Afghanistan Policy Page

A twice-weekly, one-page brief on a major issue concerning US policy and engagement in Afghanistan.

26 January 2010

Development Issues

Take Aways

- Development aid is important in Afghanistan, a country economically disadvantaged due to decades of war. **Taliban militants often target development assistance projects**.
- **Key areas of development** in Afghanistan reflected by current international assistance are: governance, education, agriculture, health, and infrastructure.
- **Some analysts worry that development assistance needs more coordination,** otherwise the aid might risk duplication or working at cross purposes during ongoing efforts to improve the linkages between the national and local governance.
- **Development aid has strategic implications for supporting counterinsurgency efforts**, but this alone is not a panacea for solving Afghanistan's multiple, interconnected problems

Key Issues

- **Fostering Afghan Capacity and Ownership** – Building capacity and linking Kabul with Afghan provinces is a fundamental component of development aid. The Afghanistan National Development Strategy (ANDS), developed in 2008, is a current blueprint for development to increase ownership and accountability, but it has suffered budget shortfalls and other implementation challenges.
- **Planning and Coordination**
  - Afghanistan receives the majority of its budget from international donors whose funding cycles may not align with the Afghan fiscal year. Multi-year funding is rare, causing budget forecasting challenges.
  - Many donor countries earmark their aid for regions on the basis of where their troops are located or to satisfy a political interest, rather than in response to actual local development needs.
  - Coordination challenges are created by the differing mandates, incentives, and resources of multiple development actors. Significant development activity occurs outside the Afghan government's control and awareness.
- **'Militarization' of Development** – As a result of ongoing insecurity on-the-ground, the military engages in development activities. The US Commander's Emergency Response Program (CERP) funds quick, visible projects under military supervision. Some commentators worry this is an intrusion into the development realm, perhaps not integrated with long-term development goals or coordinated with relevant Afghan ministries.
- **'Brain Drain' Effect** – Many educated Afghans find it more profitable to take menial jobs for international organizations rather than in their previous professions (for example in high-value roles such as doctors, teachers and senior civil servants) thus causing a dearth of talent in important parts of the Afghan economy and society.

Possible Questions

- What is being done to **coordinate development activities** between civilian and military actors? Is it possible to make **multi-year commitments** to allow for more predictable budgetary planning?
- What is being done to **build capacity** in Afghanistan to **mobilize its own resources** to provide the governance desired by its people?
- What is being done to **improve integration** between local levels of government (i.e. province, district) and Kabul?
- How is **progress being measured and assessed**? And what is the strategy to ensure that eventually the Afghan state will **function independently** of international development aid?

Top Key Facts

- Afghanistan's annual budget, fiscal year 2008-2009:
  - Core budget: **$2.6 billion** (under Afghan government direct control)
  - External budget: **$4.8 billion** (little or no Afghan government control)
- Foreign aid accounts for **40% of legal GDP.**
- **92% of Afghans want aid to be spent through the government** despite their acknowledgement that the government is often corrupt (Integrity Watch Afghanistan).
- CERP funding 2004-4008: $1 billion; only **10% of CERP projects** were required to be coordinated with an Afghan ministry.

In the News

- "The space for neutral humanitarian engagement is dangerously shrinking. Aid workers are seen as complicit with western intervention and become targets; indeed Colin Powell made that explicit in a now infamous phrase when he commended humanitarian NGOs as "force multipliers for the US government". But that is not all, the projects themselves – the schools and clinics – become battlegrounds".
  Madeleine Bunting in *The Guardian*, Sunday 24 January 2010.

Further Reading

AREU Homepage:
http://www.areu.org.af

World Bank Report:
http://bit.ly/7TGCqF

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