for Afghanistan,” Stars and Stripes, European Edition, February 3, 2005.

commanders, rather than the national government. Without embedded monitoring, the reform may not last. The trained police return to an environment with enormous pressures from drug traffickers and corrupt officials. The police failed a major test at the end of 2004: when three UN international staff members were kidnapped in broad daylight in the center of Kabul, the police failed to turn up a single useful lead, arrested a number of innocent people, and tortured one detainee to death, all after two years of “reform.” Indeed, Afghan government sources claim that the torture was carried out by personnel hired under the “reform” program.

The border police, as yet in poor condition, are expected to deploy by the end of 2006, if they receive sufficient funding. The highway police have acquired some basic equipment but require much development. The counter-narcotics police are the most difficult to establish. They are subject to a unique mix of bribes and threats (“take this \$1000, or I’ll kill you”) and may require a similarly unique high pay level and intensive monitoring.

Another program involving the ministry of the interior is the re-establishment of territorial administration through the Afghanistan Stabilization Program (ASP). This program, implemented with the ministries of finance and communications and the help of PRTs, aims to build physical and communications infrastructure for administration in all provinces and district centers. In early 2005 there were six-model district compounds constructed, while 110 others were contracted to be built. Some observers claim that a program that was supposed to build administrative capacity has become solely a construction program. Most district and many provincial administrations are still either controlled by or are powerless against local commanders.

2.2.3 Judicial System

The Afghan judicial system is in a deep crisis of public confidence. During the public consultations over the constitution, people frequently cited judicial corruption as a concern. The courts have shown less improvement than other security sectors. Because of the role of Islam and ulama in the judiciary, it is the most difficult sector for a largely non-Muslim international community to help reform.

Most Afghans rely on customary procedures for dispute settlement. These procedures treat criminal offences as disputes, a practice that undermines the authority of the state, but they should be a valuable resource for the country if their functions are limited to genuine civil disputes. Developed countries are trying to develop alternative resolution of disputes (ARD) to reduce the burden on courts, but Afghan legal elites reject them as reactionary, given that exchange of girls between families in dispute (*bad*) is one of their features. Foreign experts, including Afghans from the Diaspora, have suggested regulating rather than replacing these traditions.⁶⁶

At the Tokyo donor conference in January 2002, Italy was appointed lead donor in the judicial area. Italy developed some projects, but the JRC and the government did not develop a strategy for judicial reform. The constitution of 2004 does not incorporate any judicial reforms. The judicial system consists of:

- The judiciary, controlled by the Supreme Court. Under the constitution, the president will appoint members of the Supreme Court, subject to approval by the Wolesi Jirga. The Supreme Court nominates all other judges when they are first appointed. the president must make the

⁶⁶ Ali Wardak, “Jirga, Human Rights and Building Post-War Justice System in Afghanistan,” <http://bglatzer.de/arg/arp/wardak.pdf>.

actual appointment.⁶⁷ Thereafter the Supreme Court controls their careers, salary, and discipline, while also hearing their cases. This system creates what members of the constitutional commission privately called “corrupt networks among judges.” While this is not a constitutional or legal requirement, the current Chief Justice simultaneously heads the Council of Ulama, and he has not clearly distinguished between the court’s role in issuing judgments on cases brought before it based on written law and the role of the ulama in issuing Islamic legal opinions (fatwas) based on *fiqh* (Islamic jurisprudence).

- The Attorney-General (Loy Saranwal), a general procurator, originally on a French-Turkish model but modified to conform to Soviet practice. The Saranwali is reported to be riddled with corruption, as it can use its power to initiate investigations to extract bribes. Under the 1964 constitution, the Saranwali is an executive organ of the state. It became independent during the 1980s and guards that prerogative today.
- The Ministry of Justice, which is responsible for drafting laws for the government, providing the government with legal advice, and overseeing the legal functioning of the administration.

All of these organs found themselves at the start of the interim and transitional periods without legal texts or clear guidance on what the law was. All were widely considered to be incompetent and corrupt, though including some qualified and honest officers. They lacked buildings and basic equipment.

The Judicial Reform Commission surveyed the physical infrastructure of the justice system, but it failed to get the government or constitutional commission to enact or even propose any major reforms, such as restricting the duties of judges to judicial ones or clarifying the role of the AG. Programs have begun to train judges, provide access to legal materials (the International Development Law Organization put all Afghan laws on CD-ROM), and construct new court buildings, but these measures are no substitute for institutional reform.

In the new constitution the judiciary remains a self-perpetuating caste managing its own funds and career paths, while the power of the Supreme Court has been augmented to include judicial review for conformity to the constitution and hence to the “beliefs and provisions of the holy religion of Islam” (article 3). Since the provision for judicial review is not clearly limited to cases referred or appealed to the Supreme Court, the system of self-referral and conflation of Islamic fatwas with judicial decisions continues.

The US is now sponsoring a drugs-only justice system – including a package of police, prosecutors, and judges – as part of a fast-tracked counter-narcotics policy. This is part of the general pattern in the security policy area described above of creating parallel institutions when the core institutions do not function. The limits of the judicial system are illustrated by the agreement of all Afghan and foreign officials that any major trafficker arrested in Afghanistan will have to be extradited abroad immediately. The police and courts are unable to deal effectively with daylight armed robberies within walking distance of the Ministry of the Interior in Kabul.⁶⁸

⁶⁷ The constitution follows shari’a, according to which only the ruler of the Islamic community can appoint a non-judge to become a judge. Hence the Supreme Court nominates and the president appoints. After initial appointment, the Supreme Court determines all further appointment, transfer, and promotion of judges.

⁶⁸ The Afghanistan Research and Evaluation Unit (<http://www.areu.af>), a highly respected internationally sponsored research institution with offices on a major thoroughfare of central Kabul (Shahr-i Naw), where the authors presented a draft of this paper on February 26, 2005, was robbed by armed gunman on January 1, 2005.

The Bonn Agreement established an Afghan Independent Human Rights Commission (AIHRC), which was enshrined in the constitution, though with a weak mandate and without standing in court. With international assistance, the AIHRC has carried out a survey of attitudes toward past crimes, which found an extensive public demand for some form of accountability, at least in the form of exclusion of violators from public office.⁶⁹ The presidency is studying whether it can institute confidential vetting of executive appointments, many of which have institutionalized the power of commanders with records of abuse, but no institutions can carry out such a task publicly with the credibility required.

2.3 Public Finance and Administration

2.3.1 Fiscal and Monetary Institutions

The degree of improvement of these institutions has perhaps been more remarkable than any other sector, though central banks are relatively easier to reform than most other institutions.⁷⁰ After the fall of the Taliban, revenue was captured by whatever armed group controlled a customs post or bazaar. The currency was hyper-inflated, with several competing versions and the largest denomination (afs 10,000) worth less than US \$0.20. Since banks did not function, all payments, including within the government, were made in the hyper-inflated banknotes. Accounting procedures were entirely done by paper and pen, when pens were available.

Since 1929, when rebels overthrew the last dynasty that relied on the direct taxation of agriculture, the domestic revenue of the government of Afghanistan has never exceeded seven percent of GDP. Since the Soviet withdrawal, money creation increasingly financed spending, leading to hyperinflation. Under the mujahidin government of the early 1990s, the ministry of finance lost control of the major revenue source, customs revenues collected at the border.

After Ashraf Ghani became Minister of Finance in June 2002, he undertook reform of the internal procedures of the ministry and of the revenue capacity of the state. Against considerable resistance, he computerized the treasury in Kabul to track funds and was trying to extend this measure to regional offices. He demanded from ministers, notably of defence, that they provide lists of those to be paid. He used the new currency and no-overdraft rule as leverage to insist on accountability, telling ministers he could not simply print money to pay whatever they asked.

Ghani started a reform of the customs. Afghanistan abolished export duties and introduced a unified exchange rate and simplified import duties, abolishing an antiquated system that had imposed high nominal rates on deflated prices calculated with an overvalued exchange rate. Through a series of regional visits backed up by pressure from other sources, Ghani gradually gained leverage over customs houses controlled by governors and other regional power holders. The government is installing an integrated information system for all customs houses and is planning to rebuild all of the installations to comply with contemporary standards.

Despite police appearance at the crime scene and the temporary detention of some of AREU's staff, no arrests have been made.

⁶⁹ *A Call for Justice: A National Consultation on Past Human Rights Violations in Afghanistan* (Kabul: AIHRC, January 28, 2005), http://www.aihrc.org.af/Rep_29_Eng/rep29_1_05call4justice.pdf.

⁷⁰ Francis Fukuyama, *State-Building: Governance and World Order in the 21st Century*, Ithaca, NY: Cornell University Press, 2004.

During the first three quarters of 2004/05, Afghanistan slightly exceeded the IMF's target for domestic revenue.⁷¹ To put this effort in perspective, that target aims at a domestic revenue of af\$ 12 billion, or US \$260 million, or \$11 per capita, about 4.5 percent of GDP.⁷²

The Bonn Agreement required the interim administration to establish a central bank to emit currency in a transparent and accountable fashion. The Afghan government successfully carried out this major reform in less than a year. Between October 2002 and January 2003 the Afghan government and Da Afghanistan Bank exchanged existing banknotes throughout the country for a new afghani at a rate of one thousand to one. The new currency was printed in Germany with the newest counterfeit-resistant technology (similar to the Euro) and has maintained a stable or appreciating exchange rate.⁷³ The DAB has met the IMF SMP targets for monetary growth. Reform of the state banks, however, is lagging, which partly explains the of the governments' difficulty in making payments.

2.3.2 Civil Service

The lack of capacity of the civil service has become a major bottleneck in reconstruction. Even the most technical ministries are unable to prepare the projects or feasibility studies required by donor agencies, especially since each agency has different requirements.⁷⁴ The deterioration of the public service has resulted from decades of politicization, purges, and neglect. Fifteen years of war-induced hyperinflation had reduced the value of the highest salary to less than \$30 per month, when it was paid, as it often was not. Hence many if not most bureaucrats were often absent to earn money in other ways, and corruption was endemic. The civil service had advanced beyond the socialist stage ("they pretend to pay us, and we pretend to work") to the withering away of the state, as envisaged by Marx ("they don't even pretend to pay us, and we don't even pretend to work"). Provincial and district administration had little contact with Kabul, and, given the lack of any reliable form of communication or electronic data management, ministries worked poorly even in Kabul.

The Bonn Agreement required the government to establish a Civil Service Commission to vet appointments. This commission's purpose was to assure competence and to prevent nepotism and patronage. It was consequently resisted by both principal delegations to the UN Talks on Afghanistan. The interim administration delayed forming it and diminished its authority, in particular by exempting security agencies from its jurisdiction. The new constitution contains no guarantees for the independence of the civil service from political interference.

The Civil Service Commission was also authorized to recommend reforms in the civil service. Headed by then Vice-President Hedayat Amin-Arsala, it worked extremely slowly. In conjunction with the ministry of finance, it developed the program of Priority Reform and Restructuring (PRR) to create "centers of excellence" outside the regular pay and promotions structure in each ministry, but these have been implemented in only a few ministries. The CSC also proposed a system of chief secretaries and chief financial officers for each ministry, leaving the minister and his deputies with mainly policy-making responsibility. According to the CSC, ministers of the transitional

⁷¹ IMF, "Islamic State of Afghanistan, Third Review under the Staff Monitored Program -- Concluding Statement" February 3, 2005, <http://www.imf.org/external/np/ms/2005/020305.htm>

⁷² Ibid.

⁷³ Ibid.

⁷⁴ IMF, "Islamic State of Afghanistan, Third Review under the Staff Monitored Program -- Concluding Statement" February 3, 2005, <http://www.imf.org/external/np/ms/2005/020305.htm>

administration resisted this change, as it stripped them of most of their executive powers. The president has also used offers of official jobs as bargaining chips without clearing his offers with the CSC. In addition he was reluctant to approve measures to dismiss public employees before the election.

