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Paper  
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Sustainable

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# State-building in Afghanistan Are Reforms Sustainable

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## Post-conflict Project<sup>1</sup> of State-building in Afghanistan

The post-conflict project in Afghanistan started with conflicting aims<sup>2</sup> after the fall of the Taliban regime in 2001. The process of state-building can be divided into three phases. The first phase started with a quasi-hybrid peace-building operation,<sup>3</sup> Bonn Agreement,<sup>4</sup> which was endorsed by the United Nations.<sup>5</sup> Cost estimates for the initiative were incorporated in a document titled 'Securing Afghanistan's Future' (2004) and a 10-year plan for legal reforms called 'Justice for All' (2005). The second phase began with signing of the Afghan Compact<sup>6</sup> in London with commitments worth \$10.5 billion for the next five years by 60 states.<sup>7</sup> The reforms formulated three critical pillars, aiming for the political, economic and social overhaul of the country.<sup>8</sup> However, de-facto power of warlords and resurgence of Taliban meant that liberal state-building clashed with security imperatives and liberal peace builders had to act 'illiberally'.<sup>9</sup>

The informal but significant third phase started in 2009 with renewed commitment to Afghanistan by the US and coincided with a rise in insurgency in Afghanistan.<sup>10</sup> This stage was marked by a surge in troops and resources<sup>11</sup> with increased short-term, development-oriented military engagement at the local level that has achieved mixed results.<sup>12</sup> Many commentators had questioned the effectiveness of this surge in troops, referring to the earlier Soviet experience in Afghanistan<sup>13</sup> but given the levels of insecurity and inadequate domestic security in Afghanistan, there were few other alternatives available.

This paper tries to answer the question whether the reforms aimed at state-building in Afghanistan are sustainable. The answer lies in answers to some other questions, such as what were the factors or conditions which led to three decades of conflict in Afghanistan and which are sustaining the present insurgency? Another question is regarding the viability and coverage of the ongoing reforms and whether these reforms address the sources of instability.

The paper is divided into five sections. The first section identifies the afore-mentioned fault lines in Afghanistan's system. The second explains the security sector reforms and their impact as well as the effect of the reforms on 'warlordism' and insurgency. The third section details the effect of political reforms and how these have addressed political instability. Economic reforms are covered in the fourth section with an analysis of the role of foreign aid and domestic revenue generation. The last section contains conclusions of the analysis.

## 1. State-building and Sources of Instability in Afghanistan

There is general consensus in the extensive literature on state-building that the state has three core functions; providing security, and ensuring representation and welfare of the people through resource distribution.<sup>14</sup> Capacity in these areas is deemed to cloth the state with legitimacy, and in the absence of that the state remains 'fragile' or 'failed'.<sup>15</sup> The sources of instability in Afghanistan loosely coincide with the core theoretical functions of the state and their continued presence would make a stable Afghan state highly improbable.

## 1.1 Factional Polarization and Political Instability

Despite many ups and downs, Afghanistan has for most of its known history<sup>16</sup> remained a heterogeneous and tribal state having multiple and conflicting legal, cultural and political systems.<sup>17</sup> The politics worked on the basis of two networks, tribal and religious, with the latter gaining prominence after the 1979 Soviet invasion.<sup>18</sup> Afghanistan's 'sub-national administration' emerged during the reign of Amir Abdul Rehman (1880-1901), who laid the foundation of divide-and-rule tactics,<sup>19</sup> which were used again in 1967 by creating more non-Pashtun provinces and ultimately mobilized communities against each other.<sup>20</sup> Armed militias or warlords have thus become an integral part of this sub-national administration and a perpetual source of instability and conflict. The Afghan civil war (1992-1996) was a result of the embedded factionalism when all the regional fiefdoms matched each other in strength and foreign support but none had nationwide presence,<sup>21</sup> resulting in destruction of infrastructure and paving the way for a Taliban takeover.

## 1.2 Internal Security and Lack of Order

The 1960s and 1970s were decades of relative security and peace in Afghanistan with the exception of a power struggle at the top. The Soviet invasion of Afghanistan heralded a civil war which at its peak forced more than 5 million Afghans to become refugees and caused countless deaths. The Taliban expanded their control over Afghanistan rapidly and succeeded in establishing law and order, mainly because of a popular yearning for order and security.<sup>22</sup> They claimed to unify the country with 90 percent of Afghanistan under their control,<sup>23</sup> but their rule brought further insecurity for vulnerable segments, such as women, religious minorities and those disagreeing with the Taliban's interpretation of religion.<sup>24</sup>

However, despite substantial presence of international forces and rapid increase in local forces, security problems in Afghanistan seem to be aggravating.<sup>25</sup> Terrorists' attacks have resulted in more than half of the conflict-related civilian casualties, which the UN confirms have risen sharply.<sup>26</sup> Lack of security for Afghans and foreigners is reflected in tripling of armed attacks in the country from 1,558 to 4,542 in just two years from 2006.<sup>27</sup> It did not help matters that two-third of the casualties caused by the government occurred in errant international air strikes.<sup>28</sup> The latest annual survey by Asia Foundation has found that as in previous years security remained the main concern for the majority of the Afghan people and that 18 percent of those interviewed reported to be victims of violence,<sup>29</sup> and that an equal number of Afghans were victims of violence by Taliban and by the international forces.

The international coalition responded to the security situation by increasing the number of foreign troops on the ground in 2009, but the year still proved to be the deadliest for foreign and Afghan forces, with about 1,000 Afghan security forces personnel and 500 foreign troops killed.<sup>30</sup> The assassination of Osama bin Ladin is being touted as a major victory in the war on terror, but its impact on the insurgency in Afghanistan remains to be seen, with almost the entire Taliban leadership still intact.

### 1.3 Dependent Economy

Prior to 1979, Afghanistan's rulers made few efforts to make the economy viable and independent<sup>31</sup> and relied on foreign assistance and, to a small extent, on gas revenues to sustain the economy. Afghanistan thus kept lagging economically and the country was little more than a subsidized buffer state depending on foreign sources to maintain peace or fight civil wars, with poppy as a sustained economic source, which even now makes up for two-fifth of the country's real GDP.<sup>32</sup> With the state seen as a buffer between Russia and British India, the rulers played both powers against each other to extract resources from them.<sup>33</sup> During the comparatively stable period for Afghanistan from 1933 until 1978, the focus of modernization was on infrastructural development rather than on enhancing the productive capacity<sup>34</sup> and modernization seemed to be targeted towards the needs of the ruling elite.<sup>35</sup> Domestic revenues remained between 6 or 7 percent of the GDP with security and communications consuming more than 60 percent of the budget<sup>36</sup> and the bulk of the government expenditure financed by foreign aid.<sup>37</sup>

The resistance movement in the 1980s ran a parallel economy funded by the US, Saudi Arabia and Pakistan, while the Kabul government's economy was funded by the Soviet Union, which sustained it even after the withdrawal of Soviet troops, until 1992. The disintegration of the Soviet Union also led to the collapse of the communist government in Kabul which by that time had become unable to even ensure provision of food supplies to the population. The economy of the 1990s was a typical example of a failed state with the collapse of monetary, fiscal and exchange rate regimes, destruction of infrastructure and shifting of trading activity to regional centers like Herat, Mazar-e-Sharif and Kandahar. The task before the international community after 2001 was not just to provide basic services and restore communication links, but also to revive the productive capacity of the state so that it is able to sustain itself without foreign support.

## 2. Security Sector Reforms

This section offers a brief overview of the coverage of different components of security sector reforms, such as army, police, and DDR (demobilization, disarmament and reintegration) in light of the two main challenges to security, i.e., insurgency and warlordism. The section also includes analysis of the effectiveness and sustainability of these reforms.

