Challenges to State-building Efforts in Fragile States: Lessons from Afghanistan post 2001

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Introduction

The end of the Cold War saw the emergence of new security threats which were no longer confined within a bipolar logic. One of these emerging security threats was fragile states and their implications on the international community. The terrorist attacks of 11 September 2001 further distinguished the security threats of fragile states and propelled state-building into the international agenda. While there is no authoritative definition of a fragile state, it can be best described as ‘the state’s lack of will or capacity to preform core state functions’. To this end, state-building is generally an internationally triggered intervention to remedy a fragile or failing state by the ‘creation of new government institutions and the strengthening of existing ones.’ Such efforts would create effective governance of the population thereby reinstating social order by the provision of ‘economic and physical security’ for citizens. Moreover, state-building is carried out on the basis that it reduces the fragile states’ threat to regional and global security. Such threats are as diverse as illicit trade, mass migration, organised crime, transnational terrorism and violent conflict. State-building however is not always effective in combating such threats and may cause more harm by exacerbating the problems of the fragile state in the ‘search for democratic legitimisation.’

This essay has the aim of reviewing some of the major challenges faced by the international community during its endeavour of state-building in fragile states. To illustrate these

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2 Ibid, 9.
challenges, the essay will focus on state-building efforts in Afghanistan post 2001 and attempt to suggest how the continuing state-building effort in Afghanistan can be made more effective. The first part will analyse the synergy of the western-centric state-building approach towards Afghanistan. The following section will concentrate on the function of foreign aid in Afghanistan and the associated problems. Finally, the third section will explore the lack of ability of international institutions to effectively network with each other, the Afghan people and authorities. The essay will conclude that unless more intelligent measured steps are taken, the current state-building efforts in Afghanistan have the potential to lead the country into greater harm.

The International Approach to State-building

State-building is never a simple task. Reviving states that are on the brink of collapse is a difficult task, even for a determined international coalition. In Afghanistan, the effective regulation of the country has always remained elusive for successive Afghan Governments. The heterogeneity of the Afghan rulers and their population had made the task of effective government difficult if not impossible. Afghanistan had seen wars, state-wide corruption, poverty, violent conflicts and lack of effective central government for decades before the United States (US) led intervention in November 2001. Given that the roots of instability were traced to Afghanistan’s failure of governance, the implementation of the Bonn Agreement and the task for the international state-building force was to commence at a very difficult level. Unlike previous international state-building efforts which commenced after a settled civil war, Afghanistan’s intervention was a sudden external invasion following decades of turmoil.

The Bonn Agreement set out a blueprint for rebuilding Afghanistan by re-asserting authority from the centre. This democratic centralisation of power is least suited to Afghanistan as its regions have traditionally operated with relative autonomy under the control of tribal leaders.

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6 Immediately following the US led invasion of Afghanistan the Bonn Conference was convened to draft the roadmap to rebuilding Afghanistan after the fall of the Taliban regime. The Bonn Agreement was signed on 5 December 2001, titled ‘Agreement on Provisional Arrangements in Afghanistan Pending the Re-establishment of Permanent Government Institutions’, This agreement was followed by the London Compact in 2006.


and warlords and it would be misleading to ‘perceive the state as a counterweight’⁹ to such regional controllers. While the Taliban may have been removed from power over several months, it would be unrealistic to expect that a ‘Kabul-centric’¹⁰ government would have the capacity to democratise the county with such expediency. To this end, the international community’s push to extend the authority of Kabul to the regions has been faced with significant challenges. The primary reason for such governance challenges is based on the fact that a standardised closed policy model of intervention was applied with a limited account of the attributes and needs of the Afghans. This policy, built on the Weberian model, promotes the ‘liberal peace’ goals of a market-based, open economic, pro-poor growth strategies, liberal democracy and respect for human rights.¹² This universal approach is not only largely irrelevant for the host society, but also only encapsulates the view of the interveners.¹³ Moreover, the defining social construct of Afghanistan places it in direct contradiction to the Western Weberian model of state governance. To this end, the sudden imposition of Western democratic liberal forms of governance on Afghanistan would almost inevitably fail. More importantly, today’s great democratic states were built upon many years of war, conflict and bloodshed where violence was seen as an opportunity rather than a problem.¹⁴ It would therefore be farfetched and fanciful to expect a country with years of autocratic rule to embrace a transplanted democracy.