Recent AREU research on administration in Qandahar, Herat, Faryab, and Bamyan found only a few minor improvements since 2002:

- Provincial financial management seems to have improved, with better internal reporting of money transfers, and better accounting and audit procedures.
- Serious issues have not been addressed, such as low pay, low takhsis (personnel allotment), cash authorization system, late arrival of personnel and fiscal budgets, delayed payment, lack of sufficient training manuals, and lack of guidance to staff.
- Recruitment and staff appointment has seen little change, as many see CSC-guided appointment of senior staff as politically and ethnically motivated. The PRR has largely been used to raise salaries of a few while leaving those unaffected resentful.
- Provincial level coordination among directorates of different ministries and civil-military relations has improved.

2.4 Parliament

Afghanistan has not had a functioning parliament since 1973. The Bonn Agreement vested legislative authority in the cabinet. The constitution of 2004 continues this arrangement, stating that until the formation of the National Assembly in accord with the constitution, all powers of the National Assembly are vested in the council of ministers chaired by the president.

The constitution provides for a bicameral National Assembly. The lower house (Wolesi Jirga, people's assembly) is directly elected "in proportion to population" with seats reserved for women to ensure them an average of two seats per province. The upper house (Meshrano Jirga, elders' assembly) consists of one member elected by each provincial council, one member elected by the district councils of each province, and one third members appointed by the president, half of which must be women. Hence the National Assembly cannot be fully constituted according to the constitution until after elections to provincial and district councils. Both UN and Afghan officials are increasingly coming to the conclusion that holding district council elections poses nearly insuperable obstacles for the foreseeable future.

Currently Afghanistan has no parliament building, parliamentarians with legislative experience, or parliamentary staff. France, which has agreed to be lead donor for parliamentary development, has trained eight Afghans to become the core of the staff. During the decade of New Democracy (1963-1973), the parliament passed almost no laws, and the king generally ruled by decree. The legislative process in the constitution, regarded by experts as dysfunctional, will reinforce this tendency. Twenty percent of the members of the WJ may summon a minister to answer questions, and half of the members may dismiss an individual minister on a vote of no confidence. This could become a powerful tool to blackmail ministers (with the collusion of their rivals in the cabinet) in order to pursue the interests of members of the WJ. The government's decision to adopt the electoral system

of the Single Non-Transferable Vote (SNTV) will accentuate the tendency of WJ members to seek individual benefit by blackmailing ministers.⁷⁵

Despite allegations that the constitution creates a powerful president, it grants the executive few tools to advance the legislative process, and the results of the SNTV system will make his task even harder. But formation of the parliament is a political necessity, not only because it is required by the constitution, but because it is the only institution that will provide political voice and inclusion for the leaders who opposed Hamid Karzai in the election and their constituents, who include 45 percent of the electorate. Parliamentary and local elections will also provide a mechanism to include Taliban members and sympathizers in the institutional life of the country.

⁷⁵ Barnett R. Rubin, "The Wrong Voting System," International Herald Tribune, March 16, 2005.

III. Political Actors

Collective political actors in Afghanistan are not clearly defined. Politics is highly personalized, tending to crystallize around powerful men and their patronage networks.

One clear dividing line is between those waging war against the current political arrangement and those competing within it. At present the Taliban and their supporters and allies can still carry out acts of violence but are not effective spoilers of the political process. There are three main groups among what the US calls “ACF” or anti-Coalition forces: al-Qaida, the Taliban, and the part of Hizb-i Islami that still follows Gulbuddin Hikmatyar. Al-Qaida is not predominantly concerned with Afghanistan, but rather with waging a global war against the United States. The top leaders of al-Qaida (Usama Bin Ladin and Ayman al-Zawahiri) are probably close to the Pakistan-Afghanistan border, but fighting in Afghanistan is not their top priority. Hikmatyar is active in the northeast corner of the Pashtun belt, but he is not a strategic threat. Most of his former party members around the country have accepted the government, and some serve as governors, police chiefs, and other officials.

The Taliban are still mounting an insurgency in the east and south of the country, with bases and recruitment areas in Pakistan. Until recently the insurgency appeared to be growing, in part, due to counter-productive efforts to defeat it. Anyone associated with the Taliban felt threatened with indefinite detention and possibly torture by the US without judicial review. Aggressive counter-insurgency tactics, especially house searches and bombings of villages, also generated vendettas against the US.

The peaceful conduct of the election, including in areas considered to be Taliban strongholds, may have marked a turning point, however. Pashtuns no longer feel excluded from power. While President Karzai has rejected the term “national reconciliation,” which Najibullah used for a program of co-opting mujahidin commanders, the President is now proposing such a process to reintegrate the Taliban, called “Strengthening Peace.” In some post-conflict situations, “national reconciliation” is a public process to create a sustainable base for peace after conclusion of a peace agreement among elites. In Afghanistan, however, there is no peace agreement with the Taliban. The Strengthening Peace program seeks a kind of piecemeal peace agreement with Taliban rank-and-file rather than a comprehensive agreement with the leadership. It is administered by a commission chaired by Sebghatullah Mojaddedi, an Islamic scholar, former mujahidin leader (Hamid Karzai served as his foreign affairs advisor), and chair of the Constitutional Loya Jirga. Resistance by elements of the former Northern Alliance has prevented approval of this program by the cabinet. The Coalition is implementing its own version, the “allegiance program.”⁷⁶

Within the coalition that supports or accepts the government, politics remains inchoate. Political parties are virtually non-existent. The Interim Administration of Afghanistan (the government formed at Bonn) was dominated by the Shura-yi Nazar-i Shamali (Supervisory Council of the North), founded by Ahmad Shah Massoud of the Panjshir Valley, and originally affiliated with the Jamiat-i

76 Carlotta Gall, “Taliban Trek Rocky Road Back to Afghanistan,” *New York Times*, March 20, 2005.

Islami party, a predominantly Tajik group led by Burhanuddin Rabbani. Shura-yi Nazar broke with Rabbani at Bonn in order to form a coalition with the former King's supporters and others, rather than return to Kabul without an agreement, as Rabbani wished. Rabbani apparently wanted to re-establish himself as president at that time. Shura-yi Nazar gained control of the ministries of interior, defence, and foreign affairs, as well as the intelligence service. This reflected the situation on the ground and generated considerable resentment among groups that felt excluded, notably Pashtuns.

The Bonn process aimed gradually to "broaden" the government and make it more representative. This process, of building the government's legitimacy, formed part of a broader process of state building, which has dominated the political agenda. As this process required the displacement of factions based on patronage within identity groups, the struggle to control, define, or resist state building has become ethnicized. One can understand this struggle neither by attributing motives to leaders solely on the basis of their ethnic identities, nor by ignoring the power of ethnic identity as an interpretive and mobilizing discourse.

The government has increasingly pursued an agenda of centralization, which, depending on how it is implemented, can be perceived as either a Pashtun ethnic or a non-ethnic national goal. A Pashtun ethnic agenda seeks asymmetric centralization of the government in order to gain control of the superior resources of northern Afghanistan and to regain military power after two decades of the arming of non-Pashtun regional militias, while treating Pashtuns more as a ruling group than as citizens. Such asymmetrical centralization characterized the Afghan state through much of its history, as the tribes resisted efforts even of Pashtun dynasties to impose more uniform centralization.

Centralization can also serve a non-ethnic national agenda that seeks to replace loyalty to commanders based on patronage with loyalty to a uniform administration and rule of law based on citizenship rights and service delivery. Such an agenda confronts resistance from warlords and commanders of all ethnic groups, but in the past few years the non-Pashtun militias of northern and western Afghanistan, which took over major parts of the state security agencies, have put up the strongest resistance to rule-based centralization. The commanders of these areas had formed the largest political-military units for reasons going back to the conduct of the anti-Soviet war in the 1980s, and their military advantage was reinforced by the US decision to arm and fund the Northern Alliance against the Taliban in 2001.

In this highly ethnicized and insecure context, the pursuit of even a non-ethnic centralization agenda by Pashtun office holders triggers ethnic reactions. Non-Pashtun commanders claim to be defending the welfare of their group rather than the predatory power of their followers. The lack of an organized political base has led President Karzai – a committed non-ethnic nationalist – to rely on a Pashtun base of support against the resistance from the non-Pashtun warlords. One of his political strategists, arguing that an ethnic base can support a non-ethnic strategy, said that "[Pashtuns who oppose the reform agenda] have nowhere else to go," and Karzai's refusal to organize a party leaves no alternative. Karzai may be right in thinking that under present circumstances any party will degenerate into one of the ethnicized factions that Afghans despise. His current strategy at least does not freeze the current alignment in an organization that will have vested interests in maintaining it.

In this context of weakening influence, the Northern Alliance essentially disappeared. Little had held it together other than opposition to the Taliban. Professor Rabbani and the part of Jamiat loyal to him resented how Shura-yi Nazar had cast him aside at Bonn. Within Shura-yi Nazar, Fahim and Qanooni split, with the former losing support in Panjshir as he pursued personal wealth and

unsuccessfully tried to assure himself of a strong vice-presidency as successor to Karzai. The Uzbek and Hazara components of the NA went their own ways, each with splits in its ranks.

Ethnic, factional, and political tensions came to a head at the Constitutional Loya Jirga over several issues, especially over whether ministers could hold dual citizenship. The pattern of using an alliance of a Pashtun ethnic base with a smaller group of multi-ethnic reformers to support the program of President Karzai largely succeeded there. The President's political effort at the CLJ, led by Minister of Rural Rehabilitation and Development, Haneef Atmar, united the Pashtun bloc of delegates (about half) with various other groups consistently enough to win on nearly every major issue. Tensions over the issue of whether to permit dual citizenship for ministers, a symbol of competition between elites returning from exile and those that had stayed, nearly led to the resignation of Foreign Minister Abdullah, a former close aide to Ahmad Shah Massoud.

Despite the aggravation of ethnicized factionalism within the elite, the open – and non-violent -- discussions of highly charged issues at the Constitutional Loya Jirga led to peacefully negotiated, ground-breaking measures of inclusion. These included the recognition for the first time in history of the multi-ethnic composition of Afghanistan (14 groups mentioned in article four). the recognition of two official and, for the first time, six locally official languages in article 16. the requirement that the national anthem be only in Pashto, but, also for the first time, that it mention all the country's ethnic groups (article 20). and the recognition, also for the first time, of Shi'a jurisprudence as a source of law for cases involving only Shi'a (article 131). A paragraph of article 16 providing for the maintenance of "national" (i.e. Pashto) terminology for certain offices and institutions was omitted from the text distributed to delegates for a vote, leading to protests by some non-Pashtun politicians when it was included in the promulgated text. Balanced implementation of all of these measures will foster the development of a stable co-existence between an Afghan national identity and multiple ethnic identities.

