

Testimony by Mark L. Schneider, Senior Vice President, International Crisis Group to the Commission on Wartime Contracting in Iraq and Afghanistan on “interagency and international planning and coordination in Iraq and Afghanistan Reconstruction and Stabilization”

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I want to express my appreciation to the two co-chairs, Michael Thibault and Christopher Shays, and the other Commissioners on Wartime Contracting in Iraq and Afghanistan for the opportunity to testify this morning on interagency and international reconstruction and stabilization.

For the past 15 years, Crisis Group has sought to help prevent and manage global conflicts. The genocide of Rwanda and mass atrocities of Srebrenica sparked the creation of the Crisis Group. The founders of the group believed that the international community could not ignore such flagrant abuses of fundamental human rights, on moral grounds as well as because of their impact on regional and international peace. During the Cold War, the East-West confrontation gave all conflicts in whatever part of the world strategic linkages and therefore the major powers were affected. With the demise of the Cold War, the fear grew that decision makers would ignore those conflicts, even when mass atrocities took place.

Our founders, George Mitchell, Mort Abramowitz, Fred Cuny, Steve Solarz, and George Soros, were determined to prevent that from occurring. Mitchell and Nobel Prize winner Martti Ahtisaari are chairmen emeritus of our board of trustees which now is headed by Lord Patten of Barnes (the UK’s last governor general in Hong Kong) and Career Ambassador Tom Pickering. The board includes former UN Secretary General Kofi Annan, former Presidents or Prime Ministers Ernesto Zedillo, Ricardo Lagos, Joaquim Chissano, Pat Cox, Fidel Ramos, and Wim Kok and another 40 or so former ministers, officials and international opinion leaders. They also include a stellar group of bi-partisan Americans, including former SACEUR General Wes Clark, NSC director Zbigniew Brzezinski and former deputy secretary of state Richard Armitage. They usually can reach any world leader to convey our findings, conclusions and views. Louise Arbour, former UN High Commissioner for Human Rights and former chief prosecutor of the International Criminal Tribunal for the former Yugoslavia, took over as president in July from Gareth Evans, former foreign minister of Australia.

We produce some 90 reports a year, along with a monthly CrisisWatch alert, had more than three million of our reports downloaded last year and are recognized as the leading

conflict analysis non-governmental organization worldwide. We conduct field-based conflict analyses in 60 countries, design policy recommendations for governments, international organizations, business and civil society leaders and promote high level advocacy to identify and hopefully prevent potential conflicts from turning violent and when violence occurs, point the way toward mitigation and ultimate resolution.

By identifying with greater precision those distinctive elements which are present in a society in the years prior to the outbreak of a civil conflict, we may well be able to intervene with effective national, regional and international policies, programs and actions to stop the degeneration into deadly violence. Where conflicts already exist, we may be able to better understand how to bring them to an end. And when there is an end to violence, we may be better positioned to sustain a more secure peace by helping countries produce more effective reconstruction and stabilization programs.

Let me add that our inquiries have ranged across the field of political, economic and social factors – the denial of religious freedom, illicit exploitation of diamonds and drugs, political exclusion, and political repression which sow the seeds of violence.

The Crisis Group and other NGOs have led efforts to identify factors that can lead to conflict, the decisions that might trigger deadly violence and the forces that build towards atrocities and mass killings. In many ways, we fill a gap that exists at the national and inter-governmental level. A wide range of factors inhibit the process of moving time-sensitive information up the many levels of government bureaucracies to the policy decider. In those instances, independent voices such as ours can come face to face with decisionmakers – such as when Louise Arbour and I met with the chairman of the Joint Chiefs of Staff not too long ago— and use the media to triangulate our message, to bypass the bureaucratic red-tape and reach those decisionmakers faster.

Crisis Group has concluded that security and development, including governance and the rule of law, must be implemented simultaneously—not sequentially— if countries are to be successful in post-conflict reconstruction efforts. Without security, it is impossible to establish sustainable democratic governance, provide essential public services and generate economic development. Without governance, economic opportunity and the rule of law cannot gain a foothold, and the result is no exit strategy for anyone.

