

DEVELOPMENT ASSISTANCE DURING CONFLICT: LESSONS FROM AFGHANISTAN

HEARING BEFORE THE SUBCOMMITTEE ON INTERNATIONAL DEVELOPMENT, INTERNATIONAL ORGANIZATIONS AND GLOBAL CORPORATE SOCIAL IMPACT OF THE COMMITTEE ON FOREIGN AFFAIRS HOUSE OF REPRESENTATIVES ONE HUNDRED SEVENTEENTH CONGRESS

FIRST SESSION

OCTOBER 6, 2021

Serial No. 117-82

Printed for the use of the Committee on Foreign Affairs



Available: <http://www.foreignaffairs.house.gov/>, <http://docs.house.gov/>,
or <http://www.govinfo.gov>

U.S. GOVERNMENT PUBLISHING OFFICE

45-939PDF

WASHINGTON : 2022

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DEVELOPMENT ASSISTANCE DURING CONFLICT: LESSONS FROM AFGHANISTAN

Wednesday, October 6, 2021

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON INTERNATIONAL DEVELOPMENT,
INTERNATIONAL ORGANIZATIONS, AND GLOBAL
CORPORATE SOCIAL IMPACT,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 1:01 p.m., via Webex, Hon. Joaquin Castro (chairman of the subcommittee) presiding.

Mr. CASTRO. The Subcommittee on International Development, International Organization, and Global Corporate Social Impact will come to order.

Good morning, everyone. Thank you—or good afternoon. Thank you to our witnesses for being here today for a hearing entitled “Development Assistance During Conflict: Lessons from Afghanistan.”

Without objection, the chair is authorized to declare a recess of the committee at any point. And all members will have 5 days to submit statements, extraneous material, and questions for the record, subject to the length limitation in the rules. To insert something into the record, please have your staff email the previously mentioned address or contact full committee staff.

And please keep your video function on at all times, even when you are not recognized by the chair.

Members are responsible for muting and unmuting themselves, and please remember to mute yourself after you finish speaking. Consistent with remote committee proceedings of H. Res. 8, staff will only mute members and witnesses as appropriate when they are not under recognition to eliminate background noise.

I see that we have a quorum, and I will now recognize myself for opening remarks.

Again, thank you all for joining us for today’s hearing on Afghanistan and specifically the lessons that our experiences there hold for our Nation’s development programs.

Like many Americans, I reacted to the events of August of this year with sorrow. As the Taliban moved into city after city over the course of 2 weeks, the Afghan Government’s forces melted away, often without a fight, and its leaders fled into the wilderness or to another country.

Within 2 weeks, millions of Afghans found their lives fundamentally changed and have been forced to navigate a new reality. They were promised a different life by their leaders, by the United States, and by the international community. The gap between that

promise and the reality they now face is why I reacted with sorrow but not necessarily with surprise.

The seeds of the rapid collapse of the Afghan Government and military weren't sown by any single decision the Biden Administration made since taking office. It was the product of a failure of the Afghan people to build a durable government and military over 20 years and, yes, the failure of the United States and the international community to help them do that.

Over the last two decades, the United States spent over \$1 trillion, including almost \$150 billion in Afghan reconstruction and related activities. Our allies and partners spent billions more.

Through two decades, measures of success constantly changed, and successes were quickly followed by setbacks. Corruption and waste by the Afghan Government, its military, and too often by U.S. contractors followed that money.

There is no doubt that, in many ways, the lives of Afghanistan were improved over two decades. Poverty was down, health outcomes were better, and education was more widely available. But these successes were built on top of an unsustainable model that is collapsing as we speak.

I called this hearing because the Congress and this committee need to take account of how we got here and look at what lessons that holds for U.S. development priorities in other areas of conflict and even in Afghanistan itself.

The last time the Special Inspector General was in front of this committee to speak to lessons learned, the hope was that what we learned would help us course-correct in Afghanistan. The context of the conversation is very different today. There is no U.S. presence in Afghanistan, and international development, where it occurs, will have to navigate a maze of legal challenges, sanctions, and unsavory actors.

A lot of the discussion in recent weeks has been how the lack of a U.S. presence on the ground will require the military to conduct, quote, "over-the-horizon" air strikes against military targets, often with uncertain intelligence. We will need to similarly adapt to a world of over-the-horizon international development, relying on multilateral organizations and other trusted partners to avoid a humanitarian catastrophe in Afghanistan.

This is an entirely different set of challenges that we face. We cannot course-correct anymore, but we can apply the lessons learned to development work in other conflict zones, whether that is Somalia, Syria, Libya, or the Sahel. The challenges may not be at the same scale as Afghanistan, but there are real commonalities that these experiences can inform.

The U.S. Government also has a critical tool to do development in conflict zones, the Global Fragility Act, bipartisan legislation that was signed into law in 2019. This legislation aims to reduce violent conflict and structure how we work with fragile States. The bill's genesis was informed in many ways by the U.S. experience in Afghanistan, and I hope that its implementation, which we are working with the Administration on now, will be informed by those experiences as well.