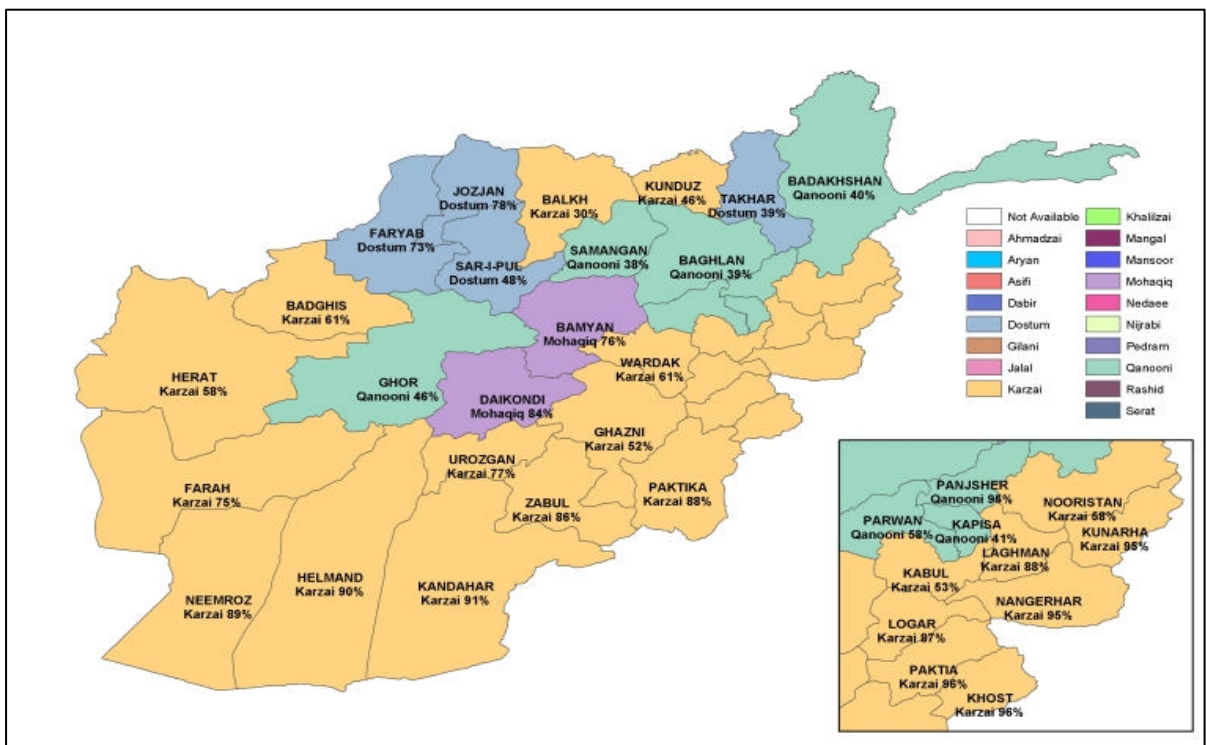
The results of the presidential elections illustrate the combination of ethnicized factionalism and national identity (figure 18 compares ethnic and electoral maps). The four leading presidential candidates, who collectively won 93.4 percent of valid votes, consisted of President Karzai and three leaders of ethnically different factions of the former Northern Alliance. Each major candidate came from one of the four major ethnic groups: Karzai-Pashtun, Qanooni-Tajik, Dostum-Uzbek, and Muhaqqiq-Hazara. Of these, each losing candidate had a mono-ethnic base of support. Karzai, a non-factional, non-military leader, carried over 90 percent of Pashtun voters, but he also received support from non-Pashtun urban voters.

Ethnicities remain discursive coordination mechanisms, not ideologically charged blocs. All major candidates had multi-ethnic tickets, and none ran an explicitly ethnic campaign. Despite the ethnicization of elite politics, 63 percent of the population does not attribute the conflicts of the past 30 years to ethnic factors.⁷⁷ Surveys show that most Afghans claim to give higher priority to religious and national rather than ethnic identification, that avowed inter-ethnic hatred is low, and that ethnic politics is not considered legitimate.⁷⁸

⁷⁷ AIHRC-UNAMA "Joint Verification of Political Rights," Third Report 24 August – 30 September 2004 United Nations Assistance Mission in Afghanistan (UNAMA) and Afghan Independent Human Rights Commission (AIHRC), <http://www.aihrc.org.af/jvoprtr.htm>

⁷⁸ See HHRAC surveys, op cit.

Figure 18: Simplified Ethnic Map (CNN – Disregard Proportions) and Official Electoral Map (October 2004 Presidential Elections)



Islam fosters allegiance across ethnic groups. Ethnic conflict results from competitive political or military mobilization for national power, and this conflict can turn to hatred when the competition is conducted through violence. The grievances left by the past have not yet been resolved through any process of transitional justice or national reconciliation. Formation of a National Assembly with weak parties is likely to heighten the political salience of ethnicity. Furthermore, the Islamist forces feel besieged and the non-Pashtun faction leaders doubly so. They are being pressured to disarm and being promised that in return they can run for election to the WJ. The launch of programs for counter-narcotics and transitional justice leads them to believe that the West and the returned exiles will use these to disqualify them as candidates.

The ulama and other Islamic figures have remained rather quiet. Friday preaching often attacks the un-Islamic behaviour of the government and elites in the cities, but on the whole ulama are following rather than leading the main tendencies. The political role of Chief Justice Shinwari in assuring the consent of the ulama to the new regime is not always appreciated by Westerners who see him as a bastion of reaction, but he has led the ulama in support for the Bonn process, acceptance of the foreign presence, including the Coalition, and employment and voting by women. In return, reformers have had to tolerate the delay of judicial reform and some fatwas against television programs. Few ulama were elected as delegates to either the Emergency or Constitutional Loya Jirgas, indicating that they are returning to their historical roles after decades of occupying much of the country's political space. Especially if the ulama's monopoly of the judiciary is diluted, they will need to find other constructive rather than purely critical roles in the society if they are not to turn into a destabilizing opposition constituency.

Political parties, all of them small factions at this point, are trying to organize in anticipation of Wolesi Jirga elections. The party system that results from these elections will be determined as much by the electoral system as by the distribution of political opinion in Afghanistan. Thirty-five of forty parties that participated in a conference organized by the National Democratic Institute (NDI) in Kabul on January 17, 2005, issued a declaration in favour of a proportional representation (PR) list system, which would strengthen parties. Antipathy to political parties, often identified in Afghanistan with foreign supported armed factions, led the cabinet to support adoption of the SNTV system for the WJ elections, which marginalizes parties. This system, currently used in Jordan, Vanuatu, and the Pitcairn Islands, favours victory by well-organized minorities. It creates unmanageable parliaments of individuals who all compete against each other. It also favours the use of bribery and intimidation, as small shifts in votes can alter the outcome.⁷⁹

Especially given the SNTV system, regional and local power brokers will exercise great influence over the WJ elections, as they seek to place those loyal to or dependent on them close to the seat of power. Given the universal importance of money in electoral politics, and given the relatively few sources of money in contemporary Afghanistan, drug traffickers and allied commanders are likely to play a major role, possibly generating violence over local rivalries, a tendency that SNTV will reinforce. Hence drug money is likely to infiltrate the political process, as it has the administration and security services.

Much of Afghan politics remains localized and outside of official political institutions, except insofar as these are instrumentalized to allocate control of resources, often in alliance with one or another power holder at the center. The warlords and commanders, though still strong, are declining

⁷⁹ Barnett R. Rubin, "The Wrong Voting System," *International Herald Tribune*, March 16, 2005.

in influence and are turning their attention either to money making or future elections (or both). None are intent on overturning the system, though they may resist its consolidation to protect their interests. No political program, such as federalism, ethnic nationalism, Islamism (other than the Taliban), or liberalism has emerged as a coherent alternative to the rather inchoate dominant tendency. Karzai's leading opponent, Yunus Qanooni, articulates almost exactly the same vision as Hamid Karzai, though he claims that his management style would be different, and he has a different ethnic base of support. Thus far the difference of ethnic base of support has not translated into ethnically different political programs.

As long as the Taliban and their allies are kept at bay, the main threats to political stability derive from drug-fuelled corruption and the fragmentation of the political scene by a large uncoordinated group of local interests. These local interests are liable to form shifting, unstable coalitions in the parliament or other national bodies in order to seek rents from the state, a process that will prove an obstacle to governance. Militarized regional-ethnic coalitions will reemerge as political actors only if international aid is withdrawn, and the state collapses again.

Afghans who have lived through the past decades are united in their anxiety over the fragility of the current trends of stabilization. Several leaders of different political trends have stated in private that they are reluctant to form an opposition movement, because the government is simply too weak to tolerate it. Afghans have seen what unbridled division can inflict on their society, and one of their most important resources is the determination to resist the forces that may drive them back to violence.

IV. Policy Interventions

Several distinct overt policy interventions have taken place in Afghanistan since 9/11. Each has different though related goals. They are:

- Operation Enduring Freedom, the military action in Afghanistan commanded by the U.S.-led Coalition (Combined Forces Command – Afghanistan, or CFC-A), the first front in the “global war on terrorism” (GWOT).
- The implementation of the Bonn Agreement of December 5, 2001, led by the United Nations Assistance Mission for Afghanistan (UNAMA).
- The International Security Assistance Force (ISAF), now under NATO command, which assists the Afghan authorities in providing security.
- The recovery, reconstruction, and development effort, initially led by UN, international financial institutions, and donor agencies, now by the Afghanistan Development Forum and Consultative Groups, chaired by the Afghan government.

In comparative terms, the overall level of resources devoted to Afghanistan by the “international community” is at best modest. Figure 1 compares Afghanistan to other post-conflict and stabilization operations across two dimensions, maximum international troop presence and average yearly assistance during the first two years, in per capita terms. The degree of effort places Afghanistan far below all Balkan operations, East Timor, and Iraq, and even below Namibia and Haiti in the 1990s. The diagram suggests that Afghanistan may be seriously under-resourced, or, as Ashraf Ghani has stated, that international actors are pursuing “state building on the cheap” in Afghanistan.

We first consider three actors particular to Afghanistan and their tasks, namely CFC-A, UNAMA, and ISAF. We then discuss the interventions by the missions of security, governance, reconstruction, and regional cooperation.

4.1 Actors

4.1.1 CFC-A

The Coalition is a military operation whose primary goal has been to destroy the forces that committed the attacks on 9/11 (al-Qaida), the remnants of the Taliban regime that sheltered them, and the insurgency against the regime that replaced the Taliban.⁸⁰ CFC-A is under the command of the US Department of Defence Central Command (CentCom). It includes covert activities undertaken by intelligence agencies, mainly the CIA and MI-6. This intervention is legitimated by the right of UN

⁸⁰ General John Abizaid, “Update on the Global War on Terrorism in the US Central Command Area of Responsibility,” Testimony before the US House of Representatives Armed Services Committee, March 3, 2004, http://www.globalsecurity.org/military/library/congress/2004_hr/040304-abizaid.pdf.

member states to self-defence and has been supported by the UN Security Council,⁸¹ though the US and its coalition partners did not seek Security Council authorization as a condition for the intervention. Coalition actions are not subject to bilateral agreements with the Afghan government.

The counter-terrorist goal of CFC-A has at times conflicted with the governance goals of other parts of the operation, especially due to CFC-A's reliance on Afghan commanders ("warlords") as military partners, whom it has aided and armed, regardless of their records of human rights violation or drug trafficking. Forming armed groups outside of Afghan government control has contradicted the provision of the Bonn Agreement calling for the incorporation of all armed forces under the authority of the government.⁸² Since 2003, The US government has progressively tried to reduce or eliminate this contradiction.

4.1.2 UNAMA

The United Nations Assistance Mission for Afghanistan (UNAMA), under the leadership of the Special Representative of the Secretary-General for Afghanistan, has the primary goal to "monitor and assist in the implementation" of the political agreement that led to the formation of the interim and transitional administrations, the adoption of the constitution of 2004, and the election of President Karzai.⁸³ The Bonn Agreement was concluded hastily by Afghan groups convened by the UN. The Agreement's purpose was to establish institutions of government to fill the vacuum created by the US's destruction of the Taliban regime and outline a process to increase that government's legitimacy and capacity. The US placed intense pressure on the UN to form an Afghan government quickly, insisting that political efforts be timed to harmonize with US-led military efforts, not the reverse. The Bonn Agreement is not a peace agreement among warring parties and did not settle the previous civil war. It relies for its implementation on the Coalition victory, though the latter is not mentioned in the Bonn Agreement.

Besides the political processes mentioned above (two Loya Jirgas, constitution, elections), implementation of Bonn also includes a variety of reform and state building processes. The Agreement indirectly mentions DDR, but due to the objections voiced by mujahidin commanders at Bonn, it refers only to the incorporation of mujahidin and other armed forces under the authority of the Interim Authority and their subsequent reorganization.⁸⁴ Annex 1 also calls for assistance by the "international community" in the formation of new security forces.

Besides DDR and building new security forces, the Bonn Agreement also calls for other state building processes mentioned previously, including reform of the judiciary through a judicial commission, establishment of a Civil Service Commission, establishment of a reformed central bank, and establishment of an Independent Human Rights Commission to monitor violations and promote human rights education. The agreement also required UNAMA to monitor human rights. The AIHRC and international human rights organizations charge that UNAMA has not been active enough in monitoring human rights violations.

An UN-drafted provision forbidding the Interim Authority from declaring an amnesty for war crimes or crimes against humanity ultimately could not overcome resistance from the most Islamist

⁸¹ United Nations Security Council Resolutions 1368 of 12 September 2001, and 1373 of 28 September 2001.

⁸² Bonn Agreement, V: 1.

⁸³ Bonn Agreement, Annex II.