With that introduction, let me discuss the five questions that must be considered in answering how to effectively implement interagency planning and reconstruction: 1) How can the U.S. government structurally improve its inter-agency and international planning and implementation of reconstruction and stabilization efforts? 2) How can the U.S. support a competent civilian police force and the other institutions of law enforcement critical to the rule of law? (This question has particular significance with respect to Afghanistan) 3) What are the positive and negative aspects of provincial reconstruction teams (PRTs) in Afghanistan? 4) What are the inter-agency and international aspects of the reconstruction process? and 5) What should be the proposal for “post’ Section 1206-1207 remodeling security sector assistance authorities.

## **QDDR and Foreign Assistance Reform:**

In the 21<sup>st</sup> century, enhancing conflict prevention, and in particular the effort to prevent the next genocide, has captured the attention of governments and the global community. There is also recognition that effective post-conflict reconstruction is the most efficient way to prevent future conflict. This recognition is apparent by the proliferation of state and non-governmental entities that exist specifically to address this very issue—S/CRS at State, OTI and CMM at USAID, special units in the British government, the START program in the Canadian government, UNDP, the Peacebuilding Commission at the UN, and the World Bank’s unit on Fragile and Conflict-Affected States. In fact, the 2011 World Bank Development Report will be on Conflict, Security and Development. We also can see it in the Department of Defense’s Directive 3000.5 – a 2005 issuance which essentially states that the U.S. military must be prepared to fill the vacuum created by the incapacity of civilian agencies to meet the demands of rapid stabilization and reconstruction. However, that is the fundamentally wrong answer. The right answer came from Secretary Gates in 2007, when he stated:

“What is clear to me is that there is a need for a dramatic increase in spending on the civilian instruments of national security – diplomacy, strategic communications, foreign assistance, civic action, and economic reconstruction and development.”

One of the five working groups preparing the Secretary of State’s Quadrennial Diplomacy and Development Review (QDDR) is “Preventing and Responding to Countries in Crisis and Conflicts.” The question they are asking is what capabilities are required within the U.S. government to respond to these challenges. Although the major policy question as to whether and how the U.S. government should respond is supposed to be the subject of the NSC coordinated International Development Strategy, I suspect policy suggestions may well appear in the QDDR as well.

There is also a positive parallel movement underway in the Congress to design a new Foreign Assistance Act. If it can be coordinated with the QDDR and the new International Development Strategy, we might achieve foreign assistance reforms that include policy coherence, management accountability and operational agility. As you consider these issues, I urge you to think about both conflict prevention and post conflict reconstruction, and recognize that the skills and functions of the former also are required for the latter. If done well, it is also the path to avoid future conflict.

## **USAID Revitalization:**

The result of the executive/legislative review of these issues will hopefully be the revitalization of USAID as a development agency as widely recognized for its competence and capacity in its field as the U.S. military is in its field. This will require an urgent change in mindset when it comes to reconstruction. Conflict prevention and post conflict reconstruction need to be seen as core agency responsibilities and a cadre of

professionals must be integrated to accomplish that task. Far greater resources must be authorized and appropriated. The Civilian Response Corps is an important adjunct currently under State authority. Ideally, the operations of the Corps should be available in both prevention and post conflict response and linked to the primary prevention and reconstruction responsibilities of a premier development agency, which USAID was and can become again.

In recent decades the U.S. development arm has withered; consider that in 1975, 4,300 foreign service officers served with USAID; today they number just over 1,300. Given the nature of the current threats facing fragile and failed states, including organized crime, terror and extremist groups, it could be argued that three times the number of USAID foreign service officers are needed, versus less than one-third of those on hand in 1975. In fact, in the 1960s, full-time global direct-hire staff totaled 18,000 – today that number still hovers below 4,000, although it does not include foreign nationals who no longer are direct hires.