The security sector received a superficial and vague mention in the Bonn Agreement when reference was made to extension of authority over militias and formation of a 'judicial reform commission'.<sup>38</sup> It took additional emphasis by President Hamid Karzai<sup>39</sup> and a spike in the insurgency to evoke renewed international interest in the security sector reforms. However, the short-term counter-insurgency focus of these reforms has deprived the process of realizing the long-term goal of a sustainable, stable and accountable security apparatus.<sup>40</sup> The Afghanistan Compact brought the earlier lead donor system<sup>41</sup> of the security sector reform to a close and reforms have been taken over by a joint board of the Afghan government and the UN,<sup>42</sup> but the US remains the main contributor, financing the majority of security reforms.<sup>43</sup>

### 2.1 Military Reforms

Military reform was the most well-resourced pillar of the security sector reform agenda, consuming \$3.5 billion until 2005, compared to \$900 million for the police.<sup>44</sup> Initially, there was some disagreement over

the strength of the army. Qasim Faheem, the Afghan defense minister at the time, wanted to merge his militia into the army and advocated for a force of 200,000 while NATO favored a 50,000-strong Afghan army. Eventually, it was decided that the Afghan National Army (ANA) would have 70,000 troops.<sup>45</sup> The current strength of the ANA is 138,000, with a target of 171,000 by October 2011. Contrary to earlier claims,<sup>46</sup> the army is considered poorly trained,<sup>47</sup> and its sustainability in terms of the economic conditions and its coverage of the area after the announced handover to Afghan forces in 2014 remains highly doubtful.<sup>48</sup>

The ANA has also been a victim of chronic ethnic factionalism right from its inception, when 90 of the first 100 generals were ethnic Tajiks,<sup>49</sup> an imbalance which was addressed by a quota system in 2003 but Pashtuns and Hazaras still complain about under-representation. An expansion in the insurgency has also caused extensive desertions in the army with around 40 percent troops of a typical battalion always absent without leave and it is estimated that 20 percent of the troops would not enlist again after their three-year contract expires.<sup>50</sup>

## 2.2 Police Reforms

The process of police reform was formally launched in Afghanistan with Germany as the lead nation opening the German Police Project Office (GPPO) in April 2002 but development of the initiative has remained lackluster.<sup>51</sup> The US joined the process in 2004 with the award of a contract to set up a Central Training Center (CTC) and seven Regional Training Centers (RTCs).<sup>52</sup> The US interest resulted in provision of more resources<sup>53</sup> and the number of police personnel was projected to reach 130,000 by the end of the year 2010.<sup>54</sup>

Despite the recent emphasis, police remain a corrupt, incompetent, fictionally divided<sup>55</sup> and illiterate<sup>56</sup> force unable to provide basic security to citizens, much less have an effective counter-insurgency role.<sup>57</sup> Most of the 31 police generals chosen by the Combined Security Transition Command-Afghanistan (CSTC-A) in 2005, have been fired, jailed or forced to flee the country amid charges of corruption.<sup>58</sup> Many experts are of the view that inefficiency and indiscipline of the police played an important role in turning large sections of the population away from the government and towards the insurgents.<sup>59</sup> Furthermore, there is still confusion about the future role of police, mainly whether the force would focus on community policing or act as 'light infantry'.

The police reforms, which is the focal point of the exit strategy of international forces, are short term and fragile, in addition to being badly coordinated and beset by delays. In March 2010, less than 12 percent of police units were considered capable of operating on their own despite an investment of over \$6 billion since 2001.<sup>60</sup> Ad-hoc and quantitative programs, such as Focused District Development and Police Mentor and Liaison Teams, have failed to incorporate the need for community policing or long-term sustainability of police as an institution.<sup>61</sup>

## 2.3 Judicial Reform

Judicial reforms are the most neglected part of the reform process since the international intervention in Afghanistan and received scant mention at the initial Bonn and Tokyo conferences as well as at the 2006 London Conference. This lack of attention to the justice sector is not surprising given the short-term security goals as compared to a long-term investment in the criminal justice system.<sup>62</sup> The judiciary is

still dominated by the clergy, which plays a central role in determining and undermining the legitimacy of governments.<sup>63</sup> Little effort has been made to reconcile the formal and informal justice systems,<sup>64</sup> leaving the system in the shambles.<sup>65</sup>

Following the Rome Conference, the Afghan government has also adopted a transitional justice plan for peace, justice and reconciliation.<sup>66</sup> However, there are apprehensions that the program may become a device to victimize those who were part of the resistance against the Taliban as all the other groups have either become part of the government or are insurgents who are being encouraged to lay down their weapons and hold negotiations with the government.<sup>67</sup> The Taliban continue to practice their brand of justice in the south, taking advantage of the weak and corrupt official justice system.<sup>68</sup> According to estimates by the United Nations, the formal courts in Afghanistan cover only 20 percent of all judicial functions and are discredited by rampant corruption and widespread impunity.<sup>69</sup> It is a major stigma for the judicial system that victims of 'collateral damage' in air strikes have no legal recourse. Rule of law and due process have been further undermined by allowing NATO forces to kill narcotics traffickers without any legal process.

## 2.4 Demobilization, Disarmament and Reintegration

The process of demobilization, disarmament and reintegration (DDR) has been widely seen to be flawed and has contributed to fragmentation and insecurity in Afghanistan.<sup>70</sup> The warlords in the Northern Alliance were important players in the Bonn process and managed to exclude provisions regarding disarmament.<sup>71</sup> The agreement only stated that "upon the official transfer of power, Afghan armed forces and armed groups in the country shall come under the command and control of the Interim Authority, [and] be re-organized according to the requirement of the new Afghan security and armed forces."<sup>72</sup> These vague provisions about reorganization, without any enforcement mechanism, doomed the DDR process.

Militia commanders also managed to subvert the process<sup>73</sup> by getting their men absorbed wholesale into the government or transformed into ubiquitous security companies.<sup>74</sup> A regular DDR program, called Afghans New Beginning Program, was launched in 2003 to disarm and reintegrate 100,000 members of Afghan militias. The figure was later reduced to 40,000 but the number of those disarmed under the program remained around 10,000.<sup>75</sup> The DDR program gave way to Disarmament of Illegal Groups Programs, these included the National Independent Reconciliation Commission, launched in 2005 with Sibghatullah Mujaddedi as its chairman in order to reintegrate former fighters.

Other programs including the Afghan Social Outreach Program and Allegiance Program were largely regarded as failures<sup>76</sup> with the emergence of 'revolving-door reintegrees'.<sup>77</sup> The strength of militias in Afghanistan is still around 120,000, according to the ANBP database, with larger groups regarded as a threat to the government.<sup>78</sup> With the \$1.3 billion Community Defense Initiative by the US in 2009, which succeeded the Afghan Public Protection Program, the disarmament drive took a different turn, as local militiamen were rearmed to fight against the Taliban.<sup>79</sup>

## 2.5 Sustainability of Security Sector Reforms

Afghanistan has received unprecedented international attention (from the UN, 60 donor states, 18 international agencies and 150 NGOs),<sup>80</sup> military commitment (140,000 security personnel from 40

countries)<sup>81</sup> and \$15 billion in aid since 2001,<sup>82</sup> but even NATO estimates suggest that 200 of the 399 Afghan districts are sympathetic to, or controlled by, anti-government forces and 32 out of 34 Afghan provinces have shadow Taliban governors.<sup>83</sup>

The sustainability of security reforms in Afghanistan is continuously questioned on three grounds. First is the issue of financial sustainability, as now the cost of maintaining the 200,000-strong Afghan security forces is around \$3.5 billion, with \$2.5 billion for the army and \$1 billion for the police.<sup>84</sup> The number of security personnel is slated to be around 300,000, including 170,000 army and 120,000 police personnel by the end of 2011. That means that the country would have to bear a cost many times more than its domestic revenue of \$910 million and the cost would remain unsustainable even if the GDP and revenue collection are doubled.<sup>85</sup> An Afghan army fully trained and equipped by the US can only be a transitional measure and would pose political problems in the long run.<sup>86</sup> The state of the police is equally fragile with less than 12 percent police units capable of operating on their own, despite an investment of \$6 billion since 2001.<sup>87</sup> Ad-hoc programs such as Focused District Development and Police Mentor and Liaison Teams have failed to incorporate community policing or even ensure long-term sustainability of police.<sup>88</sup>

The second issue in security sector sustainability is the lack of control by the Afghan government, which has been frustrated by proxy warlords.<sup>89</sup> Despite the presence of international troops and a large number of Afghan security forces personnel, Kabul's control remains minimal, which is fast eroding the confidence of the people in the government's ability to ensure long-term peace and stability and negotiations with the Taliban are seen as the inevitable outcome.