⁸⁴ Bonn Agreement, V: 1.

groups in the Northern Alliance, but no such amnesty has been declared. The UN Office of the High Commissioner for Human Rights has worked on transitional justice in collaboration with the AIHRC.

The Bonn Agreement imposed certain obligations on Afghan authorities, the implementation of which UNAMA monitors and assists, but it did not impose any obligations on the UN member states without whose assistance and support the Bonn Agreement cannot be implemented. Hence the UN and Afghan government are in the curious but usual position of relying on voluntary financial and troop contributions from member states to implement binding obligations.

4.1.3 ISAF

The deployment of the force that became known as ISAF was requested in Annex 1 of the Bonn Agreement and subsequently authorized by the Security Council.⁸⁵ ISAF operates under a bilateral agreement with the Afghan government. Its mission is to provide assistance to the Afghan authorities in providing security until such time as their security forces can do so unaided. ISAF has operated as a coalition of the willing with a new command every six months. Since ISAF IV, the mission has been under the command of NATO, though without the participation of the US. Command nations so far have been: UK, Turkey, Germany and the Netherlands, NATO-Germany and Canada, NATO-Canada, NATO-Euro Corps, and NATO-Turkey.

The principal mission of ISAF as envisioned by the drafters of the Bonn Agreement was to oversee the demilitarization of Kabul city and, subsequently, provincial urban centers, in order to enable the state apparatus to function free of pressure by warlords and their militias. This is why Annex 1 provides for the withdrawal of all other military forces from areas to which ISAF is deployed.

In practice, the militias did not withdraw, and ISAF collaborated with them, in effect legitimating them as Afghanistan's army. ISAF's presence in Kabul was essential to the national political developments of the past three years by preventing any coup d'état, but only in the fall of 2003 did it start to fulfill its mission of demilitarizing Kabul, by starting to cordon heavy weapons. The AMF has only partly withdrawn, though that is likely to be completed under the new minister of defence as the final (rather than initial) phase of DDR. ISAF failed to expand to major provincial centers, partly because of US opposition and partly because of the reluctance of other nations to provide troops. Instead of ISAF leading the expansion of security provision in the provinces, the Coalition developed the model of Provincial Reconstruction Teams (PRTs) and exported the model to ISAF, which now uses it as the template for a belated expansion. ISAF commanders have repeatedly expressed frustration that NATO and their capitals have not given them the mandate or resources to accomplish their mission.

4.2 Missions

4.2.1 Security

Annex 1 of the Bonn Agreement defines two components of international security policy in Afghanistan: direct international provision of security as a transitional measure, and the training of

⁸⁵ United Nations Security Council Resolution 1386, 20 December 2001.

new Afghan security forces (Security Sector Reform, or SSR). A report by international specialists found that the security issue area was ill-defined, uncoordinated, and under-resourced.⁸⁶

4.2.1.1 International Provision of Security

As noted, definitions of security vary. The US intervened in Afghanistan to safeguard Americans from terrorist attack. In pursuing victory over the ACF, the Coalition has used Afghan allies whom others see as sources of insecurity and has also used tactics that threaten the security of Afghan civilians. As the Coalition's goals evolve from war fighting to stabilization, its definition of security has also evolved. Work in PRTs and the increased salience of consolidation of the government and rule of law highlighted the role of commanders, warlords, and drug traffickers in undermining security.

The principal role of ISAF, as envisaged by the drafters of Bonn, was to protect Afghan government officials and other political actors from insecurity caused by commanders who captured urban areas, especially Kabul, by overseeing their withdrawal from population centers and maintaining security thereafter until professional, politically impartial Afghan security forces could do so. ISAF, however, initially focused on providing generalized security in Kabul, in conjunction with, rather than substituting for, the AMF.

No international organization has a mandate to protect Afghans from the commanders and warlords whom they identify as the main threat to their security.⁸⁷ The partial exception is UNAMA, whose mandate is restricted to monitoring and investigating human rights violations.

The international provision of security has been bedevilled by the persistence of the Taliban insurgency.⁸⁸ The Bonn Agreement was drafted as if the war against the Taliban and their allies had concluded with the unconditional defeat of the latter, and it contains no provision for reconciling the various efforts against the different security threats. The continuation of war fighting led the US Department of Defence to oppose the expansion of ISAF for the first 18 months, as it did not want a force with a "peace keeping" mandate in the same area of operation as CFC-A. This situation also intensified the reluctance of some European countries to support the expansion of ISAF and to contribute troops to it, as they did not wish to be drawn into US-led war fighting. ISAF's first expansion outside of Kabul came when NATO took over the German PRT established in Kunduz in the fall of 2003.

4.2.1.2 Provincial Reconstruction Teams

Late in 2002, the Coalition began to develop a plan to create what its leaders called the "ISAF effect" without ISAF. This was the effort that developed into the PRTs, first deployed in November 2002. The initial purpose of PRTs was to overcome the vicious circle in which the lack of security and the lack of reconstruction reinforced each other. As described by CFC-A commanders, the goal was to insert a joint civil-military team to "jumpstart" reconstruction and thus increase security by bringing

⁸⁶ Michael Bhatia, Kevin Lanigan and Philip Wilkinson "Minimal Investments, Minimal Results: The Failure of Security Policy in Afghanistan," AREU Report (June 2004).

⁸⁷ "Speaking Out: Afghan Opinions on Rights and Responsibilities," (November 2003), survey undertaken by the Human Rights Research and Advocacy Consortium (HRRAC). "Afghans Most Concerned about Security" (March-April 2004), national poll conducted by IRI and Williams & Associates, funded by USAID. "Take the Guns Away: Afghan Voices on Security and Elections" (June-July 2004), second national survey by HRRAC.

⁸⁸ "Current and Projected National Security Threats to the United States," Vice Admiral Lowell E. Jacoby, U.S. Navy Director, Defence Intelligence Agency, Statement for the Record, Senate Select Committee on Intelligence, 24 February 2004.

people to the side of the government. This model was based on analysis of the security threat as coming from the ACF and also created friction with the aid community.

PRTs were devised by the Coalition to bridge the gap between security and reconstruction. their mission has evolved so that they are now supposed to do so by supporting governance. The following is the mission statement of PRTs as accepted by both CFC-A and ISAF:

Provincial Reconstruction Teams (PRTs) will assist the Islamic Republic of Afghanistan to extend its authority, in order to facilitate the development of a stable and secure environment in the identified area of operations, and enable SSR and reconstruction efforts.⁸⁹

Some international NGOs continue to reject PRTs as a violation of “humanitarian space,”⁹⁰ but the military has tried to meet some of their objections. The model is currently used by CFC-A, ISAF, UNAMA, the Afghan government, and donors. A PRT Executive Steering Committee chaired by the Ministry of the Interior oversees the PRTs, while a PRT working group convenes weekly.

The original Coalition concept of PRTs was based on CFC-A’s experience in its main areas of operation combating the Taliban insurgency and was not clearly distinguished from civil affairs operations designed to “win hearts and minds” in a combat zone. A mixed team of military, diplomatic, and assistance professionals would provide for its own security and build quick-impact projects that would win over the local population (from the Taliban), producing intelligence and then greater security, which would enable other reconstruction actors to enter.

Besides ignoring that there are many greater obstacles to the reconstruction of Afghanistan than violence from the Taliban (see below), this model also distorted the security threat in Afghanistan. Since PRTs would operate with consent, they would need to negotiate their presence with local power holders, often the same commanders whom Afghans identify as the main threat to security. Cooperation with governors and district administrators strengthens the national government only if the officials have actually been appointed by and are loyal to the national government. If they are instead commanders whose de facto power has simply been ratified by an impotent or factionalized government, a PRT that collaborates with them will reinforce abusive power holders. When military teams without political analysts originally entered Paktia in late 2002, this is what happened initially. Hence to many these PRTs appeared to be an extension of the Coalition strategy of cooperating with warlords to fight the Taliban. After some time on the ground, the PRT in Paktia apparently gained a better understanding of the political dynamics and was instrumental in helping the central government replace commanders appointed by the Minister of Defence (Fahim) with more professional and legitimate officials.

In addition, the funds available in the first year came from the Department of Defence’s ODHACA program – Overseas Disaster, Humanitarian, and Civic Aid. These funds could be used only for small-scale projects (wells, schools, clinics) that NGOs were already building, and that were useless or even harmful unless integrated into a development plan.

⁸⁹ “Terms of Reference for CFC and ISAF PRTs in Afghanistan,” January 27, 2005.

⁹⁰ See, for instance, *Médecines sans Frontières*, “After 24 Years of Independent Aid to the Afghan People MSF Withdraws from Afghanistan Following Killing, Threats and Insecurity,” Transcript of Press Conference Kabul, Afghanistan (July 28, 2004).

An alternative model of PRT was pioneered by the UK in Balkh and New Zealand in Bamiyan. In both of these areas the main security threat was “green on green” (local factional) fighting rather than anti-coalition forces. This model focused on “peace support” such as aggressive patrolling, supporting DDR and other parts of SSR (excluding counter-narcotics, which no PRT will touch), and separation of local forces. This model proved more acceptable to the aid community and popular with Afghans.

Once ISAF under NATO belatedly began to expand, it took the PRT as the model for doing so. The Coalition and ISAF divided up the country in the run-up to the elections, with the Coalition assuming responsibility for establishing PRTs in the mainly Pashtun areas, where ACF were a threat, and ISAF deploying across northern and western Afghanistan, taking over the UK-led Coalition PRT in Mazar-i Sharif. It has continued to be a struggle to find the troops and equipment for ISAF expansion. It took several years to find a few transport helicopters, a very basic piece of equipment for peace support operations in a large, mountainous country with few roads.

The expansion across the country forced a debate to generate a common mission for PRTs, more than two years after their first deployment. The PRT terms of reference now put the first emphasis on provision of security and mention reconstruction only later (see PRT TORs in appendix 1). The reconstruction efforts of PRTs may include initial quick-impact projects to win consent, but then are supposed to be limited to actions to protect civilian activities and in sectors (such as major infrastructure) where military organizations may possess unique expertise.

The performance of PRTs in meeting these goals and abiding by these guidelines appears to vary widely, depending on the nature of the PRT leadership (both national and individual), the nature of the local Afghan authorities, and whether the Afghan national government has a viable political strategy for the province. The short rotations of both ISAF and Coalition troops (generally six months) have impeded institutional learning and memory.

4.2.1.3 Security Sector Reform

The original framework for Security Sector Reform (SSR) was set at a side meeting of the Tokyo donor conference in January 2002. The Bush administration initially did not want to be involved in “nation-building” activities. Hence at Tokyo in January 2002 it convened a sidebar meeting of the G-8 for SSR. Rather than lead an integrated multilateral effort, it proposed a system of “lead donors.” The US took responsibility for building the Afghan National Army (seen as its ally in fighting the war on terror), with help from France in training the officer corps. Otherwise, it wanted allies to take charge of other areas of SSR. The resultant division of labour was: Germany for police training. Britain for counter-narcotics, Japan for DDR, and Italy for judicial reform. This structure did not include reform of the Ministry of Defence, which ultimately turned out to be key to both disarmament efforts and the formation of the ANA, or reform of the NDS, which has mainly been the responsibility of the CIA and MI-6.

This attempt to keep the US away from non-military “nation-building” activities stovepiped the different security sectors, failed to take into account their close inter-relationship, and failed to coordinate SSR with the implementation of the Bonn Agreement. Because of the inter-relationships of the various sectors and the inadequate capacity of other donors, the US has been drawn into each sector in an ad hoc and uncoordinated manner.

For instance, the US Department of Defence originally insisted that while the Coalition would build the ANA, it would not be involved with DDR, which was the responsibility of Japan. UNAMA eventually convinced the US that this made no sense, as a central issue in DDR was how many

demobilized AMF could join the ANA. Hence at the end of 2002, the US joined the DDR working group, though without operational involvement. Washington's commitment to elections led to another wakeup call. At the start of 2004 the US realized that DDR was lagging so badly that it would be difficult to hold credible elections. Ambassador Khalilzad therefore announced in February a target of demobilizing 40 percent of the AMF by June (when elections were then scheduled), and DOD drafted a plan to meet this goal. We suggest below how the SSR area might be reorganized.

