

COUNCIL *on* FOREIGN RELATIONS

POLICY INNOVATION MEMORANDUM NO. 16

Date: April 2, 2012
From: Stephen Biddle
Re: Salvaging Governance Reform in Afghanistan

Governance reform is crucial to stability in Afghanistan, but time is running out. To avoid failure, the United States should focus its efforts on the critical subset of its original reform agenda that can be achieved on a short timetable. This triage could take many forms. But the longer the delay and the smaller the investment, the lower the achievable target. Institutional reforms to broaden Afghan political participation and punish corruption would be preferable, but institution building is fast slipping beyond reach. It may soon be necessary to settle for constraining cronyism at the margin by renegotiating today's political deals between Kabul and subnational power brokers to exclude only the worst abuses. In particular, land taking by criminal patronage networks is uniquely destructive; with Western patience and resources dwindling, preventing official land grabs could soon be the limit of the achievable.

THE LIMITS OF INSTITUTION BUILDING

The International Security Assistance Force (ISAF) is increasingly aware of the need for triage. Its response emphasizes formal institution building by creating an independent, effective attorney general's office plus a military equivalent for the security forces. At the same time, electoral reform is intended to open political participation and strengthen the parliament as a check on executive excesses. These are noble goals. But they are very ambitious, and will require more time and resources than the West now seems willing to commit.

This is because formal institutions have the weaknesses of their strengths: if effective, they pose a permanent, uncontrollable threat to any official with corruption in the past or present. As such, they threaten a wide array of major figures, creating potent opposition that today's limited leverage will be hard-pressed to overcome. Unless ISAF is willing to deploy very sweet carrots and very big sticks, this agenda, too, is likely to prove unrealistic: the West will probably not get the attorney general's office it wants or the electoral reforms it seeks.

If one lacks the means, one must adjust the ends. One way to do this would be to focus on limited and informal *political* rather than formal *institutional* approaches to governance reform.

Afghan governance is now shaped by a series of powerful patron-client networks designed to provide political top cover for corruption that enriches the network at the citizenry's expense. President Hamid Karzai depends on the networks' leadership to deliver political support; in exchange, he empowers them with critical appointments, protects them from prosecution, and allows them to prey on the public. The result is a government of informal political deal making rather than rule-based administration by publicly accountable institutions. If the West is unwilling to do the work required to replace the former with the latter, the next best approach might be to reshape these deals at the margin to make them less damaging.

AN INFORMAL APPROACH: RESTRICT LAND TAKING

Corruption is pervasive in Afghanistan, but it is not all equally harmful. Petty bribery, customs skimming, and even shakedowns at police checkpoints, while damaging, are probably not disastrous to the war effort. Land grabs, by contrast, could be fatal.

In Afghanistan, land is often the difference between feeding one's family and destitution; the future of many families, tribes, and communities depends on their land holdings. Yet it is common for the powerful in Afghanistan to throw people off their land, often for economic development projects that serve chiefly as vehicles for fraudulent loans and financial schemes that benefit officials and their associates.

When landholders are cast out, they often have no legal recourse. The local courts and police, along with district and provincial councils, are usually beholden to the same patron-client network that took their land. To many victims, Americans seem to be part of the problem: after all, U.S. counterinsurgency doctrine tells commanders to connect the people to their government; when that government is the apparent problem, Americans who back it understandably look complicit to many Afghans.

Instead, many victims turn to the Taliban. Few Afghans want Taliban rule. But the Taliban have astutely positioned themselves as defenders of the downtrodden and dispossessed. Land grabs that create radically victimized subgroups thus drive them to support an unpopular insurgency as their only means of recovering their livelihood. Nor is this limited solely to the already dispossessed. When others see their neighbors victimized by an apparently unconstrained patronage network, many expect the same fate for themselves soon. The longer this situation continues, the greater the fear and the greater the opening for the Taliban.

HARNESSING U.S. LEVERAGE

The best solution to this problem would be institutional reform of the kind mentioned above. But this approach requires time and effort, which are in short supply. A second-best alternative would use the West's remaining leverage to change malign officials' incentives and persuade them to accept limits on their take that would exclude land grabs while tolerating much of the rest.

The patronage networks that are the heart of the problem seek profit and influence; they behave the way they do now because it serves their economic self-interest. But this implies that a different cost-benefit calculus deriving from a reconfigured political deal with Kabul could change their behavior. Such a reconfigured deal would need several components.

First, Kabul would prohibit illegal land grabs, but would allow power brokers substantial economic autonomy otherwise. Of course, the networks would have to observe other critical limits as well, such as denying the use of territory they control for terrorism and limiting destabilizing violence against rival warlords. Even so, a critical restriction would be drawn at land taking as beyond the limit of tolerable corruption.