Coherence and unity of command in Afghan Army is the third question mark as Afghan security forces have traditionally switched loyalties whenever the patronage system to maintain the loyalties has broken down.<sup>90</sup> This pattern could re-emerge when external budgetary support contracts, leaving the state vulnerable in the hands of forces with questionable discipline.<sup>91</sup> Ethnic divisions in the army are another risk as the main areas of operation and troop deployment are mainly confined to the Pashtun belt, while the force is largely deemed to consist of Northern Alliance sympathizers.

### 3. Political Reforms

Even before the decades of conflict, Afghanistan had struggled with political stability and democratic overtures.<sup>92</sup> Barfield describes the situation as a stalemate where no one could achieve power or legitimacy to restore political order without resorting to continued armed conflict.<sup>93</sup> In the post-Taliban settings, order has been enforced by international forces and citizens are mere recipients rather than the driving force. Whether that has altered the political structure and would the arrangement survive after the departure of the coalition forces are questions that demand a thorough examination of political reforms.

The present political reforms commenced with 'warlord democratization',<sup>94</sup> by involving those militia commanders who fell on the right side of the war on terror. Dependence of the state on donors for support and policy making has made Afghanistan a classic case of imposed 'shared sovereignty'.<sup>95</sup> Lack of accurate information about the demography of Afghanistan has also undermined the political process. Most of the Afghan governments, including the present one, have avoided holding a census,

content with persistence with the historical claim of Pashtun majority in Afghanistan even though there are considerable difference among various estimates of the population.

### 3.1 Elections and Role of Parliament

Elections in Afghanistan have often been touted as a success story with three elections held in the last five years, but even optimistic observers acknowledge a limited role of the legislature. The answer to the gap between performance and expectation lies in the electoral system. The rare and controversial electoral system of single non-transferable voting (SNTV)<sup>96</sup> is considered a disservice to Afghans who deserve a clean and transparent legislature.<sup>97</sup> Political parties are allowed in Afghanistan but the election system prevents them from fielding candidates formally.<sup>98</sup>

In the last elections, in spite of the government's estimates that 1,100 candidates had links with armed groups, only 34 were disqualified, largely because of poor vetting.<sup>99</sup> Out of 249 deputies, 40 were militant commanders, 24 were linked to criminal gangs, 17 were drug traffickers and 19 faced allegations of involvement in war crimes.<sup>100</sup> The parliament, however, promulgated legislation that gave amnesty to anyone involved in armed conflict in the last 25 years.<sup>101</sup> The voters' turnout in the elections has also been on the decline and after an extraordinary 70 percent in the 2004 presidential election, it was just 30 percent in the last elections. The 2009 presidential elections were a real low point for Afghan politics as one-third of the ballots were alleged to be tainted by fraud.<sup>102</sup>

### 3.2 Horizontal Power Sharing and Role of Ethnic Factions

Ethnic ties, as the theory goes, are stronger, more durable and more rigid than ordinary political groupings and likelihood of violence is very strong in countries such as Afghanistan, which have one ethnic majority and several small minorities.<sup>103</sup> Ethnic diversity in Afghanistan has historically created competing power centers and in the post-Taliban reforms, all factions competed in a zero-sum game for gaining a foothold at the cost of others.<sup>104</sup> Johnson argues that the fragmentation of society would continue until the control of government by one dominant group or ethnic politics makes way for increased internal conflict.<sup>105</sup>

In Afghanistan, erstwhile militia commanders and modern-day warlords have maintained their legitimacy, resources and support by taking advantage of the security situation and the state's weakness and have been accepted as politico-military actors in the otherwise liberal state-building process.<sup>106</sup> The state on the other hand is trapped in a real catch-22, torn between the goal of liberal democracy and co-option of warlords for survival. President Karzai has thus kept the political arrangement fluid by rotating rather than removing the leaders involved with military groups and/or the drug economy.<sup>107</sup>

### 3.3 Vertical Power Sharing and Center-Periphery Relations

The unitary state created by the 2004 Constitution is a 'patrimonial' presidential system with the powers of appointments of ministers, 34 governors, 399 sub-governors and other positions resting with the president. All the administrative and financial decisions are made in Kabul with no governance capacity at the provincial level.<sup>108</sup> The arrangement has further disempowered tribal authorities which has rendered the system unsuitable for a traditional Muslim country afflicted by ethnic, tribal and sectarian



divisions.<sup>109</sup> There have been some efforts to extend the reform process out of Kabul but attempts to encourage development at the grassroots have amounted to little<sup>110</sup> even after several initiatives.<sup>111</sup>

The growing insurgency and alienation of local communities has led to the creation of 'second best' and hybrid civil-military solutions such as Provincial Reconstruction Teams (PRTs), in order to expand the authority of the central government to the regions.<sup>112</sup> Despite acquisition by NATO as a "template for expansion", the PRTs remain ridden with confused mandates, cosmetic civilian role, logistic shortcomings and questionable effectiveness.<sup>113</sup> This has just provided local power holders a chance to bargain aid for peace or power for security.

### 3.4 Corruption and Governance

Governance as defined by the World Bank is a 'set of institutions by which authority in a country is exercised,'<sup>114</sup> and whatever authority left to the Afghan government is devoured by corruption with Afghanistan ranked second in terms of corruption internationally. A World Bank report has found that the real beneficiaries of foreign assistance have been the urban elite, much to the frustration and anger of the rural population.<sup>115</sup> The vicious cycle of cronyism in Afghanistan in which appointments are used for political survival is reminiscent of the early 1990s, when the state of affairs had led directly to the rise of the Taliban.<sup>116</sup> One of the starkest findings of an intelligence survey conducted by Afghan National Security Directorate was that the failure of governance was one of the leading causes of the insurgency.<sup>117</sup>

After initial western efforts to install ailing King Zahir Shah in Kabul, Hamid Karzai was chosen because he was a Pashtun, western oriented and neutral. The last fact made him more dependent on his international benefactors, especially the US. This also led him to adopt survivalist and accommodative tactics, trying to make everybody, including US diplomats and Afghan warlords, happy at the same time and finding presentable figures from Pashtun Diaspora in order to assuage Pashtun fears, at the cost of sustainable, representative and accountable institutions. Rubin has aptly remarked about Karzai and his ministers: "They are Pashtuns and they are leaders but they are not leaders of Pashtuns. They do not have those networks that make political base in Afghanistan."<sup>118</sup>

There is mounting frustration in the West over the corruption and failure of governance in Afghanistan but the policy of co-option of potential spoilers by the US required President Karzai<sup>119</sup> to adopt a governance strategy based on delicately balancing the interests of clergy, tribal elders and warlords.<sup>120</sup> The 'fraudulent' 2009 elections eroded whatever trust was left between Karzai and his international backers.<sup>121</sup> Leadership, besides Karzai and his team of technocrats, is still insecure in the face of the traditional power bases and being a minister in the cabinet does not confer any inherent power upon the incumbent.<sup>122</sup> Other than 'technocrats' and 'Diaspora' the leadership consists of the same actors who were instrumental in the 1992-96 civil war with the exception of Gulbuddin Hekmatyar, who is siding with the insurgents.<sup>123</sup>

## 4. Economic Reforms

The London Conference in 2006 was the first concrete step towards initiating broader economic reforms compared to Bonn's one-dimensional emphasis.<sup>124</sup> The Afghanistan Compact signed in London promised a 'shared vision' in the presence of representatives of 60 states and international agencies. An

effort was also made to link the Afghanistan Compact with Afghan National Development Strategy and a Joint Coordination and Monitoring Board was also created. The process was meant to ensure Afghan ownership of reforms but external actors continue to control the process from behind the scenes.<sup>125</sup> The main feature of economic reforms is still achievement of security through development, a belief shared by the security forces and NGOs alike. The emphasis is therefore on the 'iconic projects' that dramatically change the quality of life of local communities.<sup>126</sup>