There is a particularly grave lag in police training and institution building. "National Police, Law Enforcement and Stabilisation" remains the second most under-resourced sector of the National Development Program. By March 2005, of \$545 million in commitments to this sector, only \$267 million had been disbursed by donors, and only \$169 million had been activated for implementing programs.⁹¹ Unlike the ANA, there are no embedded monitors with the police.

A more lasting approach to security will also require ending the impunity of armed commanders and establishing the rule of law. Though the Bonn Agreement could not mention transitional justice, this topic was included in the Terms of Reference of the AIHRC. Thus far it has proved impossible to address past crimes, as many of those responsible are in positions of power, and no international security force has the mandate or aim of providing security for those who raise the issue.

How to proceed with exposure of past crimes has provoked a debate. One side argues for immediate public reporting on past human rights violations to put pressure on violators and remove them from power. The other argues that releasing such reports now would have the opposite of the intended effect. As the UN is embarking on the final most difficult stage of DDR (dismantling Panjshir, militias in Kabul, and IMFs), at the same time that counter-narcotics policy is also creating anxiety, releasing such a report could generate more resistance, thus blocking DDR, the most important measure for human rights protection.

4.2.2 Governance

The government has met, if sometimes tardily, the benchmarks in the Bonn Agreement for broadening the government and making it more legitimate, from the Emergency Loya Jirga to the election of President Karzai. Completing the implementation of the Bonn Agreement and continuing the implementation of the constitution will still require many further activities, including:

- Elections to the Wolesi Jirga in 2005. These require new voter registration to establish in what province voters may cast their ballots. the registration and vetting of thousands of candidates. a more challenging security effort. and a reasonably accurate count of the population in order to allocate seats among constituencies (provinces) in proportion to population. The Central Statistical organization with aid from UNFPA has been working on a census since 2002, but questions about its objectivity have led the cabinet to choose use of 1979 preliminary census figures instead of current pre-census results.
- Elections to provincial, district, and municipal councils as well as of mayors, which will be yet more demanding technically and in their security requirements. legislation outlining the functions of these councils in local governance. and indirect elections from provincial and district councils to form the two thirds of the Meshrano Jirga. followed by presidential appointments to the MJ. In the absence of district councils, the provincial councils will elect their members of the MJ, and

⁹¹ GOA, Donor Assistance Database as of 22 March 2005.

the president will appoint half of the total allotted to him, to maintain the balance among indirectly elected and appointed members.

- Training and technical assistance to both houses of parliament and local councils to enable a country with no experienced legislators to operate a bicameral National Assembly and three or more tiers of local councils.
- Appointment of a new Supreme Court, approved by the WJ, and enactment of a new law on the operation of the judiciary.

These are just a few of the constitutionally mandated tasks required for the government to function. Even if the basic institutions of government are formed according to the constitution and law, many state and administrative organs are still not functional. At present there is no agreed upon international framework for assisting with these tasks.

A general problem in the area of international assistance to governance is that international actors consider the political process the core of the task in Afghanistan. The Bonn Agreement, like most post-conflict peace or transitional agreements, contains specific benchmarks and timetables for political processes. The processes of state building, however, that can make these political processes meaningful, receive no comparable high-level attention. There are no deadlines or benchmarks for state building. Because of the US's direct interest in certain aspects of security in Afghanistan, building the army received attention and support, but civil service reform, public finance, public administration, legal reform, and service delivery are lumped in with long-term economic development. The World Bank, rather than any political actor, generally takes the lead in assistance in these areas, as if the structure of the state were not a political issue. The elevation of state building tasks to equal importance with purely political ones is an issue not for Afghanistan alone, but for all attempts to build stability after war.

4.2.3 Recovery, Reconstruction, Development

Without addressing the country's pervasive poverty, no other goals can be accomplished. Afghanistan is one of the poorest countries in the world, with a per capita (legal) domestic product of less than US \$200. According to UNDP, Afghanistan's human development indicators place it in a tie for last place in the world with sub-Saharan African countries such as Sierra Leone, Burundi, and Niger. Combined with the lack of security and of governance capacity, this makes the "reconstruction" of the country – actually the construction from almost nothing of a functioning economy – a daunting task.

4.2.3.1 Architecture of the Reconstruction Effort

This effort is requested in the Bonn Agreement, Annex 2. After an initial launch by international donors, the effort has come under the coordination of the Afghan government as chair of the biannual Afghanistan Development Forum and the convener of the Consultative Groups. There have been two major donor conferences, in January 2002 in Tokyo and in March 2004 in Berlin. Both of these were co-chaired and convened by the UN and donors. At the Tokyo conference, the only documentation was a "needs assessment" that was basically a desk study prepared with little data and no Afghan guidance by UNDP, the World Bank, and the Asian Development Bank.⁹² The Berlin conference was

⁹² World Bank, Asian Development Bank, United Nations Development Programme, [Afghanistan: Preliminary Needs Assessment for Recovery and Reconstruction](#), January 2002.

organized around a massive report (Securing Afghanistan's Future) prepared jointly under the supervision of the Afghan government (primarily Ashraf Ghani) and the World Bank with the same partners, plus UNAMA.⁹³

While Afghan ownership and the level of financial commitment were major issues for the first several years, implementation of reconstruction has now become the major issue. By the end of 2004, only 7 percent of the funds committed at Berlin for that fiscal year (ending March 20, 2005) had been disbursed, mainly because of the inability of the Afghan government to prepare projects and feasibility studies for dozens of donors with multiple requirements.⁹⁴ Figure 19 shows the size of the bottleneck in implementation. Of over \$9 billion committed, less than \$4 billion has been disbursed. "Disbursed," means only that money has been transferred to the account of an implementing agency. \$3.3 billion has been disbursed for projects that have begun, and less than a billion dollars worth of projects have been completed. The total international aid disbursed since the start of the operation for projects that are ongoing or completed (\$3.3 bn) is less than half of the estimated income from the drug economy (\$6.8 bn) during the same period (figure 20).⁹⁵

Former Minister of Finance Ashraf Ghani, from his arrival in Kabul with the UN mission in January 2002, tried to establish an Afghan-led framework for reconstruction, starting with his critical review of the initial needs assessments, establishment of the Afghan Assistance Coordination Agency (AACA), setting up payments and procurement systems through Crown Agents and Bearing Point, drafting of a National Development Framework, and the preparation of a budgetary process. The AACA with the help of UNAMA, UNDP, and the World Bank, developed the Afghan Donor Assistance Database to track donor commitments and activities, as well as procedures for project support. As AACA became a political football, its name was changed to the Afghanistan Reconstruction and Development Services (ARDS), which provide project services.

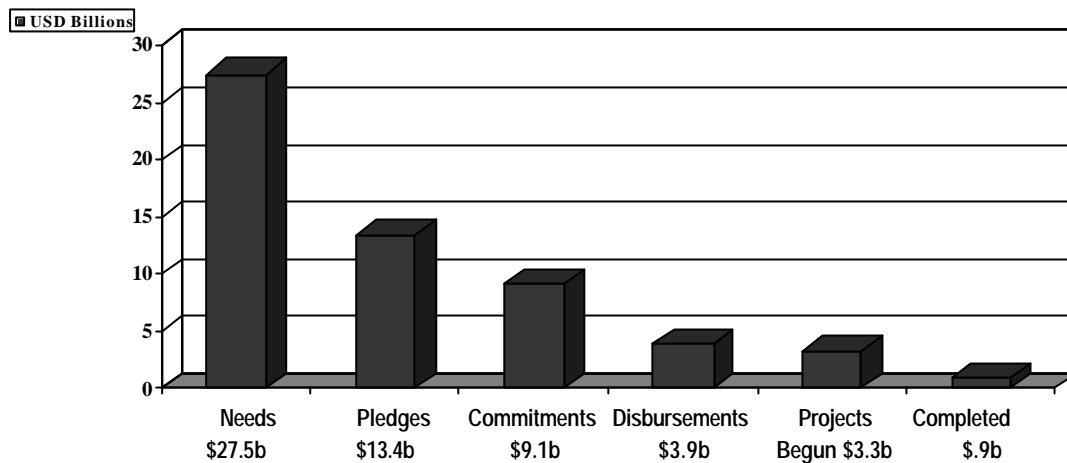
During his 30-month tenure, Ghani put in place the basic institutional structure of the reconstruction program.⁹⁶ The program is divided into three pillars: social assistance and human capital, physical infrastructure, and private sector development, of which a large part is governance and rule of law. Under these are fifteen sectors, three of which are in the security area. Each sector is coordinated by a consultative group chaired by the relevant Afghan ministry with the involvement of donors in that sector.

⁹³ Government of Afghanistan, Securing Afghanistan's Future.

⁹⁴ Disbursement figures provided by the Government of Afghanistan's Donor Assistance Database, available online: <http://www.af/dad/index.html>.

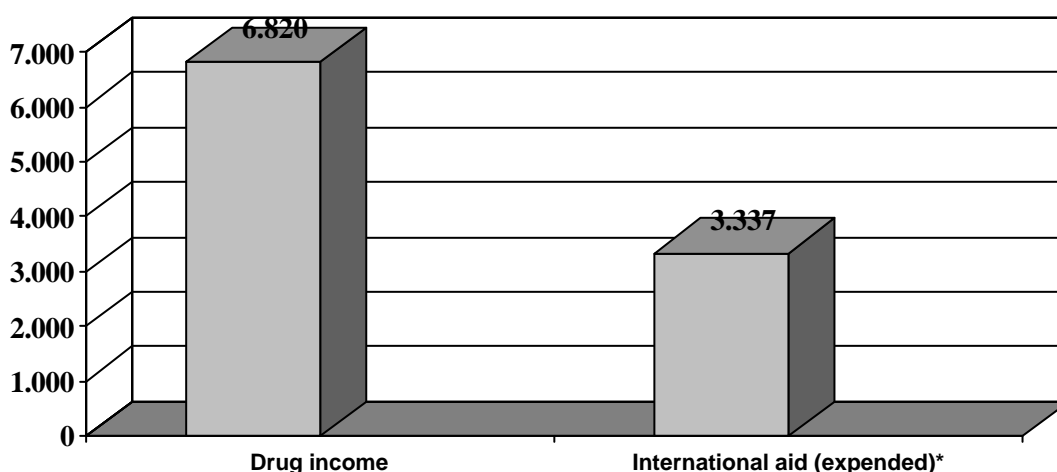
⁹⁵ On the aid effort see the reports of the Center on International Cooperation at http://www.cic.nyu.edu/conflict/conflict_project4.html#Aid and CARE at http://www.careusa.org/newsroom/specialreports/afghanistan/a_policypositions.asp.

⁹⁶ Government of Afghanistan, "National Development Framework, Revised Draft, 2002" (http://www.af/resources/itsa/ig-april/NDF_Revised_Draft.pdf)

Figure 19: Reconstruction Assistance: Bottlenecks in Implementation

Source: Afghanistan Donor Assistance Database, February 16, 2005.

Needs	: Over seven years, based on “Securing Afghanistan’s Future.”
Pledges	: Total pledged at the International Conference for Reconstruction Assistance to Afghanistan in Tokyo, January 2002 for first five years of reconstruction (\$5.2 billion), plus pledges made at the Berlin pledging conference in March-April 2004 for the years 2004-2006 (\$8.2 billion).
Commitments	: Total committed as of February 2005 (\$9.1 billion).
Disbursements	: Total disbursed as of February 2005 (\$3.9 billion).
Projects Begun	: Total disbursements for ongoing or completed (\$3.3 billion).
Projects Completed	: Total expenditure on completed projects (\$0.9 billion).

Figure 20: Income from Opium Compared to International Aid to Afghanistan (2002-2004, US \$)

The Afghan government expressed a preference for increased aid through direct budgetary support, which it will need for several years simply to pay its operating expenses, but which it would also like to use for program rather than project support in order to build government capacity. There are three

trust funds for this purpose, the Afghanistan Reconstruction Trust Fund (ARTF), administered by the World Bank; the Law and Order Trust Fund for Afghanistan (LOTFA), administered by UNDP, for expenditures related to police and security; and a new Counter-Narcotics Trust Fund, administered by UNDP. A few donors have responded, notably the Netherlands, Norway, the UK (partly), and the EU (for LOTFA). For a while the ARTF could initially reimburse only a small portion of the non-wage expenses submitted, due to inadequate documentation.⁹⁷ The government of the U.K. has scheduled a pre-G-8 meeting in London in support of greater funding of the Afghan government's budget through the trust funds.