These dire circumstances lead us to the Commission's examination of circumstances in Afghanistan, where the withering has resulted in nearly three-quarters of all development assistance in Afghanistan conducted through contractors.

In referring back to the first question of how the U.S. should structurally improve inter-agency planning – I would strongly argue that all operational responsibilities for Long-Term Development, Conflict Prevention and the civilian functions of Post Conflict Reconstruction and Humanitarian Relief should be overseen by a well-staffed USAID – with the caveat that the necessary resources were allocated to support this. Overall planning and policy would be shared by State (S/CRS, policy planning and regional bureaus) and USAID, but the operational responsibilities for civilian reconstruction would be largely those of a renewed USAID. Another caveat is for State to develop further its diplomatic crisis prevention teams to assist embassies in negotiating and mediation. At the inter-agency level, there should be one NSC coordinator for both conflict prevention and post conflict reconstruction. To the degree that other government departments have a capacity to offer technical support, they should be coordinated within State/USAID at the country level.

### **Failed States:**

Let me you tell why. What produces fragile and failed states? The answer is the failure of development, governance and the rule of law - usually with a large dollop of corruption. The Department of Defense is not trained to address post-conflict reconstruction in failed states - nor should it be; it has its own roles and responsibilities and they are different.

However what DoD does have is enormous resources and the built-in capacity for self-evaluation that improves its operations. USAID needs a similar capacity, perhaps constructed with State at the Foreign Service Institute.

Recall Paul Collier's listing of the most significant indicators of future conflict. After analyzing all conflicts of certain size back to 1945, he found that three of the most significant indicators were so-called "greed" factors: low per capita income, slow economic growth, and large exports of natural resources (see, for example, "Post-Conflict Risks", Paul Collier, Anke Hoeffler and Mans Soderbom, July 2006).

Collier also analyzed "grievance" drivers, which Barbara Haar, Pauline Baker and others also have identified, including inequality, political, ethnic and religious differences, and ethnic dominance. The last proved to be the most significant, doubling the risk of conflict.

Effective development and effective diplomacy can help prevent these factors from becoming conflict drivers. Programs that partner with countries to expand girls' education, build civil society, spread the opportunity for broad-based economic growth (including minorities and women's political and credit access), build sustainable health systems, and extend governance to local communities are key elements in designing effective development strategies. USAID, given the right resources, is positioned to do just this – it has the experience and the expertise. USAID is the agency that should be on the front lines addressing these conflict drivers with embassy diplomatic support, before DoD needs to get involved in quelling the outbreaks of violence that occur when these drivers are ignored.

### **Police and Rule of Law:**

The second question deals with how the U.S. can support the rule of law in post-conflict environments. Let me focus on one area that is crucial for post-conflict reconstruction - one we are still failing to implement successfully in Afghanistan - police and the rule of law. In part, that failure corresponds to the U.S. government's failure and, more broadly, the international community's failure, to establish a standing capacity to provide for the rule of law in post-conflict countries and to assist those countries in training and building their own police forces, prosecutors, judges and prisons.

When I was at USAID, I was heavily involved in post conflict reconstruction in Central America. In El Salvador, where we had the most success, we had international support - including a police academy with many Canadian and Scandinavian police trainers. From Day One, we had a commitment to train and support civilian police – the result of its incorporation into the peace agreement. The El Salvadoran police force soon became one of the most respected institutions in the country. In Haiti, where I also was involved, we failed. Our failure was partly because we did not insist on parallel judicial reform, and partly because we did not come down forcefully when we witnessed the politicization of the Haiti National Police, which included death threats against the civilian head of the police.