#### 4.1 Role of Foreign Aid

Historically, foreign assistance has influenced state builders to mobilize coercion and legitimacy and this "unearned income" in the form of aid has provided the rulers with capital and ultimately undermined legitimacy.<sup>127</sup> The present aid-induced state-building in Afghanistan is also considered inadequate<sup>128</sup> as well as costly, short term and security driven. The US, which is the largest donor and has contributed one-third of all aid to Afghanistan since 2001, spends around \$36 billion a year on its military in Afghanistan,<sup>129</sup> compared to \$3.9 billion earmarked in FY2011 with 90 percent of the funds meant for the security sector.<sup>130</sup>

According to estimates, 40 percent of the aid—a total of \$6 billion—has made its way back to the donors because of proliferation of contractors, \$2,000-a-day consultants and conditionalities.<sup>131</sup> More than 75 percent of all aid to Afghanistan funds projects that are directly implemented or contracted, making the whole exercise self-defeating and unsustainable.<sup>132</sup> As most of the aid is channeled off-budget, there are two bureaucracies operational in Kabul, one belonging to the Afghan government's public sector and the other managed by the donors.

Foreign aid has also had a crowding out effect by shifting manpower and resources to external actors from the domestic economy.<sup>133</sup> Aid in Afghanistan is a reflection of a supply driven approach with emphasis on what can be funded rather than what is desirable.<sup>134</sup> This has thus blurred the difference between disbursement, expenditures and outputs. Afghan Donor Assistance Database, which has been touted as the most sophisticated system of donor accountability, only keeps accounts of disbursements and not of the actual detail of expenditures.<sup>135</sup>

#### 4.2 Budget and Fiscal Capacity

Fiscal dimension of state building—the ability to mobilize and spend domestic resources—is crucial to the success of peace-building efforts.<sup>136</sup> The Afghan government's control over its annual budget is tenuous and parliament's oversight non-existent. In 2007, only 40 percent of the total \$4.3 billion in expenditures were channeled through core budget,<sup>137</sup> while for FY2011 out of \$3.94 billion approved by the US, only \$800 million would be channeled via sources other than the US government—\$600 million through Afghan Reconstruction Trust Fund (managed by the World Bank for the government of Afghanistan) and \$200 million as direct support.<sup>138</sup> Waldman has estimated that the Afghan government has no information on how more than one-third of the aid for the country has been spent since 2001, leaving the Ministry of Finance handicapped to pursue key reforms.<sup>139</sup> Limited budgetary control of the government over its own expenditures has hindered the development of fiscal policy and policy management and has left no room for the state's accountability to its citizens.

Taxes constitute a uniquely small proportion of the Afghan budget as shown by various authors<sup>140</sup> and although domestic revenues are rising, the fiscal contribution has been stagnant at 8 percent of the GDP for the last few years, accounting for 66 percent of the government's budget and just 28 percent of the spending.<sup>141</sup> In addition, the improvements have largely come about because of temporary capacity injections. The tax base has remained limited to custom revenues on regional crossing points of Herat, Kandahar, Balakh and Nangarhar, which also happen to be territorial bases of regional warlords.<sup>142</sup> Progressive taxes like income tax or value-added tax are still a far cry in Afghanistan.

#### 4.3 Structural Indicators: Investment, Industry, Agriculture

All efforts to stabilize Afghanistan would falter if the sectors of economy that drive structural growth, such as export-based industry, agriculture and essential services, are not expanded. The situation is far from satisfactory. According to the estimates of Afghan Investment Support Agency (AISA), bribery and insecurity resulted in 50 percent reduction in foreign businesses in 2007-08.<sup>143</sup> An exchange rate inflated due to aid and drug money subsidizes cheap imports and creates an imbalance in foreign trade, suppressing any hope of reviving the export sector.<sup>144</sup> Capital formation through mobilization of savings and creation of local industry to replace imports does not seem to be the policy makers' priority. The US goal of eradication of poppy but lack of support for agriculture—which employs two-third of the Afghan population—has further aggravated the situation.<sup>145</sup> The US reserved only \$240 million for 2010-11 in the new strategy for agriculture as compared to \$437 million for counter narcotics and \$600 million for PRTs.<sup>146</sup>

#### 4.4 Sustainability of Economic Reforms

Afghanistan continues to defy the conventional post-conflict literature on economic recovery which predicts signs of recovery after five or six years. World Bank studies show that a post-conflict country's ability to absorb aid increases from the third year onwards,<sup>147</sup> while another study puts the number of years for recovery at five.<sup>148</sup> This lack of recovery is mainly due to the hollow foundations of economic measures which do not result in establishing fiscal capacity of the government.<sup>149</sup> The situation would only worsen after the end of the post-war economic boom as the International Monetary Fund has also warned that the sources of the rebound would be insufficient over the long term to sustain growth and alleviate poverty.<sup>150</sup> Suhrke has noted from earlier reform processes in Afghanistan that without strong leadership, supportive constituency and a strong element of endogeneity, reforms are unlikely to be effective.<sup>151</sup>

The recent GDP growth has mainly been fueled by foreign aid which accounts for 90 percent of expenditures and 60 percent of the GDP<sup>152</sup> while the narcotics economy accounts for one-third of the Afghan GDP. The aggressive counter-narcotics policies pursued by the international community can further lead to contraction of the real GDP by 6 percent.<sup>153</sup> A fall of more than six points in 2007 due to drought sheds serious doubts about the ability of the Afghan government to sustain this growth rate.<sup>154</sup> The unpredictable aid flows have made the Afghan economy akin to a 'casino economy' with many players and no regulation.<sup>155</sup>

The geographical focus of economic reforms has also been uneven, benefiting the power players using the perverse incentive<sup>156</sup> of violence and insurgency. The formal regional economy of the state, however, has been conspicuously neglected, giving rise to serious economic insecurity for the landlocked country

which is dependent on Pakistan and Iran for all of its trade and economic survival. In terms of social development, Afghanistan remains the second poorest country in the world with abysmal social indicators and basic human development indicators falling even after the reforms.<sup>157</sup> After aid dries up, the Afghan economy is unlikely to support its population, which is among the youngest in the world (an estimated 57 percent are younger than 18), amid few employment opportunities.<sup>158</sup>

## 5. Conclusion

This paper aimed at analyzing the sustainability of the security, political and economic reforms by identifying three key conditions embedded in the Afghan State which are referred to as 'conflict drivers', i.e., security, factionalism and economy. The post-conflict project envisaged a liberal peace model for Afghanistan but faltered in achieving stability.<sup>159</sup> This paper finds that the government in Kabul has failed to implement a meaningful DDR program, leaving room for parallel security apparatus. The Afghan government has failed to address the insurgency even with the help of 140,000 foreign troops and would find itself in a very precarious situation if it has to cope with the Taliban on its own.<sup>160</sup> The paper also finds that the current number of Afghan security forces personnel is economically and politically unsustainable for a fragile economy like Afghanistan.

Political reforms have aggravated existing political instability and democracy has been little more than an illusion for the ordinary Afghan.<sup>161</sup> A controversial electoral system has excluded political parties and hindered functioning of a representative parliament. Economic reforms introduced after 2001 have failed to transform Afghanistan from a dependent 'subsidized' state into a fiscally independent economy. Foreign aid which was supposed to revive institutions did exactly the opposite by reverse transferring of funds. It is therefore concluded that the political, security sector and economic reforms in Afghanistan are unlikely to be sustainable without addressing the core challenges and sources of instability, which necessitate a continuous inflow of funds and military power.