For off-budget expenditures by donors who prefer to use the dual public sector, the consultative groups and Afghanistan Development Forum serve as coordination mechanisms to assure that the projects undertaken by donors are consistent with the programs and priorities of the Afghan government, especially as listed in the National Priority Programs (NPPs).

For the first two years, the commitment of donors was far less than the need, and a large portion of the aid was spent on emergency response rather than on reconstruction. In response, Ghani envisioned a full study of what was needed to achieve the goals of Afghanistan and the international community in that country. The result was the report Securing Afghanistan's Future, probably the most comprehensive and well researched plan ever presented to the international community by an impoverished country recovering from war. Many donors resisted releasing the report because it implied that Afghanistan needed more than they were willing to give. In addition, donors were concerned that announcement of the cost of a seven-year program, which could not be met at even the best possible meeting, would lead the press to call the meeting a failure. The government persisted, and the result was one of the most successful peace building conferences in Berlin, March 31- April 1, 2004. Donors pledged to the full goal of the program for the first year (\$4.5 bn) and committed two thirds of the goal for year two and a third for year three. Many donors (notably the US) did not pledge beyond their own budgetary year, and these figures have risen, as indicated by the Bush administration's request in the FY 2006 supplemental appropriations act.⁹⁸

This apparent success, however, has revealed how weak the foundation for reconstruction is. Currently the time elapsed between commitment to a project and start of work is at least two years. While the ARDS is trying to shorten the lead-time of project preparation by creating a special fund to hire consultants to prepare feasibility studies and project proposals, growth of the legal economy has slowed, little investment is arriving, even Kabul has no reliable electric power or water supply, and bureaucrats paid less than \$50 a month in a capital where the housing market caters to internationals prepared to pay \$10,000 a month for a house, resist reforms that they fear might throw them out on the street. The main political reaction has been a demagogic campaign against NGOs, accused by the former Planning Minister and much of the press of wasting money destined for reconstruction.

4.2.3.2 Counter-Narcotics Policy

Narcotics constitute the largest sector of the Afghan economy. No country can establish a sustainable, accountable government and security structure while nearly half of its economy – the most dynamic half – is based on illegal production. Hence the opium economy constitutes a major strategic threat.

⁹⁷ IMF, "Islamic State of Afghanistan: First Review under the Staff-Monitored Program."

⁹⁸ White House, Office of Management and Budget, request to Congress for fiscal year 2005 supplemental appropriations" February 14, 2005, http://www.whitehouse.gov/omb/budget/amendments/supplemental_2_14_05.pdf.

But trying to eliminate nearly half the economy of an impoverished, well-armed country through law enforcement is also a sure recipe for destabilization.⁹⁹ Hence it is no wonder that Ashraf Ghani wrote in the New York Times that “Today, many Afghans believe that it is not drugs, but an ill-conceived war on drugs that threatens their economy and nascent democracy.”¹⁰⁰

It is a measure of the misunderstanding of this issue that donors have classified it as part of “security sector reform” rather than reconstruction. Most of the funding to combat it is going for eradication, law enforcement, and interdiction, rather than into expanding the non-narcotics economy and dealing with the crisis of rural livelihoods in a comprehensive way.

After ignoring the drug issue for three years, the US has now focused on it. President Karzai, who had for some time proclaimed narcotics a bigger threat than the Taliban or al-Qaida, convened a national conference on the subject two days after his inauguration in December 2004. The US initially announced an allocation of \$778 million to the effort for US FY 2005. The Afghan government, which had been unable to get the US’s attention on the issue, now came under severe pressure to conform to made-in-Washington prescriptions. Washington’s initial program allocated only \$120 million to alternative livelihoods and \$313 million to eradication, including \$152 million for aerial eradication by spraying. The rest was for interdiction, Afghan law enforcement, and public information. Resistance by the Afghan government, and specifically by President Karzai, with apparent support from the US embassy in Kabul, has led to a withdrawal of plans for aerial spraying this year and reallocation of funds to alternative livelihoods. This constitutes an improvement, though the strategy still errs in introducing crop eradication too early in the process, before either alternative livelihoods or interdiction have a chance to change the decision-making environment of the peasantry.¹⁰¹

Counter-narcotics policy in Afghanistan suffers from a confusion of goals. Its purpose cannot be to end or even reduce drug consumption outside Afghanistan, as supply-focused policies cannot succeed in reducing demand for an addictive product. The goal of counter-narcotics in Afghanistan is building stability and the rule of law in Afghanistan. Hence the measure of success is not reducing the amount of opium poppy grown by peasants, but curtailing the flow of income to and accumulation of wealth by traffickers and commanders, while maintaining adequate growth in the legal economy (9 percent per year, according to Securing Afghanistan’s Future). Reducing production in a way that drives up prices and hence the value of traffickers’ stocks may look like success but constitutes failure.

The US standard policy on counter-narcotics, the “War on Drugs,” focuses on crop eradication, including by aerial spraying. Modelled on Plan Colombia, it treats drug-producing areas as if they were bases of anti-government insurgency, rather than strongholds of support for a US-supported president and government, as in Afghanistan. It fails to take into account the economic importance of the opium sector in Afghanistan. As noted above (see figures 10, 11, and 12) UNODC estimates that the Afghan narcotics sector contributed \$2.8 billion to an economy otherwise producing about \$4.6

⁹⁹ For a more detailed treatment, see Barnett R. Rubin, Road to Ruin: Afghanistan’s Opium Economy (Center for American Progress and Center on International Cooperation, NYU: 2004), <http://www.cic.nyu.edu/pdf/RoadtoRuin.pdf>.

¹⁰⁰ Ashraf Ghani, “Where Democracy’s Greatest Enemy Is a Flower,” New York Times, December 11, 2004.

¹⁰¹ Arnaud Auburn, “L’éradication précipitée du pavot peut avoir un coût humain catastrophique,” interview with Pierre Arnaud Chouvy, Libération, March 12, 2005.

billion of goods and services in 2004.¹⁰² The total funding for the US packages of “alternative livelihoods” to poppy-growing provinces for FYT 2005 initially amounted to about 4 percent of the estimated value of the opium economy in 2004. Even if this amount doubles as eradication funding is reprogrammed, it is still too little and will not have an impact for some time. Given the macroeconomic importance of drugs, which is not comparable in magnitude to any other drug-producing country (figure 13), the country needs to develop an alternative economy, not just alternative livelihoods for farmers.

In December 2004, drug traffickers in Nangarhar were reported to be supporting crop eradication, because they anticipated it would increase in the value of their accumulated opium stocks.¹⁰³ Prices rose from about \$90 to \$400 a kilo in Nangarhar after announcement of the counter-narcotics program. By March 2005 the price of dry opium in Nangarhar fell to about \$220, perhaps because of interdiction efforts.¹⁰⁴ Farmers, however, may be anticipating greater benefits from alternative livelihood programs than can be delivered in one year. CARE reports that farmers are already saying they will plant more opium next year if they are not satisfied with the aid they receive. One said, “If we do not receive the assistance we were promised, we will grow poppy next year”.¹⁰⁵ Hence there may be pressures for a rebound in production next year, especially for the sizable number of cultivators who are landless, land-poor, or seriously indebted. For these farmers, opium cultivation is the only means to obtain credit, cash incomes, access to land, and, in many cases, access to water from tube wells. Crop eradication will aggravate these conditions, and the current program of alternative livelihoods has no solution for most of these problems.

4.3 Regional Cooperation

One of the obstacles to Afghanistan’s participation in regional cooperation is the country’s lack of membership in an institutionalized “region.” Many governments and organizations have treated Afghanistan as on the margins of the Middle East (Iran and the Persian Gulf), South Asia (India and Pakistan), and Central Asia (formerly the Soviet Union). Afghanistan shares culture, populations, and trade networks with all of these regions, yet it is entirely a member of none of them.

Afghanistan is a member of or affiliated with several regional organizations. The Economic Cooperation Organization, headquartered in Tehran, groups most of the countries of immediate economic interest to Afghanistan, including all of its neighbours but China, as well as Turkey, Azerbaijan, Kazakhstan, and Kyrgyzstan. The Asian Development Bank, headquartered in Manila, includes Afghanistan and its neighbours, and it has been one of the most active supporters of regional infrastructure projects. Afghanistan is a member of the Organization of the Islamic Conference and may soon join the South Asia Association for Regional Cooperation. It is a Partner for Cooperation of the Organization for Security and Cooperation in Europe.

¹⁰² UN Office on Drugs and Crime, *Afghanistan Opium Survey 2004*, UNODC (November 2004).

¹⁰³ Barnett R. Rubin and Omar Zakhilwal, “War on Drugs or War on Farmers?” *Wall Street Journal*, January 11, 2005.

¹⁰⁴ UN Office on Drugs and Crime, *Afghanistan: Opium Rapid Assessment Survey, March 2005* (Vienna, March 2005).

¹⁰⁵ CARE and Center on International Cooperation, “Too Early to Declare Success: Counter-Narcotics in Afghanistan,” *Afghanistan Policy Brief*, March 2005.

During the latter years of the decades of conflict, the UN convened Afghanistan's immediate neighbours, plus the US and Russia, as a sort of "friends of Afghanistan" group under the name of the "six plus two." This same group of countries, now together with Afghanistan itself, signed the Kabul Declaration of good neighbourly relations in December 2002. They issued a joint declaration in Dubai in September 2003 on building economic cooperation on the basis of open economies. At the Berlin conference in April 2004, they issued a joint declaration on cooperation on counter-narcotics. Certainly the core of any regional process would involve Afghanistan and its immediate neighbours, and it would also require the support of the US, Europe, and the big economies of East Asia.

In addition to these multilateral declarations involving Afghanistan and all its neighbours, Afghanistan has reached numerous bilateral and multilateral agreements with neighbouring countries. The United Nations Development Program co-sponsored a conference in Bishkek in April 2004 that brought together Central Asian countries, Afghanistan, Iran, and Pakistan.¹⁰⁶ The World Bank and Asian Development Bank have held several conferences on regional coordination of customs and border procedures.

Meetings have also dealt with security. A meeting in Doha, Qatar, in late 2004 discussed regional police cooperation. A meeting in Riyadh earlier in 2005 dealt with cooperation on counter-terrorism. The US Department of Defence Central Command convened a conference in January 2005 on regional security in Germany involving diplomatic, police, and military personnel from Afghanistan, Pakistan, and all Central Asian states.

Afghanistan and its neighbours do not constitute a relatively self-contained "security community," in which most security concerns derive from, and therefore can be handled within, a grouping of those states. Pakistan's main security concerns derive from its conflict with India, which has outlasted the Cold War that intensified it for several decades and even developed into the world's only confrontation between two nuclear-weapons states. Iran's main security concerns since the end of its war with Saddam Hussein's Iraq have derived from its conflict with the United States. The competition of regional powers in Afghanistan developed from the interaction in the post-Cold War period of Pakistan's concern with India, whose influence it wished to eliminate from Afghanistan, and Iran's concern with the United States, which it saw as Pakistan's supporter and sponsor. This competition could therefore not be resolved solely in the region immediately around Afghanistan.

These conflicting regional security interests have blocked some efforts at regional cooperation. A pipeline transporting natural gas from Turkmenistan through Afghanistan to Pakistan would be far more feasible if it could also bring the gas to the growing industrial regions of western India, but India is unwilling to depend on energy transit through Pakistan. The US goal of maintaining economic sanctions on Iran leads it to prefer access routes through Pakistan, regardless of the economic advantages. Currently Pakistan is competing with India and Iran for shares of the transit trade to Afghanistan.

¹⁰⁶ "Afghanistan's Regional Economic Cooperation: Central Asia, Iran and Pakistan," report of a conference in Bishkek, May 10-12, 2004 (Kabul: UNDP, 2004), http://www.undp.org.af/Docs/Bishkek_report.pdf.