I have traveled to Afghanistan four times since 2001 for Crisis Group. Each time I have pursued the question of police training and the rule of law down to the community level. Rule of law was - and is – absolutely essential for counterinsurgency efforts to work and

for success and stability to be achieved in post conflict reconstruction. Yet Crisis Group has reported that this entire area was ignored by the United States for nearly five years, poorly supported by anyone. Corruption has been virtually ignored, which has not surprisingly resulted in the complete loss of the support and confidence of the Afghan people. When the U.S. initially engaged, there was a slightly incoherent view of the ANP as an auxiliary security force rather than as the core of law enforcement. Not until 2007 was there a more robust financial commitment. However, without the necessary corresponding focus on the role of police, on ending corruption in police appointments, on assuring adequate numbers of trainers and mentors and placing equal attention to the prosecutorial and judicial legs of the stool, financial commitment to police training will not equate to success on the ground. Those elements remain absent to a large degree even today.

On-the-ground police training and restructuring has also not been matched by either political will in Kabul or foreign capitals' desire to tackle the powerbrokers who are impeding reform, complicated by quick fix attempts to rely on local militias. A senior international official described to Crisis Group that “[we are] trying to do police reform while simultaneously co-existing with forces who want to reach in and corrupt it”. Police appointments and operations are subject to interference at every level. Despite these shortcomings, there is renewed hope. Personnel changes at the top provide fresh impetus in setting goals and driving implementation. These changes include a new interior minister, a new attorney general and a new commander of the European policing mission – a task NATO adopted as a core responsibility.

The previous Combined Security Transition Command-Afghanistan (CSTC-A) commander tried through the Focused District Development program to meet some of the shortcomings that Crisis Group, the GAO and government inspectors general identified. However, after nearly two years and a failure to provide the much-needed trainers and mentors, last year only 18 district police units were deemed capable of independent action. Now, under the NATO Training Mission-Afghanistan (NTM-A), we are still shy some 2,000 trainers and about 130 mentoring teams. Only a handful of the district police units are capable of independent action – even with mentors (In October, SIGAR reported only 11 of the 95 units it reviewed hit that mark). The answer is not to short-cut the training; the answer is to order the trainers and mentors to the field.

NTM-A clearly knows that there is a fundamental difference between the task of training the army and training the police. Its leaders share the view that the latter must be part of an integrated rule of law system if it is to succeed. I also know that everyone close to this issue recognizes that the July 2011 timeline for meeting the production of trained, even minimally independently effective, police will not be met with the current numbers of available trainers and mentors..

At the London International Afghanistan Conference, there was yet another long list of commitments to build an effective ANSF—one that would grow the police to 134,000 and the army to 172,000. It would be desirable first to insure that the currently authorized 82,000 police meant that 82,000 trained, equipped and competently led police were now

deployed. Instead, what we know is this: the bulk of police forces have not yet participated in the FDD program, many are still not paid on time, and a substantial number never actually show up to their police stations - presumed AWOL, injured, dead or missing. Our most recent information indicates that the actual number of on duty police officers was closer to 56,000, which not only means the police are missing, but also that there are thousands of weapons that are unaccounted for as well.

In answering how the U.S. should support a competent civilian police force and other rule-of-law institutions, there is, above all, a pressing need for an improved and shared by the international community and the Afghan government strategic focus across the security and rule-of-law sectors, one which ensures that police reform takes place within larger state-building efforts. Such a strategic focus would include:

- clearly defining the roles and responsibilities of the different security organs – the police, the military and the intelligence agencies;
- parallel reform and links with prosecutors' offices and the justice sector;
- public outreach and consultation with civil society, including women's organisations, about the shape of policing and the creation of civilian accountability mechanisms; and
- moving past security-oriented, auxiliary military notions of policing to include community-policing efforts that build community trust and credibility.

As the Commission has previously noted, with respect to management, both the Special Inspector General for Iraq Reconstruction (SIGIR) and the Special Inspector General for Afghanistan Reconstruction (SIGAR) have identified gross failures in oversight of private contractors, particularly in relation to police training. We think that is almost inevitable when private contractors are given tasks that truly should not be contracted out. The U.S. government needs to have a capacity to provide integrated rule of law support from a civilian capacity within its own resources.