KNOWLEDGE FOR PEACE

## Notes:

- <sup>1</sup> Astri Suhrke, "Reconstruction as Modernization: The 'Post-Conflict' Project in Afghanistan," *Third World Quarterly* 28, no. 7 (2007):1291-1308.
- <sup>2</sup> Isac Kfir, "Is there any hope for Peacebuilding in Afghanistan?," *Global Research in International Affairs* 14, no. 3 (2010); and Anatol Lieven, "The War in Afghanistan: Its Background and Future Prospects," *Conflict Security and Development* 9, no. 3 (2009):333-359. The initial aim was to capture or kill Bin Laden and the Taliban leadership and to end the incessant instability which later evolved to include goals like state-building and counternarcotics.
- <sup>3</sup> Astri Suhrke, A. Strand and K.B. Harpikven, *Conflict and Peacebuilding: Afghanistan, Two Years after the Bonn* ([www.cmi.org/pubs](http://www.cmi.org/pubs), 2004), 875-880.
- <sup>4</sup> Agreement on Provisional Arrangements in Afghanistan Pending the Re-establishment of Permanent Government Institutions (Bonn Agreement) signed on December 5, 2001 in Bonn, Germany.
- <sup>5</sup> UN Security Council Resolution 1383, December 6, 2001.
- <sup>6</sup> Shahrbanou Tadjbakhsh and M. Schoiswohl, "Playing with Fire? The International Community's Democratization Experiment in Afghanistan," *International Peacekeeping* 15, no. 2 (2008): 252-267.
- <sup>7</sup> Afghan Compact and National Development Strategy for Afghanistan is available on [www.ands.gov.af](http://www.ands.gov.af).
- <sup>8</sup> Marina Ottaway, "Rebuilding State Institutions in Collapsed States," *Development and Change* 33, no. 5 (2002): 1001-1023; and Astri Suhrke, "Reconstruction as Modernization: The 'Post-Conflict' Project in Afghanistan".
- <sup>9</sup> Roger Mac Ginty, "Warlords and the Liberal Peace: State-Building in Afghanistan," *Conflict Security and Development* 10, no. 4 (2010): 577-598; and Jonathan Goodhand and M. Sedra, "Bribes or Bargains? Peace Conditionalities and 'Post-Conflict' Reconstruction in Afghanistan," *International Peacekeeping* 14, no. 1 (2007): 41-61.
- <sup>10</sup> Afghanistan and Pakistan Regional Stabilization Strategy 2010, US Department of State.
- <sup>11</sup> The troops are numbered around 140,000 including 100,000 by the US.
- <sup>12</sup> Adam Grissom, "Making it up as go along: State Building, Critical theory and military Adaptation in Afghanistan," *Conflict Security and Development* 10, no. 4 (2010): 493-517.
- <sup>13</sup> Sultan Barakat, and S.A Zyck, "Afghanistan's Insurgency and the Viability of a Political Settlement," *Studies in Conflict and Terrorism* 33, no. 3 (2010):193-210.
- <sup>14</sup> Sara Lister, "Understanding State-Building and Local Government in Afghanistan," Crisis States Research Center LSE, Working Paper no. 14, 2007; and Barnett R. Rubin, "Peacebuilding and State-Building in Afghanistan: Constructing Sovereignty for whose Security?" *Third World Quarterly* 27, no. 1 (2006): 175-185.
- <sup>15</sup> Derrick W. Brinkerhoff, "Rebuilding Governance in Failed States and Post-Conflict Societies: Core Concepts and Cross Cutting Themes," *Public Administration and Development* 25 (2005):3-14.
- <sup>16</sup> Antonio Giustozzi, "Afghanistan: Transition without End, An Analytical Narrative on State-Making," Crisis Research center LSE, Working Paper Series 2 Paper no. 40, Nov 2008, <http://eprints.lse.ac.uk/22938/1/wp40.2.pdf>.
- <sup>17</sup> Ibid.
- <sup>18</sup> Oliver Roy, "Islamic Radicalism in Afghanistan and Pakistan," UNHCR, Writenet Paper, June 2001.
- <sup>19</sup> Isac Kfir, "Is there any hope for Peacebuilding in Afghanistan?"
- <sup>20</sup> Barnett R. Robin, *The fragmentation of Afghanistan: State Formation and collapse in international system* (Yale University Press, 1995), 43.
- <sup>21</sup> Antonio Giustozzi, "Afghanistan: Transition without End, An Analytical Narrative on State-Making."
- <sup>22</sup> Seth G. Jones, "The Rise of Afghanistan Insurgency: State Failure and Jihad," *International Security* 32, no. 4 (2008): 7-40.
- <sup>23</sup> Ahmad Rashid, *Taliban: Militant Islam, Oil and fundamentalism in Central Asia* (New Haven CT: Yale University Press, 2010); and Antonio Giustozzi, "Afghanistan: Transition without End, An Analytical Narrative on State-Making."
- <sup>24</sup> Ahmad Rashid, *Taliban: Militant Islam, Oil and fundamentalism in Central Asia*.
- <sup>25</sup> A CSIS study noted the rise of suicide attacks from 2 in 2003 to 137 in 2007 and number of terrorist attacks doubling from 491 in 2005 to 1,127 in 2008.
- <sup>26</sup> UNAMA, Armed Conflict and Civilian Casualties in 2008.
- <sup>27</sup> Seth G. Jones, "The Rise of Afghanistan Insurgency: State Failure and Jihad."
- <sup>28</sup> "Afghanistan caught in crossfire," *Economist*, Sept 17, 2008.
- <sup>29</sup> Asia Foundation's Survey of Afghan People in 2010.
- <sup>30</sup> Rani D. Mullen, "Afghanistan in 2009: Trying to Pull Back from the Brink," *Asian Survey* 50, no.1 (2010): 127-138.