V. Policy Recommendations

The analysis suggests that the principal strategic obstacle to success is no longer either the Taliban insurgency or the entrenched power of warlords. Neither has disappeared, but both are in decline. The main obstacle to stability at this point is the slow growth of government capacity and the legitimate economy to provide Afghans with superior alternatives to relying on patronage from commanders, the opium economy, and the international presence for security, livelihoods, and services. Achieving these goals will require some adjustments and some more significant changes in how international actors provide assistance to enhance security, governance, and reconstruction. All require shifting from a solely national focus on Afghanistan to a regional approach.

These goals will require sustained engagement with Afghanistan and the region. Hence in addition to making specific recommendations, we discuss a proposal for a comprehensive renewal of international commitment to Afghanistan beyond the implementation of the Bonn Agreement through what some have called a “Kabul process.”

5.1 Security

The security area is badly in need of greater coherence and clarity about goals. As the insurgency recedes, it becomes easier to focus on a common mission of international provision of security to support state building, governance, and reconstruction, including security sector reform. Hence we suggest three basic pillars of change in this area: accelerating a political solution to the insurgency, unifying the command of international forces in the country with a common mission, and reconfiguration of SSR under Afghan leadership.

5.1.1 Ending Insurgency

Military actions against the Taliban, the construction of political legitimacy, and gradual changes in Pakistan’s policy have now advanced to the point that the insurgency can be dealt with increasingly through political means. The Afghan government’s Strengthening Peace program and the Coalition’s “allegiance programs” are good steps in that direction. The opposition to these programs from groups that fought or were especially persecuted by the Taliban, however, shows the need for this program to be combined with more general efforts to repair the country’s social fabric.

Further reforms are needed to introduce more legality into US detention policy, such as respect for common article three of the Geneva Conventions for captured Taliban fighters and punishment of US officials guilty of abuse, including those guilty through command responsibility. Rank-and-file Taliban need assurance that they will not be detained arbitrarily and indefinitely and possibly tortured. Their families need to know the status of current detainees, as many as possible of whom should be released.

While it appears that the Coalition and Afghan government have decided against issuing a specific black-list, Taliban leaders charged directly with harbouring al-Qaida or ordering war crimes

or crimes against humanity, such as the massacre of civilians or prisoners, would not be eligible for reintegration. But reintegrating Taliban and even offering local positions of authority to some of them has already aroused anxiety and resentment among those groups who suffered most at their hands, while punishing only Taliban for past crimes will appear to be ethnically and politically biased. Hence ending the insurgency in a way that does not threaten another round of resentment requires a balanced program of national reconciliation and transitional justice, which we discuss below under governance.

5.1.2 Unification of Command and Mission

NATO has accepted in principle the unification of CMC-A and ISAF with continued US participation under the organization's command. This move provides an opportunity to rethink the structure of transitional international security provision in Afghanistan, including the role of PRTs.

In a letter to the Secretary-General of NATO, Canadian Major-General Rick Hillier proposed a reorganization of ISAF, which will apply equally to the new unified command. He suggested a combination of lightly armed Provincial Stabilization Teams (as PRTs should be renamed) responsible for peace support thorough programs like the Afghanistan Stabilization Program and support to SSR, combined with regionally or nationally organized highly mobile quick response teams for crisis situations. Such changes should be jointly considered by ISAF and CMC-A during the transition to a unified command. Some of these changes are already being introduced.

The role of CFC-A and ISAF in counter-narcotics has continued to be controversial, as military professionals resist pressures to become involved in law enforcement. Given the militarized character of trafficking organizations, some international military support to counter-narcotics operations is desirable. But the issue of appropriate military roles cannot be separated from the design of an appropriate counter-narcotics strategy. A counter-narcotics strategy that focuses disproportionately on coercion rather than the generation of economic alternatives will both fail on its own terms and detract from the overall military mission. The problem, however, as discussed below, derives from a counter-productive strategy, not from the involvement of the military *per se*.

5.1.3 Security Sector Reform

The structure of assistance to SSR needs revision. Instead of the stovepiped lead-donor system, SSR should be placed under a joint steering committee chaired by the Afghan government, with UNAMA, ISAF, the Coalition, and participating donors. The DDR sub-area already functions this way: Japan, the US, UNAMA, and the Afghan government jointly oversee it. The existing lead donors can still maintain a special responsibility, given their experience. One positive aspect of the lead-donor system is that it encourages G-8 donors other than the US to take responsibility for specific areas.

The mission of an SSR steering committee would overlap to some extent with that of the steering bodies for the PRTs and the ASP. All of these bodies could be merged into a single one chaired by the Afghan National Security Council to oversee inter-related areas of security and governance. This structure could address the close relationship among the different SSR areas, as well as their interdependence with governance and reconstruction.

The international community needs to help Afghans accelerate all aspects of building of the police and justice system and needs to consider embedded monitoring of both police and courts. Judicial mentoring would presumably require Muslim judges, given the nature of the Afghan legal system. The EU managed to get 2000 police monitors embedded in Bosnia. CMC-A is now

developing a system of embedded police monitoring based in its experience with the ANA, but it would be useful if this program could become multi-national, including participation by ISAF and the UN.

5.2 Constitutional Implementation and Governance

The international community needs to establish a framework of cooperation with Afghanistan to support the implementation of the constitution beyond this year's elections. The G8 informally designated France as lead donor for support to the National Assembly, but the experience of SSR does not really justify the re-adoption of the lead-donor system. Both donor coordination and the need for Afghan leadership and a single point of contact might be simplified by the long-term assumption by UNAMA of a mandate to monitor and assist constitutional implementation beyond the Bonn timetable and creation of an Afghan-chaired multi-national and multi-agency task force to support that work.

Such a governance consultative group could take on other activities as well. Improving provincial and local government will be central to integrating Afghanistan's disparate groups into a common polity. The proliferation of local councils for various purposes will have to end, with all ad hoc councils giving way to the three-tiered structure mandated by the constitution.¹⁰⁷ These councils should have the power to examine local administration's finances. Whether they should also administer block grants, as villages do in the NSP, should also be examined.

Such a working group could also help bring greater transparency to provincial and local appointments. All appointments must be published in the Official Gazette (Rasmi Jarida), but this publication provides no background details on appointees and is not widely available. Currently the Ministry of the Interior is developing a database with background information on all appointees. This information should be opened to public examination and made available through radio, internet, and other means in all national languages and English.

Since reintegration of most Taliban will entail exclusion of Taliban war criminals, this must eventually be integrated with a more comprehensive program of transitional justice. Currently, the AIHRC and the OHCHR are preparing the ground for this work, which many Afghans interpret in a highly politicized way. A successful approach to this sensitive issue will require both careful – and time consuming -- political work and establishment of transparent procedures and criteria to show that it is not biased. It is unlikely that many people will be tried and punished for the crimes of the past quarter century, especially as a number of those most responsible are not Afghans, but the constitution reflects common sentiment in requiring that no one convicted (mahkum) of war crimes can hold high office. The original draft stated that no one “accused” (mutahham) of war crimes could hold office, and an appropriate solution might be exclusion from office based on a criterion stronger than mere accusation but falling short of criminal conviction. Debate in the national assembly and other forums is likely to suggest further measures of accountability and restitution, if not punishment. It could be years before inter-group trust becomes strong enough to make it possible to establish an institution with such a function whose impartiality would be respected. International actors should let Afghans set the pace of this process.

¹⁰⁷ Sarah Lister, “Caught in Confusion: Local Government Structures in Afghanistan” (Kabul: AREU, 2005), <http://www.areu.org.af/publications/Local%20Governance%20Briefing%20Paper.pdf>.

International support is needed to implement some of the important agreements on ethnic identity and language reached at the Constitutional Loya Jirga, in particular the measures for official use of multiple languages in some localities. In addition, the scattering of millions of Afghans to neighbouring countries has damaged a long tradition of bilingualism that is essential to Afghan national identity. Afghans raised in Pakistan may know Pashto and Urdu but not Persian, while those who have lived in Iran know Persian but not Pashto. A program to restore bilingualism would do much to repair the national fabric.

5.3 Reconstruction

At this point the major bottleneck to the quantity of reconstruction is the absorption capacity of the Afghan government rather than the commitment of donors, reversing the situation of the first three years. Major donors, in particular the U.S. and Japan, continue to resist financing the government even through trust funds. The ARDS has been developing a plan for a special fund for project development and feasibility studies to bypass the ministries until their capacity develops. Relevant ministries have to be trained in the course of this development. Funding should be unblocked as soon as possible for major infrastructure projects, such as road building (begun but going slowly) and power generation. In addition to these areas, this analysis suggests the following sectors as particularly strategic:

- **Public finance.** Creating a self-sustaining and effective public sector is a key part of any long-term disengagement strategy. The World Bank's public expenditure review should provide a focal point for a comprehensive international meeting on this issue to chart a path to fiscal self-reliance for the Afghan government. In addition, the public consultations planned by the government for launching a National Development Strategy could be the occasion to initiate drafting of an Interim Poverty Reduction Strategy Paper (I-PRSP) in order to develop a strategy for relief of pervasive destitution.
- **Strengthening the national portion of the dual public sector:** Donors may be reluctant to increase funding through ARTF and LOTFA as long as ministries and other Afghan government bodies lack capacity in fiscal accountability, the building of which will take years. Hence donors should support the purchase of capacity by the Afghan government as an interim measure. The government could, for instance, hire accountants from neighbouring countries as part of the development of regional labour markets (see below under regional cooperation).
- **Teacher training.** This is the major bottleneck in the expansion of education, especially secondary and vocational education.
- **Expanded aid to higher education.** The need for management capacity argues against an education system that focuses solely on basic skills. Donors should support efforts to establish high-quality training in the analytic and management skills needed for reconstruction.
- **Water management, soil conservation, and forestry.** These issues are reaching crisis-like proportions, and there is hardly any policy or institutional framework to address them.
- **Urban development.** Kabul in particular has virtually no functioning urban management or planning structure. Such overcrowded, sprawling cities, like Karachi, are breeding grounds for extremism and violence.

- Market opportunities for Afghan exports. The country will not abandon opium only to revert to subsistence farming. Sustainable growth of the legal economy will require the identification and protection of international markets for Afghanistan, especially high-value agriculture. Possibilities that have already started include fashion garments with handiwork, natural flavours and fragrances, home furnishings, and horticulture. A special body responsible for finding markets for Afghan products is needed to compete with the sophisticated marketing skills of the opium industry.

A carefully designed counter-narcotics policy is essential to reconstruction. The Afghan drug economy is large relative to a very small economy, not in absolute size. Given that the population engaged in it is a key constituency of the internationally supported government, the strategy for reducing it must be gradual and based on proper sequencing of development and law enforcement. The initial priority should go to increasing the size of the rest of the economy, not reducing the least harmful part of the drug economy, the income of farmers.¹⁰⁸ Establishing a credible and visible rural development strategy including development, education, employment credit, debt relief and security in both opium growing and other areas is fundamental. But narcotics are not only a rural issue. The income and foreign exchange earned by drug exports finance construction and imports. Therefore a counter-narcotics policy must incorporate macroeconomic support, considering the effect on effective demand, the balance of payments, money supply, price level, and government revenue, which depends on customs duties levied on imports partly financed by narcotics exports.

Law enforcement should take a long-term approach, building the capacity of the Afghan counter-narcotics police, including both embedded monitoring and tactical backup from international forces, to curtail the power of commanders involved with traffickers. Immediate enforcement tactics should be aimed at the top end of the value chain in Afghanistan, not farmers. International military forces can play a role in supporting such efforts. After an initial focus on farm production, it appears in April 2005 that more effort is now going, as it should, to the destruction of laboratories and stocks. High-level criminal figures and chemists involved in heroin production should be arrested and, if possible, extradited. US officials claim that efforts are under way to move against “high-level targets,” but that the evidentiary and legal obstacles are formidable. The credibility of the program will ultimately rest on showing that it will attack the powerful, not just the powerless.