The problems of poor policy formulation are compounded when the state-building policy is introduced with other primary short term goals running in parallel. In the Afghan case, the reason for invasion was based on a security objective which was formed immediately following 9/11. That objective was the removal of the Taliban and associated transnational terrorist networks being harboured inside the country. The overarching argument for the ineffective state-building intervention of Afghanistan is that the state-building effort had security as its primary agenda. Essentially, the ‘US has focused so much on building an ally

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in the War on Terror that it has neglected the steps of building a stable state."\(^{15}\) This was evident from the very beginning of the invasion when the US purchased support of the Northern Alliance in the fight against the Taliban in rural areas.\(^{16}\) After the fall of the Taliban, various paramilitary groups and warlords emerged stemming from the US empowerment at the beginning of invasion. The purchasing of fighters also went against the construct of a Weberian, transparent, and meritocratic state which the US publicly portrayed under an anti-corruption narrative.\(^{17}\) The same tactics were employed by the Central Intelligence Agency on a political level to retain and buy the support of Afghan political figures. More recently, it has been revealed that the US Department of Defense is outsourcing security for the supply chain in Afghanistan to warlords who make protection payments to insurgents to coordinate safe passage of supplies.\(^{18}\)

Similar failings were evident in the drafting of the Bonn Agreement. The Agreement was seen as a ‘winner-takes-it-all’\(^{19}\) power-sharing deal in which the Northern Alliance took the majority of the government positions, the Pashtuns were underrepresented and the Taliban had no function, fuelling a legitimacy problem from the start. It was these short-term security initiatives which now continue to hinder state-building efforts. The failure of such actions remains evident today. Over a year after the death of Osama Bin Laden, coalition forces are still being targeted and killed by terrorist led insurgent attacks involving new tactics including the penetration of the Afghan National Army to kill coalition members.\(^{20}\)

It is evident that US Policy makers have misjudged Afghanistan and their own capacity to carry out strategic change.\(^{21}\) Perhaps the single most important factor in improving state-building in Afghanistan would have to be the recognition of the country’s past and current domestic makeup. Policy formulation needs to engage all tribal factions of Afghanistan, including the Neo-Taliban. Moreover, there must be a clear recognition that a ‘security-
development nexus\cite{Anderson} exists in state-building. This means that security cannot be achieved in isolation from Afghanistan’s development, therefore the needs of the fragile state must come before any short-term foreign goals. Furthermore, ‘the international community’s immediate aim for the Afghan Government should not be the impossible fantasy of a democratic government but rather a loose national mediation committee.’\cite{Ottaway} Accordingly, a bottom-up approach may be more suitable in retaining social cohesion and confidence. For any such state-building process to have a realistic chance of success, they must be driven by local Afghans under international guidance.

**The Allocation, Distribution and Function of Aid**

‘Historically, unconditional aid in war-shattered societies creates a rentier state in which accountability flows outward rather than downwards’\cite{Ponzio}. This has been the case in Afghanistan. In 2004-2005, of the total Afghan budget, an extraordinary 92 per cent came from external funds.\cite{The World Bank} To this end, domestic revenues only covered eight per cent of the national budget some three years after the commencement of the state-building effort. Similar financial statistics reflect Afghanistan’s budget today, characterising the country as a severe rentier state. This means that the Afghan Government is almost entirely dependent on external financial support for its survival.\cite{Giustozzi} These alarming statistics have done nothing to entice the many western led non-government organisations (NGOs) to develop a local industrial base in the rebuilding process. It is therefore the case that aid (and the international military presence) remains to be the lifeline of Afghanistan. This dependence on aid is self-perpetuating and without a clear change in direction, will remain that way for the foreseeable future.

A more critical challenge faced by the international community is the capacity of the fragile state to properly absorb and utilise the aid allocated to them. This is especially important in previously war-torn Afghanistan where the government has been unable the spend half of the

\begin{itemize}
\item Anderson, Fragile States on the International Agenda. 11.
\item Ponzio and Freedman, “Conclusion: Rethinking Statebuilding in Afghanistan.” 176.
\end{itemize}
allocated aid funding in recent years.\textsuperscript{27} Moreover, the provinces essentially have no independent budgetary authority or capacity to retain revenue.\textsuperscript{28} Without a ‘fiscal backbone’\textsuperscript{29}, provincial state-building has largely become the work of donor states. Such large aid flows and the government’s inefficient use of its apportioned share marginalises the parliament by giving the donors a more important voice\textsuperscript{30}, thereby delegitimising the government. Moreover, ‘when donor agendas have clashed with those of local actors, donors have shown a proclivity to go at it alone’\textsuperscript{31}. Thus, the Afghan people are no longer accountable to their government or official institutions, but rather to the aid donors. Government legitimacy problems are compounded by the country’s ongoing black-market opium production. The illicit opium industry increases tension on the already frail social fabric of Afghan society and weakens the country’s institutions. This gives aid donors an excuse to move outside Government channels, thereby further debasing the government’s authority and legitimacy.\textsuperscript{32} The value of the illicit poppy economy was estimated to be the equivalent of 60-70\% of the official GDP in 2005.\textsuperscript{33} This revenue finds its way into the pockets of government officials and provincial warlords which allow the trade to continue in detriment to the country and state-building efforts.