## **PRTs**

Third, let me briefly discuss Afghanistan's Provincial Reconstruction Teams as an example of civilian/military cooperation for counter-insurgency reconstruction. Reconstruction and state-building in the midst of war has to be the most difficult challenge that the international community faces. The ideal scenario is to clear the enemy, team with indigenous forces to hold the area and immediately establish protected civilian institutions. These would include police, prosecutors and judges as well as elected local officials, schools, clinics and economic activity. .

There are currently 26 PRTs operating throughout Afghanistan; 12 are operating under US control, 2 under German control, and various countries each control one PRT (UK, the Netherlands, New Zealand, Turkey, Czech Republic, Sweden, Hungary, Norway, Italy, Spain, Lithuania, and Canada). While the operational independence of each PRT provides it with the flexibility to adapt as conditions change, it prevents the formation of

a unified structure between PRTs and leaves the system vulnerable to swings in the political will of troop-contributing countries.

The 12 U.S. PRTs resemble each other far more than those controlled by other countries. They average 80-100 troops each, including 3 to 10 civilians. They are led by a military commander, operate in volatile parts of Afghanistan, and often focus on quick-impact projects. However, other distinct PRT models exist in Afghanistan. Two salient examples are the British and the Germans. The UK PRT model is composed of about 70 military and 30 civilian members, with a civilian in command. The German PRT model emphasizes a larger number of soldiers, operating in a more permissive security environment. It features a “dual-headed” structure, with one civilian and one military commander. Some other PRTs, such as the Lithuanian team, are multi-national, and focus on a broad range of competencies. The Canadian team is composed of 330 members, including corrections specialists and members of the Royal Canadian Mounted Police.

PRTs were an innovative response, and in some areas of the country, are the main instruments of international engagement. Local authorities generally welcome them because they provide funds that are spent locally, in contrast to Kabul’s highly centralized financial system. Comprehensive, nationwide planning for PRTs is also hindered by the PRTs’ national caveats and rotations as short as four months. In the past, PRTs carried out projects without regard to national or sectoral planning, but always designed to engender local sympathy and therefore protect their troops. In all cases, if the goal is sustaining impact, the proposed projects need to fit within the country and provincial development strategies.

A PRT doctrine should define the following:

- When they are appropriate and necessary;
- The benchmarks which should be used to transition from a heavily military to a heavily civilian composition;
- The conditions which define when they should be under military command and when under civilian command and, most importantly,
- The benchmarks for the PRT to disappear and normal civilian development programming to occur.

### **Strengthen Civilian Capacity:**

Fourth, there are inter-agency requirements for a new model of conflict prevention and post conflict reconstruction. The Government Accountability Office recommends that “an integrated government-wide strategy that defines actions and resources, enhances collaboration with host government and donors, and improves measures to monitor progress is developed.” I am hopeful that is what the QDDR will produce.

The GAO, Crisis Group, SIGAR, and SIGIR, other NGOs and former officials have identified several clear requirements for conflict prevention, reconstruction and development:

- Identify overlapping capacities and funding within USAID and State to address conflict prevention and stabilization. Reforms should include measures to ensure coherent and much, more robust structures to build:
  - 1) Planning, doctrine development, and coordination capacity—DoD has enormous military planning capacity and that planning capacity truly does not now exist in USAID or State in the magnitude that is required.
  - 2) Expeditionary capacity
  - 3) Conflict Prevention capacity
  
- Authorize a new flexible Complex Crisis Fund at well over \$100 million in future years to be centrally managed by USAID in consultation with State, to prevent and respond to crises. The funding should be “no-year” similar to the Emergency Refugee and Migration Account used for conflict emergency prevention and response. Real time consultation with Congress should be required before funds are disbursed, but the notification period cannot be allowed to slow an emergency response and always in U.S. Diplomacy.
  