The Afghan government is considering an amnesty for those willing to bring illicit profits into the public domain and foreswear future trafficking. As it is no more possible to arrest everyone who has been involved in drugs than it is to eliminate from government everyone who has violated human rights, some extraordinary measure – call it transitional counter-narcotics, like transitional justice – is called for. In either case, however, unconditional amnesty creates perverse incentives. Hence amnesty should be conditional on measures of restitution, such as contribution of a portion of illicit profits to public purposes. The ulama should be solicited for suggestions on an Islamic solution to the problem of illicit profits.

¹⁰⁸ Arnaud Aubron, “L'éradication précipitée du pavot peut avoir un coût humain catastrophique,” interview with Pierre Arnaud Chouvy, *Libération*, March 12, 2005.

5.4 Regional Cooperation

Afghanistan needs access to markets through Pakistan and Iran. The Central Asian states need access to Pakistani and Iranian seaports, at least partly through Afghanistan. Pakistan and Iran stand to gain from transit fees. The current high cost of transit is one of the region's greatest obstacles to economic growth. Afghanistan has received significant concessions for exports to the US, Europe, and Japan, but high transport costs inhibit taking advantage of these agreements. Lowering transportation costs would be one of the greatest contributions to economic development of Afghanistan and its neighbours.

Most of the attention in this area has gone to physical infrastructure improvements, which are politically easier and doubtless necessary. Sometimes, however, software changes can have a greater impact on reducing transit times at a much lower cost. A World Bank official, for instance, estimated that for Tashkent-Karachi transit time could be reduced by about eight to ten days with a moderate investment in computerized customs clearing procedures, while a much larger investment in road repair and construction would reduce the transit time by two to four days.

Harmonizing customs policies and procedures as well as border security arrangements is not only or perhaps primarily a technical exercise. The states that have emerged from the USSR, Pakistan, Iran, and Afghanistan all have very different economic and administrative policies and institutions. Harmonizing them so as to create a more open economic environment would confront entrenched interests in many countries. Hence external donor funding to pay the costs of transition and ease the burden of adjustment will be necessary.

Besides trade in goods, trade in energy and management of water are also key, inter-related issues for regional arrangements. The pattern of distribution of these resources, in particular of water and hydropower resources and of hydrocarbon resources, creates possibilities for trade within the region as well as for transit trade in energy to outside the region. The Trans-Afghanistan Pipeline (TAP), subject of a recent feasibility study by ADB, is the best known such initiative. There are several other project ideas, involving the sale of hydropower from Tajikistan to Pakistan and the increased purchase of electricity by Afghanistan from neighbouring states.

Water management is central to reviving agriculture. To the north, Afghanistan claims that the 1947 border agreement with the USSR entitles it to a much larger share of water from the Amu Darya-Panj river system, while the Central Asian states argue that the agreement must be revised. In the southwest, control of the waters of the Helmand has been a source of conflict with Iran for decades. In the east, Afghan plans for use of the Kabul River could affect one of the main sources of the Indus Valley system.

Labour and human capital could also be subjects of regional cooperation. An administrative regime for refugees is no longer the most relevant approach to population movements in the region. Jalalabad-Peshawar, Quetta-Qandahar, and Herat-Mashhad are all integrated trans-border labour markets. Unskilled Afghan labour migrates from Afghanistan, while skilled Iranian and Pakistani labour (as in the building trades) migrates to Afghanistan. Yet there are few regional or even bilateral agreements on such labour movements. Afghanistan, for instance, badly needs financial professionals such as accountants to strengthen the capacity of both government and private sector to manage the funds available for reconstruction. Especially if Afghanistan introduced the use of uniform systems of best practice in accounting, it would be relatively easy to find qualified professionals from the neighbouring countries to help build up the needed capacity until Afghans attain it.

The movement of people in the region is also connected to the growth of disease vectors. There is evidence that drug-resistant malaria, which has done so much damage to economic development in Africa, is becoming more prevalent in the region. Tuberculosis is endemic in Afghanistan and parts of Central Asia. India is the site of the world's largest caseload of new HIV/AIDS infections. The epidemic is growing rapidly in Central Asia, as drug use (including more frequent injection) is becoming rampant in Pakistan and Iran. An unintended but foreseeable consequence of building the regional transport infrastructure advocated above will be the spread of HIV/AIDS along trucking and drug trafficking routes. Hence regional prevention strategies will have to be implemented quickly to avoid major human costs.

Since the purpose of such investments would be to facilitate private sector-led growth, ways should be sought to associate the private sector itself with regional cooperation. Business associations of several countries, including Afghanistan, participated in the May 2004 Bishkek conference. Any interstate committees that are formed to oversee or monitor projects should also include representatives of the private sector, and the latter's organizations should also be supported.

Besides such support for macro-economic growth, there are particular sub-regions along the borders of states in this region that have particularly low levels of development, which escape from control by state security forces, and where narcotics and other forms of trafficking are concentrated. These include the Badakhshan area on both sides of the Afghanistan-Tajikistan border, the area on either side of the Durand Line between Afghanistan and Pakistan, including the Pashtun tribal areas of Afghanistan and the Federally Administered Tribal Areas of Pakistan, and the Sistan-Baluchistan border area where Pakistan, Afghanistan, and Iran meet. A conceptual framework for such work developed in a November 2001 World Bank discussion paper advocated starting with small projects and gradually scaling up.¹⁰⁹

These programs would pay dividends in security, as the border regions are disproportionate sources of threats. Direct regional cooperation on security is also under way. A broader range of police cooperation, beyond just counter-narcotics and counter-terrorism, could create a more secure environment for legitimate cross-border activities.

The political structure of the region, as well as its unbounded character, probably precludes the formation of rigid or permanent regional structures. But there are a number of steps that could be taken:

- Afghanistan, its neighbours, the ADB, the World Bank, and UNDP could form a working group on regional issues at an appropriate level. Initially, this working group could take an inventory of regional initiatives, agreements, and projects related to the reconstruction or economic development of Afghanistan as well as the building of trust and confidence within the region among both states and societies. It could examine them for compatibility, try to eliminate overlap, and facilitate funding and planning through informal regular meetings. It could, for instance, constitute an executive committee or steering committee on regional issues that would meet regularly in Kabul, as does, for instance, the working group on PRTs.
- This group, as well as the development banks, could study the establishment of a special trust fund for regional initiatives.¹¹⁰ The fund could be managed along the lines of the Afghanistan

¹⁰⁹ World Bank, "Afghanistan Border States Development Framework" (Discussion Draft) November 12, 2001.

¹¹⁰ Ibid.

Reconstruction Trust Fund, but it should be reserved for funding programs that involve Afghanistan and at least one other country, preferably several, or that involve investments that promote regional cooperation and integration in ways favourable to the reconstruction of Afghanistan. This trust fund could be funded from budget lines for aid to several countries or from newly created budget lines. It would serve as a focal point for a regional planning and budgetary process, as well as for oversight.

Finally, we should not lose sight of the larger strategic picture in the region. While support from the US is needed, especially to reassure Afghanistan, escalating conflict between the US and Iran could also endanger Afghanistan. The UN, Europe, and Afghanistan should do all they can to assure that these two countries do not revive the Great Game, in which the countries of the region were, in Lord Curzon's words, "pieces on a chessboard upon which is being played out a great game for the domination of the world."

5.5 A Kabul Process?

Some of those engaged in discussing the future of international involvement in Afghanistan have suggested that a public recommitment of all stakeholders to the goals of the next stages of the stabilization process would itself reinforce the objectives. It would both demonstrate international staying power and strengthen coordination among the many strands of activity required. Some have dubbed this the "Kabul process," in contrast with the "Bonn Agreement," to indicate both that it would take place in Afghanistan, under Afghan sponsorship, and that it would include a number of stages, not just a one-time resolution, agreement, or conference.

This term leaves open the question of the form the process might take. Comprehensive international conferences are more often the end point rather than the start of a process. They ratify agreements that have already been reached in other forums. Moving such a process forward might be one of the future tasks of UNAMA and the SRSG for Afghanistan, in collaboration with the government of Afghanistan.

Whatever forms such a process might take, the assessment presented here shows that Afghanistan still requires comprehensive, coordinated international support to enable it to take its place as a full member of the international community of states. The events of September 11, 2001, showed that interdependence of security is a fact of life, not an abstract ideal. A spokesman of the Ministry of Defence echoed this recognition when announcing Afghanistan's modest contribution of medical personnel to relief for victims of the Asian tsunami: "We have our own problems, but we are part of the family of nations."¹¹¹ Others have it in their power to help them fully rejoin that family.

¹¹¹ Afghan Defence Ministry spokesperson General Azimi, Press Release of the Embassy of Afghanistan, Washington, D.C., January 6, 2005, http://www.afghanembassy.net/press_releases.html.

Appendix

Appendix I: Terms of Reference for CFC and ISAF PRTS In Afghanistan

(These TORs are described in 19 articles)

PRT Mission Statement

1. Provincial Reconstruction Teams (PRTs) will assist the Islamic Republic of Afghanistan to extend its authority, in order to facilitate the development of a stable and secure environment in the identified area of operations, and enable SSR and reconstruction efforts.

Relationships

2 PRTs will establish and maintain good working relationships with key government, tribal, religious, military, UN and NGO leaders in the provinces for which they are responsible with the aim of extending the reach and legitimacy of national government.

3 PRTs will monitor and report regularly to their respective chains of command on political, economic and military developments especially where they relate to the authority of The Islamic Republic of Afghanistan.

4. PRTs will assist The Islamic Republic of Afghanistan government representatives to mediate disputes and broker agreements between local factions.

Security

5. Where expertise permits, PRTs will assist in the development and mentoring of the Afghan National Police. At a minimum, PRTs should observe, assess and report on their capabilities.

6. PRTs will observe, assess and report to their respective chains of command on the capabilities of any Afghan National Army units deployed in their AO.

7. When expertise permits, PRTs will observe, assess and report to their respective chains of command on the capabilities of the justice system in their AO, including the role played by local justice systems.

8. PRTs will observe, assess and report to their respective chains of command on factors affecting DDR in their AO and take a proactive role in supporting and influencing The Islamic Republic of Afghanistan's efforts (including through ANBP) to carry out the DDR process.

9. *PRTs will observe and report to their respective chains of command on CN issues, and support the Islamic Republic of Afghanistan's CN strategy, including facilitating Alternative Livelihoods programs and activities, commensurate with the PRT's roles and capabilities.*

10 PRTs will provide security advice and information to national and local officials and those agencies involved in reconstruction.

11 PRTs will, within resources and mission constraints, and according to operational priorities, provide logistical and security support to The Islamic Republic of Afghanistan's representatives¹¹² in carrying out their official duties.

12 PRTs will provide support to all SSR activities within means and capabilities. In addition, assistance will be given to support the election processes.

Reconstruction

13 PRTs will focus their effort where they can add expertise and value, particularly in creating the conditions for the UN, development agencies and NGOs to carry out reconstruction and development work.

14 Reconstruction projects should be carried out in accordance with the direction of The Islamic Republic of Afghanistan and align their work where possible with the NPPs.

15 PRTs may conduct Quick Impact Projects in their areas to gain the consent of the local population to support operational priorities.

16 PRTs will actively support Provincial Development Committees (and other initiatives of The Islamic Republic of Afghanistan), assist in the development of a provincial development plan consistent with national directions, and the co-ordination mechanisms to implement the Provincial Plan. This may be divided into short (one year), medium (five years), and long (ten years) term objectives.

17 PRTs should provide temporary logistical and security support to allow the civilian element of the PRT to travel to areas considered unsafe or inaccessible.

Information Operations

18 PRTs will conduct information operations on their activities and promote the activities carried out on behalf of The Islamic Republic of Afghanistan.

Military Chain of Command

19. These common Terms of Reference recognise that PRT commanders, whilst following the general intent and spirit of these Terms of Reference, will be bound to follow operational priorities set by their respective military chains of command. This may require them to assign functions not listed, or

¹¹² Representatives of the Islamic Republic of Afghanistan such as MOI, MRRD etc, that they provide to the PRT.

carry out functions listed in a less prescriptive manner. Other force elements and organisations (including manoeuvre units and Regional Commands), may also carry out some of the listed activities as directed by the chain of command.