- <sup>31</sup> Antonio Giustozzi, "Bureaucratic Façade and Political Realities of Disarmament and Demobilization in Afghanistan," *Conflict, Security and Development* 8, no. 2 (2008):169-192.
- <sup>32</sup> Anatol Lieven, "Afghanistan: an Unsuitable Candidate for State-Building," *Conflict Security and Development* 7, no. 3 (2007): 483-489. The figures are attributed to estimates by NATO.
- <sup>33</sup> M. Hassan Kakar, *A Political and diplomatic History of Afghanistan 1863-1901* (Leiden: Brill, 2006).
- <sup>34</sup> Antonio Giustozzi, "Afghanistan: Transition without End, An Analytical Narrative on State-Making."
- <sup>35</sup> Ibid.
- <sup>36</sup> Maxwell J. Fry, *The Afghan Economy: Money Finance and the Critical Constraints to Economic Development* (Leiden: Brill, 1974).
- <sup>37</sup> Barnett R. Robin, *The fragmentation of Afghanistan: State Formation and collapse in international system*, 43.
- <sup>38</sup> Bonn Agreement 2002.
- <sup>39</sup> Cyrus Hodes and M. Sedra, "The Search for Security in Post-Taliban Afghanistan," Rutledge Adelphi Paper no. 391, 2007. Karzai called it hope for future generations at national symposium for SSR on 30th July 2003.
- <sup>40</sup> Jonathan Goodhand and M. Sedra, "Bribes or Bargains? Peace Conditionalities and 'Post-Conflict' Reconstruction in Afghanistan."
- <sup>41</sup> Barnett R. Rubin, and H. Hamidzada, "From Bonn to London: Governance Challenges and the Future of Statebuilding in Afghanistan," *International Peacekeeping* 14, no. 1 (2007): 8-25. UK took the lead for counter narcotics, Italy for Judicial System, Germany for Police and Japan for DDR.
- <sup>42</sup> Ibid. US also led an overhaul of Ministry of Interior and Police after lackluster progress by Germany.
- <sup>43</sup> Jonathan Goodhand and M. Sedra, "Who Owns the Peace? Aid, Reconstruction and Peacebuilding in Afghanistan," *Disasters* 34 (2010): S178-S102.
- <sup>44</sup> Cyrus Hodes and M. Sedra, "The Search for Security in Post-Taliban Afghanistan," Rutledge Adelphi Paper No. 391, 2007.
- <sup>45</sup> Ibid.
- <sup>46</sup> 'Afghanistan Compact' set a new deadline by asserting that "by the end of 2010, a nationally respected, professional, ethnically balanced Army to be fully established that is democratically accountable, trained and organized to meet the security needs of the country commensurate with the nation's economic capacity"
- <sup>47</sup> Jonathan Goodhand and M. Sedra, "Who Owns the Peace? Aid, Reconstruction and Peacebuilding in Afghanistan." Many observers have criticized the 'train and equip' approach towards SSR with an aim to put more "boots on ground".
- <sup>48</sup> International Crisis Group, 2010, <http://www.crisisgroup.org/en/regions/asia/south-asia/afghanistan/B115-afghanistan-exit-vs-engagement.aspx>.
- <sup>49</sup> Anja Manuel and P.W. Singer, "A New Model Afghan Army," *Foreign Affairs* 8, no 4 (2003): 57; and Sven G. Simonsen, "Leaving Security in Safe Hands, Identity, Legitimacy, and Cohesion in the new Afghan and Iraqi Armies," *Third World Quarterly* 30, no. 8 (2009): 1483-1501. Simonsen also notes that Tajiks are still over-represented in the Army Officer Corps.
- <sup>50</sup> Hodes and Sedra, *The Search for Security in Post-Taliban Afghanistan* (2007), 58; and Adam Grissom, "Making it up as go along: State Building, Critical theory and military Adaptation in Afghanistan." Both estimates are on the basis of field surveys.
- <sup>51</sup> Hodes and Sedra, *The Search for Security in Post-Taliban Afghanistan*. Germany spent \$80m between 2002-06 but concentrated more on senior level neglecting the field staff.
- <sup>52</sup> Ibid.
- <sup>53</sup> Ibid. US spent total of \$4.6bn on Police training in 2002-08.
- <sup>54</sup> Adam Grissom, "Making it up as go along: State Building, Critical theory and military Adaptation in Afghanistan." There are four types of Police forces in Afghanistan i.e. Afghan Civil Police (ACP), *Grandarmerie* type Civil Order Police, Border Police and Specialized Police all under the central government.
- <sup>55</sup> International Crisis Group, 2005. Most of the AMF commanders moved their militia men to Police to circumvent the DDR process. The trend was most common in Highway Police which was later disbanded.
- <sup>56</sup> Hodes and Sedra, *The Search for Security in Post-Taliban Afghanistan*. It's estimated that 80% of Police officials are involved in drug trade and 70% are illiterate.
- <sup>57</sup> Seth G. Jones, "The Rise of Afghanistan Insurgency: State Failure and Jihad."
- <sup>58</sup> Peter D. Thruelsen, "Striking the Right Balance: How to Re-build the Afghan National Police," *International Peacekeeping* 17, no. 1 (2010):80-92.
- <sup>59</sup> Andrew Wilder, *Cops or Robbers: The struggle to Reform the Afghan National Police* (Kabul: Afghanistan Research and Evaluation Unit, 2007), [http://www.aren.org.af/index.php?option=com\\_content&task=view&id=39&Itemid=73](http://www.aren.org.af/index.php?option=com_content&task=view&id=39&Itemid=73).

- <sup>60</sup> Peter Middlebrook and S. Miller, "From Compact to Impact: Defining Joint Donor Response to the 2008," (paper, Paris conference on Afghanistan, March 2010), [http://www.geopolicity.com/upload/content/pub\\_1287582893\\_regular.pdf](http://www.geopolicity.com/upload/content/pub_1287582893_regular.pdf).
- <sup>61</sup> Jonathan Goodhand and M. Sedra, "Bribes or Bargains? Peace Conditionalities and 'Post-Conflict' Reconstruction in Afghanistan."
- <sup>62</sup> Ibid.
- <sup>63</sup> Barnett R. Rubin, and H. Hamidzada, "From Bonn to London: Governance Challenges and the Future of Statebuilding in Afghanistan." Government of Afghanistan only responded by re-creating the Taliban era's 'notorious' ministry of 'prohibition of vice and enforcement of virtue' which was responsible for egregious human rights violations and suppression of women.
- <sup>64</sup> Goodhand and Sedra, "Bribes or Bargains? Peace Conditionalities and 'Post-Conflict' Reconstruction in Afghanistan," 87.
- <sup>65</sup> Thomas Barfield, N. Nojumi and A. Their, *The Clash of Two Goods: State and Non-State Dispute Resolution* (Washington DC: United States Institute for Peace, 2006), 6. Authors note that post-Taliban system remains a shambling array of dysfunctional courts, ad-hoc elders' councils and rule by local strong men.
- <sup>66</sup> Shahrbanou Tadjbakhsh and M. Schoiswohl, "Playing with Fire? The International Community's Democratization Experiment in Afghanistan," 255. Rome Conference was convened in 2007 and donor support of \$360M was pledged.
- <sup>67</sup> Barnett R. Rubin, and H. Hamidzada, "From Bonn to London: Governance Challenges and the Future of Statebuilding in Afghanistan," 17.
- <sup>68</sup> Adam Roberts, "Doctrine and Reality in Afghanistan," *Survival* 51, no. 1 (2009): 29-60. Robert also points to absence of justice sector from US counter-insurgency manual. See also Saleh "Strategy of insurgents in Afghanistan" quoted in Seth G. Jones, "The Rise of Afghanistan Insurgency: State Failure and Jihad."
- <sup>69</sup> Watson, *The Times*, Dec 18, 2006.
- <sup>70</sup> Steven A. Zyck, "Former Combatant Re-Integration and Fragmentation in Contemporary Afghanistan," *Conflict, Security and Development* 9, no. 1 (2009): 111-131.
- <sup>71</sup> Bonn Agreement, Dec 2001. The agreement only said about DDR that "upon the official transfer of power, afghan armed forces and armed groups in the country shall come under the command and control of the Interim Authority, be re-organized according to the requirement of the new Afghan security and armed forces"
- <sup>72</sup> Ibid.
- <sup>73</sup> Roger Mac Ginty, "Warlords and the Liberal Peace: State-Building in Afghanistan."
- <sup>74</sup> Sultan Barakat, and S.A Zyck, "Afghanistan's Insurgency and the Viability of a Political Settlement," 194; and Sven G. Simonsen, "Leaving Security in Safe Hands, Identity, Legitimacy, and Cohesion in the new Afghan and Iraqi Armies," 1488.
- <sup>75</sup> Barnett R. Rubin, and H. Hamidzada, "From Bonn to London: Governance Challenges and the Future of Statebuilding in Afghanistan," 15.
- <sup>76</sup> Matan Cherev and Jake Sherman, "The Prospects for Security and Political Reconciliation in Afghanistan: Local, National and foreign Perspectives," (Workshop Report, Belfer Center for Science and International Affairs, Harvard Kennedy School, Cambridge, May 2010), <http://belfercenter.ksg.harvard.edu/files/reconciliation-afghanistan.pdf>. Report also notes that 50 % of "reconciles" of US military's outreach program were not found genuine according to a UN study.
- <sup>77</sup> Steven A. Zyck, "Former Combatant Re-Integration and Fragmentation in Contemporary Afghanistan," 114. UNAMA estimated the militia members figure as 94,000 but the Defense Ministry put the figure at 250,000.
- <sup>78</sup> Michael Bhatia and M. Sedra, *Afghanistan, Arms and Conflict; Armed Groups, disarmament and security in a post-war society* (London and New York: Rutledge, 2008), 16.
- <sup>79</sup> Seth G. Jones and A. Munoz, *Afghanistan's Local War: Building Local Defense Forces* (RAND, 2010).
- <sup>80</sup> Adam Grissom, "Making it up as go along: State Building, Critical theory and military Adaptation in Afghanistan," 498.
- <sup>81</sup> Ibid, 503.
- <sup>82</sup> Mathew Waldman, *Aid Effectiveness in Afghanistan* (Kabul: Agency Coordinating Body for Afghanistan Relief, 2008), [http://www.acbar.org/ACBAR%20Publications/ACBAR%20Aid%20Effectiveness%20\(25%20Mar%202008\).pdf](http://www.acbar.org/ACBAR%20Publications/ACBAR%20Aid%20Effectiveness%20(25%20Mar%202008).pdf).
- <sup>83</sup> Jeffery Dressler and C. Forsberg, *The Quetta Shura Taliban in Southern Afghanistan: Organistaion, Operations and Shadow Governance* (Washington DC: Institute for Study of War, 2010), [http://www.understandingwar.org/files/QuettaShuraTaliban\\_1.pdf](http://www.understandingwar.org/files/QuettaShuraTaliban_1.pdf).
- <sup>84</sup> Barnett R. Rubin and A. Rashid, "From Great Game to Great Bargain," *Foreign Affairs* 87, no. 6 (2008): 30-44.