- Integrate conflict prevention as a cross-cutting consideration in U.S. development aid policies and programming and always a major priority of U.S. diplomacy.
  
- Establish a central funding stream for all US foreign police, justice and rule of law training in the Foreign Assistance Act. The focus should be on support for rule of law as part of the civilian-led effort to strengthen governance in both conflict prevention and post-conflict situations. Remove the legal restriction of Section 660 on USAID so that, where appropriate conditions exist, such as democratically elected government in need of support or countries coming out of conflict, comprehensive support for rule of law can be provided by USAID. DOD should not need to step in because its civilian counterparts either are unable, unwilling or unprepared. Even less desirable is for DoD to have to take over this role because neither USAID nor State are prepared and funded to do so.

In stabilization and reconstruction situations recognize that there will come a time when a transition to more normal development programming can occur and early planning for that hand-off is not only desirable but essential.

**What comes after Sections 1206-07:**

Finally, let me return to the Commission’s questions regarding sections 1206, 1207 and the Secretary of Defense’s proposals for Remodeling Security Sector Assistance Authorities. Is this the right inter-agency model to achieve operational coherence, inter-agency coordination and effective results? Return to Secretary Gates’s words that is needed is “...a dramatic increase in spending on the civilian instruments of national security...” not changing the Defense Department’s mission.

I agree with Secretary Gates. But I do not believe his comment is consistent with the actions of the Department of Defense in 2007 and 2008, when it undertook 20% of

foreign assistance rather than the 3% it had in the past. I have similar concerns that the Secretary's proposal, spelled out in the 15 December 2009 letter, assumes a continued vacuum because USAID and State will not have the resources to act.

Therefore, he proposes to create three separate funds for security sector assistance, in which final authority for security capacity, stabilization and conflict prevention would rest with both the Secretary of Defense and the Secretary of State. (Apparently a fourth fund for equipment would reportedly be operated by DoD alone). In fact both Congressional action and Administration proposals on the Complex Crises Fund moots 1207 and the DoD proposal to a large extent.

For conflict prevention, if the resources are allocated, the Secretary of State and the USAID Administrator should share final authority, with the Secretary in the lead for policy and the Administrator overseeing programming. It seems unnecessary to involve the Secretary of Defense in final decisions/authority at all. However, ideally, USAID would be provided with the necessary human and financial resources, making triple headed authority unnecessary. . In the field, it is unwise to violate the traditional unity of command by inviting the Combatant Commander to make foreign policy decisions generally reserved for the Ambassador as Chief of Mission, particularly with respect to stabilization and prevention issues. It would be equally unwise for the Ambassador to make decisions about military operations.

For the stabilization fund, which clearly replaces the core of Section 1207, the Secretary of State should again have final authority, with assistance from USAID on the substance of governance, civil society participation and rule of law issues. In the field, the control should be held by the Chief of Mission, with substantive support from the USAID mission director and in consultation with the military command.

Deputy Secretary of State Jack Lew addressed some of these issues just a few weeks ago in briefing on the FY2011 State/USAID budget. He said, "This budget also begins to rebalance civilian and military roles....This budget rebuilds civilian capacity to fulfill these critical missions. For example, the budget includes \$100 million for a complex crises fund that will enable the Secretary of State to meet key emergent crises and foster stability in countries that are coming out of crisis. This represents a decision to transition funding for this purpose from the Department of Defense's 1207 program and to place the authority directly within State and USAID....Similarly, our budget includes civilian funding for the Pakistan Counter Insurgency Capability Fund and for police training in Iraq, both programs which were previously funded in the Department of Defense."

What the Secretary of Defense's letter does offer -- and which hopefully would be incorporated into an overall response to stabilization and reconstruction -- is that in areas where the U.S. military is deployed, there must be a consultation and coordination between the three agencies.

In conclusion, let me add that the importance of finding ways to enhance the U.S. and international capability in post-conflict reconstruction has to be seen as among the

highest of this nation's national security priorities. I look forward to the Commission's recommendations.