Second, Kabul and the international community would enforce the deals via a combination of carrots and sticks. The carrots would be a share of the foreign assistance flowing into the country through Kabul. As this assistance would be controlled by the international community, the United States and its allies could thus condition their aid on effective enforcement of a ban on illegal land grabs, giving both Kabul and the power brokers a positive incentive for compliance. The sticks would be the threat of punitive sanction, both the potential withdrawal of assistance and the potential for nationally controlled security forces to repossess illegally taken lands.

This sticks-and-carrots approach would require U.S. diplomats to use their remaining leverage to persuade Karzai to accept this restraint on his domestic allies. The United States would also need to beef up intelligence monitoring of power brokers' behavior, follow through on threats to withhold aid unless Kabul acts when that monitoring detects violations, and follow through in providing aid if Afghans cooperate.

Neither these carrots nor sticks are overwhelmingly powerful—this is the central problem for governance reform today. But if U.S. demands are limited to reducing the scale of malfeasance at the margin while permitting substantial autonomy otherwise, modest incentives might be enough. Of course, this approach requires continued engagement from the international community, both in aid and in attention to monitor compliance and coordinate enforcement. Any feasible approach to a stable Afghanistan will require this involvement. Afghanistan was at peace with itself and its neighbors for most of the twentieth century, but it was a ward of the international system throughout, with annual aid flows of \$200 million to \$300 million in today's dollars. Today's requirements could differ. Even so, if the international community is unwilling to sustain modest but nontrivial assistance, the prognosis will be grim regardless of its security efforts. The purpose of strategy is to align ambition and resources; but if resources vanish altogether, then no strategy can bring an acceptable outcome.

WILL GOVERNANCE REFORM SUFFICE?

Is an acceptable outcome possible even with the steps proposed here? There are many uncertainties, but for now a tolerable outcome is still possible—if there is real governance reform, and soon.

In years of polling, Afghans have repeatedly said they do not want Taliban rule. This is a powerful advantage in a conflict widely seen as a struggle for the political allegiance of the public. Coalition reinforcements since 2009 have made important security gains, and Taliban counterattacks have failed to retake the ground they have lost. The Bush administration's original war aims may have been unattainable, but a compromise settlement involving some role for a legalized Taliban ought to be acceptable to the West, the Afghans, and the Taliban if insurgents' military prospects can be kept dim enough and if the complexities of reaching agreement among such a wide cast of parties can be managed.

This kind of compromise settlement is still at least possible. But it requires commitments of time, troops, money—and governance reform. Any negotiated settlement would be undermined by gross misgovernance on today's scale: the Taliban may not be liked, but if the alternative is ever-increasing corruption by unconstrained, unaccountable power brokers, then this will eventually empower an unpopular but honest Taliban to grab far greater power on the inside than it could ever have seized on the battlefield. Against an enemy as unpopular as the Taliban, partial governance reform may suffice. But without it, no acceptable outcome can be sustained, and further sacrifices will be wasted.

Stephen Biddle is the Roger Hertog senior fellow for defense policy at the Council on Foreign Relations.

The author would like to thank Ambassador Ronald Neumann and Professor Fotini Christia for helpful comments on earlier drafts.

The Council on Foreign Relations (CFR) is an independent, nonpartisan membership organization, think tank, and publisher dedicated to being a resource for its members, government officials, business executives, journalists, educators and students, civic and religious leaders, and other interested citizens in order to help them better understand the world and the foreign policy choices facing the United States and other countries.

The Council on Foreign Relations takes no institutional positions on policy issues and has no affiliation with the U.S. government. All views expressed in its publications and on its website are the sole responsibility of the author or authors.

Policy Innovation Memoranda target critical global problems where new, creative thinking is needed. Written for policymakers and opinion leaders, the memos aim to shape the foreign policy debate through rigorous analysis and specific recommendations.

For further information about CFR or this paper, please write to the Council on Foreign Relations, 58 East 68th Street, New York, NY 10065, or call Communications at 212.434.9888. Visit CFR's website, www.cfr.org.

Copyright © 2012 by the Council on Foreign Relations®, Inc.

All rights reserved.

Printed in the United States of America.

This paper may not be reproduced in whole or in part, in any form beyond the reproduction permitted by Sections 107 and 108 of the U.S. Copyright Law Act (17 U.S.C. Sections 107 and 108) and excerpts by reviewers for the public press, without express written permission from the Council on Foreign Relations.