- <sup>85</sup> Barnett R. Rubin, and H. Hamidzada, "From Bonn to London: Governance Challenges and the Future of Statebuilding in Afghanistan," 181; and Goodhand and Sedra, "Bribes or Bargains? Peace Conditionalities and 'Post-Conflict' Reconstruction in Afghanistan," 47.
- <sup>86</sup> B. R. Rubin and A. Rashid, "From Great Game to Great Bargain."
- <sup>87</sup> Peter Middlebrook and S. Miller, "From Compact to Impact: Defining Joint Donor Response to the 2008."
- <sup>88</sup> Adam Grissom, "Making it up as go along: State Building, Critical theory and military Adaptation in Afghanistan," 87; and Goodhand and Sedra, "Bribes or Bargains? Peace Conditionalities and 'Post-Conflict' Reconstruction in Afghanistan," 47.
- <sup>89</sup> Goodhand and Sedra, "Bribes or Bargains? Peace Conditionalities and 'Post-Conflict' Reconstruction in Afghanistan," 46. The individual militia commanders are given \$10,000 per month.
- <sup>90</sup> Antonio Giustozzi, "Afghanistan: Transition without End, An Analytical Narrative on State-Making." He has estimated the number of regular force during Zahir Shah's period as 80,000 which was used in three coups i.e. 1973, 1978 & 1979 and strength of regular army under Rabbani in 1995 was 70,000.
- <sup>91</sup> Mark Sedra, "Security Sector Reform in Afghanistan: The Slide towards Expediency," *International Peacekeeping* 13, no. 1 (2006): 94-110.
- <sup>92</sup> Shahrbanou Tadjbakhsh and M. Schoiswohl, "Playing with Fire? The International Community's Democratization Experiment in Afghanistan."
- <sup>93</sup> Thomas Barfield, *Afghanistan: A Cultural and Political History* (Princeton NJ: Princeton University Press, 2010).
- <sup>94</sup> Jonathan Goodhand and D. Mansfield, "Drugs and (Dis)Order: A Study of the Opium Trade, Political Settlement and State-Building in Afghanistan," Crisis States Center LSE, Working Paper Series 2, Paper No 83, Nov 2010. Authors argue that the Bonn agreement's failure to reflect de-facto regional power structures led to fuelling of insurgency especially from Pakistani side
- <sup>95</sup> Stephen D. Krasner, "Sharing Sovereignty: New Institutions for Collapsed and Failing States," *International Security* 129, no. 2 (2007): 85-120.
- <sup>96</sup> Andrew Reynolds, "The Curious Case of Afghanistan," *Journal of Democracy* 17, no. 2 (2006): 104-117. SNTV system aims at exclusion of Political parties from the electoral process by making one province as single constituency and allocating a number of seats which in case of Afghanistan are 2 to 33 (for Kabul) but a person can only cast his vote for one candidate thus making its impossible for political parties to field candidates.
- <sup>97</sup> The system is used only in Jordan, Vanuatu, and Pitcarin islands and is suitable for small constituencies having less than 4 candidates and is not generally desirable as a mean for turning votes to seats in a democracy
- <sup>98</sup> Shahrbanou Tadjbakhsh and M. Schoiswohl, "Playing with Fire? The International Community's Democratization Experiment in Afghanistan," 257.
- <sup>99</sup> Goodhand and Sedra, "Bribes or Bargains? Peace Conditionalities and 'Post-Conflict' Reconstruction in Afghanistan," 50.
- <sup>100</sup> Andrew Wilder, *A House Divided? Analyzing the 2005 Afghan Elections* (Kabul: AERU, 2005), [http://www.areu.org.af/index.php?option=com\\_content&task=view&id=39&Itemid=73](http://www.areu.org.af/index.php?option=com_content&task=view&id=39&Itemid=73).
- <sup>101</sup> Shahrbanou Tadjbakhsh and M. Schoiswohl, "Playing with Fire? The International Community's Democratization Experiment in Afghanistan," 261.
- <sup>102</sup> Rani D. Mullen, "Afghanistan in 2009: Trying to Pull Back from the Brink," 31. The turnout was 70% in 2004, 53% in 2005. Latest parliamentary elections manifested the stellar level of fraud in which around one million votes rejected and results announced after considerable delay with the tussle still on.
- <sup>103</sup> Seth G. Jones, "The Rise of Afghanistan Insurgency: State Failure and Jihad."
- <sup>104</sup> Thomas H. Johnson, "Afghanistan's Post-Taliban Transition: The State of State-Building After war," *Central Asian Survey* 25 (2006): 1-26.
- <sup>105</sup> Ibid.
- <sup>106</sup> A. Roberts, "Doctrine and Reality in Afghanistan," 49.
- <sup>107</sup> Goodhand and Sedra, "Bribes or Bargains? Peace Conditionalities and 'Post-Conflict' Reconstruction in Afghanistan," 49.
- <sup>108</sup> Sara Lister, "Understanding State-Building and Local Government in Afghanistan."
- <sup>109</sup> Barnett R. Rubin, A. Saikal and J. Lindley-French, "The Way Forward in Afghanistan : Three Views," *Survival* 51, no. 1 (2009): 83-96.
- <sup>110</sup> Sara Lister, "Understanding State-Building and Local Government in Afghanistan," 12.
- <sup>111</sup> Barnett R. Rubin, and H. Hamidzada, "From Bonn to London: Governance Challenges and the Future of Statebuilding in Afghanistan," 19; and Sara Lister, "Understanding State-Building and Local Government in Afghanistan," 6. Ministry of Rural Rehabilitation and Development (MRRD) is responsible for the 'peripheral'