In carrying out state-building efforts, it remains true that ‘good intentions are wasted without positive effects’.\textsuperscript{34} There is significant evidence that the aid system in Afghanistan is ineffective. While better management, planning and distribution of aid remains a key priority to effective state-building, investment in local industry remains a pivotal factor in future development of Afghanistan. It follows that the aid system must serve the goal of promoting lasting productive investments utilising local human capital.\textsuperscript{35} This remains especially important in Afghanistan, as ‘the mere perception that reforms are being imposed externally can serve to delegitimise and derail the process.’\textsuperscript{36} Lasting investment can be in the form of
recently identified untapped mineral deposits in Afghanistan which are estimated at one trillion US dollars in value. Investment in domestic natural resources, coupled with ‘agricultural reform’ also has the potential to drown out the country’s vast poppy trade, allowing Afghans to profit from legal work which contributes to the rebuilding of their country. More importantly, external aid contributions to such projects would be sustainable. Successful implementation of such policies requires strong political leadership from Kabul with the backing of the international community and a program to allow effective implementation alongside a local capacity building strategy.

**Institutional Downfalls**

Another common failure taking place on the frontline of state-building efforts is the inability of the international community to coordinate a unified approach. In Afghanistan ‘there are too many subcontractors dispersing aid with too little coordination and accountability to Afghans and their interests.’ Central to this problem is the fact that donor states consider the aid spent when it is disbursed to an aid agency and not when a particular program is implemented. Moreover, the Afghan Donor Assistance Database, a system of donor accountability, keeps no accounts of expenditure by aid agencies in implementing programs, rather only tracking dispersed funds. This problem becomes more acute given that the aid funding regularly remains sitting in the accounts of international recipients, outside the reach of the Afghan Government. In the 2005 Afghan budget, less that 30 per cent of the total expenditures were actually channelled through the Afghan Government. The remaining funds were dispersed amongst international recipients without any oversight mechanism to prevent duplication of work or ability to pool resources to increase efficiency. Aside from the various incoherent external institutions which are involved in Afghanistan’s state-building,

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42 Ibid, 182.
the services currently delivered by the central government are largely co-ordinated by a ‘second civil service’ of external consultants, national project staff and civil servants earning higher salaries than the local population. The magnitude of external players and segregation of the civil service creates institutions working in parallel with no lateral networking.

The Provincial Reconstruction Teams (PRTs) in Afghanistan are a reflection of poor institutional coordination in state-building. The PRTs have the aim of capacity building by facilitating the development of reconstruction and redevelopment outside of Kabul. These multinational PRTs remain dogged by inconsistent mission statements, procedures and internal civil-military tensions. In practice, each PRT operates in different ways, often out of the control of guiding bodies, adopting different balances to the capacity building method. The PRTs are further disjointed by the fact that military operations are controlled by US-led Coalition forces and the International Security Assistance Force (ISAF), creating multiple approaches to civil-military operations. The construct of the PRTs also mean that non-military organisations, the receivers of international aid, are closely intertwined with the military by nature of their association with the PRT. In effect, the aid being received by Afghanistan no longer has a neutral basis.

To better coordinate effective state-building outside Kabul, ‘the PRT location, structure, capacity, resources and operations need to be adapted to the political and strategic demands of the host government as well as the realities on the ground.’ Operational terms of PRTs should not be determined by troop-contributing countries. The various PRTs operating on the ground need to be under the control of a centralised body with a clear strategic approach for state-building as the main priority. Furthermore, the PRT teams need to ‘create conditions to make themselves redundant’ by incorporating local actors backed by local government. To this end, the engagement of the private sector is essential in achieving a robust and sustainable state-building effort into the future.

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46 Ibid, 37.
Conclusion

Media reports have noted that Afghan ministers and officials are flying out of Afghanistan with suitcases stuffed with cash to buy property in Dubai and London. Such reports reflect on the very core of the state-building challenges faced by Afghanistan. If the country’s ministers have no notion of statehood, it is clear that the international community’s efforts to rebuild Afghanistan have been poorly received from the top down. As this essay has argued, central to this fact is the notion that liberal peace-building, as initially implemented by the Bonn Agreement, does not function as intended within the Afghan context. This effect has been compounded by the failure to engage significant groups like the Taliban, leaving them disenfranchised and driven to undermine the status quo by continued insurgent activity. It is evident that without a clear change in approach, the state-building efforts pose a significant detrimental risk to the Afghan population and international forces by fuelling violent insurgencies, alienating the Afghan people, giving rise to warlord factional fighting, internal corruption, and opium trade. To counter this, a complete cross-section of the Afghan population needs to be engaged and given local ownership of rebuilding project as part of a new policy of social engagement, effective aid distribution, and national state-building.

Despite the enormity of the task, it remains possible to succeed with international coherence, local investments and Afghan human capital. As demonstrated by the PRTs in Afghanistan, the recipients of aid have multiple overlapping arenas of intervention and assistance which are often characterised by competing objectives, priorities, timeframes and principles. To allow Afghan state-building efforts any chance of survival, all international donors and aid recipients must harmonise their provision of services and align themselves with the priorities of the Government of Afghanistan. Such an approach is necessary given that it is the only way the Afghan Government can attain legitimacy amongst its people, allowing Afghanistan to make the transition towards becoming a functioning state.

52 OECD, “Statebuilding in Fragile Situations,” 25.
References