- areas but their role is limited to centrally supervise programs like National Solidarity Program (NSP) by approving specific projects
- <sup>112</sup> Ibid. PRTs were supposed to “assist Afghanistan to extend its authority and enable SSR and reconstruction efforts
- <sup>113</sup> Touko Piiparinen, “A Clash of Mindsets? An insider account of Provincial Reconstruction Teams,” *International Peacekeeping* 14, no. 1 (2007): 143-157. Piiparinen was Finnish diplomat who served as international representative on one of the PRTs.
- <sup>114</sup> “Governance matters,” a World Bank report, 2006.
- <sup>115</sup> A World Bank report in 2005.
- <sup>116</sup> R. Mullen “Afghanistan in 2009: Trying to Pull Back from the Brink,” 133. A graphic example of state of governance was seen when a person who had served time in US prison for drug trafficking was made governor of a province Two of the starkest examples of corruption include the involvement of Central Bank head in plundering the assets and seizure of US\$50Million from Ahmed Shah Massoud’s brother at the airport.
- <sup>117</sup> Seth G. Jones, “The Rise of Afghanistan Insurgency: State Failure and Jihad.”
- <sup>118</sup> Barnett R. Rubin, “(Re)Building Afghanistan: The Folly of Stateless Democracy,” *Current History* (April 2004): 167.
- <sup>119</sup> Ibid. Rubin has aptly remarked about Karzai and his ministers “They are Pashtuns and they are leaders but they are not leaders of Pashtuns. They do not have those networks that make political base in Afghanistan’
- <sup>120</sup> Matan Chorev and Jake Sherman, “The Prospects for Security and Political Reconciliation in Afghanistan: Local, National and foreign Perspectives;” and Sara Lister, “Understanding State-Building and Local Government in Afghanistan,” 5.
- <sup>121</sup> Ibid, Chorev and Sherman.
- <sup>122</sup> Barnett R. Rubin, “(Re)Building Afghanistan: The Folly of Stateless Democracy,” 166.
- <sup>123</sup> Many observers put the number of Hekmatyar affiliates in parliament at 40.
- <sup>124</sup> An International Crisis Group report in 2007.
- <sup>125</sup> Jonathan Goodhand and M. Sedra, “Who Owns the Peace? Aid, Reconstruction and Peacebuilding in Afghanistan,” 91. The ANDS document was penned by international consultants and reflected donor goals rather than Afghan needs
- <sup>126</sup> Sultan Barakat, A. Giustazzi, C. Langton, M. Murphy, M. Sedra and A. Strand, *A Strategic conflict Assessment of Afghanistan* (London: Department for International Development, 2008), 65.
- <sup>127</sup> Goodhand and Sedra, “Bribes or Bargains? Peace Conditionalities and ‘Post-Conflict’ Reconstruction in Afghanistan,” 43; and Barnett R. Rubin, and H. Hamidzada, “From Bonn to London: Governance Challenges and the Future of Statebuilding in Afghanistan,” 175-185.
- <sup>128</sup> Per capita assistance for Afghanistan is one third of Iraqi assistance and one twelfth of what was provided in Bosnia a decade ago. Dobbins et al, *America’s role in nation building*.
- <sup>129</sup> Mathew Waldman, *Aid Effectiveness in Afghanistan*.
- <sup>130</sup> Hodes and Sedra, *The Search for Security in Post-Taliban Afghanistan* (2010), 85.
- <sup>131</sup> Mathew Waldon, *Aid Effectiveness in Afghanistan*, 10; and Shahrbanou Tadjbakhsh and M. Schoiswohl, “Playing with Fire? The International Community’s Democratization Experiment in Afghanistan,” 258.
- <sup>132</sup> Barnett R. Rubin, and H. Hamidzada, “From Bonn to London: Governance Challenges and the Future of Statebuilding in Afghanistan,” 23.
- <sup>133</sup> Ibid, 51.
- <sup>134</sup> Peter Middlebrook and S. Miller, “From Compact to Impact: Defining Joint Donor Response to the 2008.”
- <sup>135</sup> The DAD database can be assessed at <http://dadafghanistan.gov.af/>.
- <sup>136</sup> James K. Boyce and M. O’Donnel, *Peace and the Public Purse: Economic Policies for Postwar State building* (Bolder CO: Lynne Rienner, 2007).
- <sup>137</sup> Jonathan Goodhand and M. Sedra, “Who Owns the Peace? Aid, Reconstruction and Peacebuilding in Afghanistan,” 89.
- <sup>138</sup> “AfPak Regional stabilization Strategy,” US Department of State, 2010.
- <sup>139</sup> Mathew Waldman, *Aid Effectiveness in Afghanistan*.
- <sup>140</sup> Astri Suhrke, “Reconstruction as Modernization: The ‘Post-Conflict’ Project in Afghanistan,” 1301.
- <sup>141</sup> William Byrd, *Responding to Afghanistan’s development challenge: An assessment of Experience during 2002-2007 and Issues and Priorities for the Future* (Washington DC: World Bank, 2007); and Barnett R. Rubin, and H. Hamidzada, “From Bonn to London: Governance Challenges and the Future of Statebuilding in Afghanistan,” 17.

- <sup>142</sup> Astri Suhrke, "Reconstruction as Modernization: The 'Post-Conflict' Project in Afghanistan," 1301. It has been estimated that local war lords collect more taxes for their own use than for re-imbursement to the central government.
- <sup>143</sup> Quoted in Sultan Barakat, and S.A Zyck, "Afghanistan's Insurgency and the Viability of a Political Settlement," 194.
- <sup>144</sup> Shahrbanou Tadjbakhsh, "Conflicted Outcomes and Values (Neo) Liberal Peace in Central Asia and Afghanistan," *International Peacekeeping* 16, no. 5 (2009): 635-651.
- <sup>145</sup> Steven A. Zyck, "Former Combatant Re-Integration and Fragmentation in Contemporary Afghanistan;" and Barnett R. Rubin, and H. Hamidzada, "From Bonn to London: Governance Challenges and the Future of Statebuilding in Afghanistan," 21.
- <sup>146</sup> "AfPak Regional Stabilization Strategy," US Department of State, 2010. The agriculture strategy is called "civilian-military agri-development strategy" and focuses on 'raid response' and 'quick impact' projects.
- <sup>147</sup> Barnett R. Rubin, et al., "Building a New Afghanistan: The Value of Success, the Cost of Failure," Center on International Cooperation, Policy Paper, (2004), 19.
- <sup>148</sup> James Dobbins, et al., *America's Role in Nation Building: From Germany to Iraq* (Washington DC: RAND Corporation, 2003), 12.
- <sup>149</sup> William Byrd, *Responding to Afghanistan's development challenge: An assessment of Experience during 2002-2007 and Issues and Priorities for the Future*.
- <sup>150</sup> Barnett R. Rubin, and H. Hamidzada, "From Bonn to London: Governance Challenges and the Future of Statebuilding in Afghanistan," 20.
- <sup>151</sup> Goodhand and Sedra, "Bribes or Bargains? Peace Conditionalities and 'Post-Conflict' Reconstruction in Afghanistan," 43.
- <sup>152</sup> Jonathan Goodhand and M. Sedra, "Who Owns the Peace? Aid, Reconstruction and Peacebuilding in Afghanistan."
- <sup>153</sup> Barnett R. Rubin, and H. Hamidzada, "From Bonn to London: Governance Challenges and the Future of Statebuilding in Afghanistan," 21.
- <sup>154</sup> Jonathan Goodhand and M. Sedra, "Who Owns the Peace? Aid, Reconstruction and Peacebuilding in Afghanistan," 80.
- <sup>155</sup> Alexander Cooley and J. Ron, "The NGO Scramble. Organisational Insecurity and the Political Economy of Transnational Action," *International Security* 27, no. 1 (2002): 5-39.
- <sup>156</sup> Steven A. Zyck, "Former Combatant Re-Integration and Fragmentation in Contemporary Afghanistan," 125.
- <sup>157</sup> Shahrbanou Tadjbakhsh and M. Schoiswohl, "Playing with Fire? The International Community's Democratization Experiment in Afghanistan," 25. Authors also put the informal figure of below poverty line as 50%. See also UNDP Human Development Report for 2009. Life expectancy is stagnant at 43 as compared to 64 in the region, Infant Mortality of 200 per thousand, one out of five children is malnourished and only 12% have access to clean drinking water and sanitation.
- <sup>158</sup> Barnett R. Rubin, and H. Hamidzada, "From Bonn to London: Governance Challenges and the Future of Statebuilding in Afghanistan," 20.
- <sup>159</sup> Shahrbanou Tadjbakhsh, "Conflicted Outcomes and Values (Neo) Liberal Peace in Central Asia and Afghanistan," 648.
- <sup>160</sup> International Crisis Group noted in 2010 that the exit strategy sounds fairly simple; try to pound the Taliban, build support by protecting civilians, turn disillusioned Taliban over to the government, and create resilient security forces ; but the problem is that none of this is working.
- <sup>161</sup> Shahrbanou Tadjbakhsh and M. Schoiswohl, "Playing with Fire? The International Community's Democratization Experiment in Afghanistan," 253.

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## *About Institute*

The Pak Institute for Peace Studies (PIPS) is an independent, not-for-profit non governmental research and advocacy think-tank. An initiative of leading Pakistani scholars, researchers and journalists, PIPS conducts wide-ranging research and analysis of political, social and religious conflicts that have a direct bearing on both national and international security. The PIPS approach is grounded in field research. Our surveys and policy analyses are informed by the work of a team of researchers, reporters and political analysts located in different areas of conflict in Pakistan. Based on information and assessments from the field, PIPS produces analytical reports, weekly security updates and policy briefings containing practical recommendations targeted at key national and international decision-makers. We also publish survey-based reports and books, providing in-depth analysis of various conflicts or potential conflicts.



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