I am looking forward to the testimony today so that we can develop a better record of the decisions over the two decades that led

to the failure of the Afghan Government to withstand the Taliban offensive.

And, with that, I will now turn it over to Ranking Member Malliotakis for her opening remarks.

Ms. MALLIOTAKIS. Thank you, Chairman Castro, for calling this important hearing to discuss the U.S. development assistance in Afghanistan. It is my hope that the committee continues holding hearings to discuss what went disastrously wrong with the U.S. withdrawal and what the future implications are for U.S. national security.

Almost \$145 billion has been appropriated for Afghanistan relief and reconstruction since 2002. And while many important gains were made during those years to support the people of Afghanistan, especially to advance the rights of women and children, increasing access to education, and supporting civil society, there were also failures impossible to miss.

The series of reports released by the Special Inspector General for Afghanistan Reconstruction on lessons learned from our 20-year mission offers important takeaways. In the aftermath of the botched withdrawal, however, we do need to seriously question why the Biden Administration did not heed those lessons, and we need to ask why, even now, our priorities seem to be misplaced.

Today, it is clear what our number-one priority should be—that is, ensuring the safety and security of U.S. citizens, our lawful permanent residents, the SIVs, and at-risk Afghans who supported U.S. policy objectives over the last 20 years and now whose lives are in danger.

In this vein, we must continue to focus our tax dollars on counterterrorism, especially in light of recent intelligence reports which indicate that al-Qaeda could reemerge in 1 to 2 years in Afghanistan, notwithstanding the proven and deadly threat of ISIS-K. Despite what Secretary Blinken Stated before our committee last month, we can in no way trust the Taliban, a terrorist organization itself, to ensure that Afghanistan does not become a hotbed for violent extremism.

So far, however, the Administration seems content with pursuing priorities other than national security. For example, I am deeply concerned about premature conversations by the Biden Administration to restart U.S. non-humanitarian aid programs. Not only do key questions remain about the makeup and structure of the Taliban-controlled Government of Afghanistan, but, in addition to our citizens left behind, there are still U.S. implementing partners trying to get their staff out of the country.

Here is a number the Afghanistan—here is a number the Administration does not like to cite. Over 10,000 current and former USAID partner staff are still asking for help to be evacuated. These are men and women that have worked alongside us for over 20 years, implementing programs to advance critical stabilization and recovery priorities. Getting these people to safety needs to be this Administration's priority. We need to show up for our partners that risk their own personal safety to implement U.S.-funded programs. And, frankly, the lack of urgency to address this critical issue is astounding.

We cannot afford to take any action, including resuming non-humanitarian assistance programs, that would legitimize the Taliban-controlled Government of Afghanistan.

One consequence of the withdrawal of the U.S. forces and diplomats that is not being discussed enough is the limitations on our ability to effectively monitor and implement U.S. assistance programs. We have seen the destructive role that the Taliban plays in provision of assistance before, from dictating NGO operations to excluding women and children from participating in programs.

Over 18 million Afghanistan civilians, nearly half the population, are in dire need of humanitarian assistance after the disastrous collapse of the country. With subsequent severe economic downturn and the rapidly approaching winter months, there is a clear need here, but with the Taliban in full control, options are extremely limited. Because, to be clear, we must not take any step to enable or provide any more leverage to the Taliban government sitting in Kabul, and we must be sure that not a single U.S. tax dollar ends up in their hands.

So I hope that the Inspector General sheds light on how ongoing aid programs in other security-restrictive environments like Yemen, Somalia, Syria, and Iraq could inform the risks and safeguards necessary for current and future assistance programs in Afghanistan.

Mr. Sopko, I really look forward to your testimony.

And I yield back the balance of my time. Thank you.

Mr. CASTRO. Well, thank you, Ranking Member.

And before I introduce our distinguished witness, I want to ask unanimous consent that Representative Meijer be allowed to join this committee and ask questions following all the other subcommittee members.

Without objection, we will allow Rep. Meijer to join.

And now I want to introduce our witness. We have with us today the Honorable John F. Sopko, the Special Inspector General for Afghanistan Reconstruction. Mr. Sopko has been in this position since 2012 and has seen the situation in Afghanistan change significantly over the last decade.

Thank you for joining us here today to speak about your work, your findings, and help Congress chart a path forward.

I will now recognize Mr. Sopko for 5 minutes.

And, without objection, your prepared written statement will be made part of the record, Mr. Sopko. Please.

STATEMENT OF THE HONORABLE JOHN F. SOPKO, SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION

Mr. SOPKO. Thank you very much.

Chairman Castro, Ranking Member Malliotakis, distinguished members of the subcommittee, thank you for inviting me to testify today.

Without a doubt, our country's experience in Afghanistan has been costly. It lasted over 20 years, we spent over \$145 billion on reconstruction, and we cannot forget that more than 2,400 Americans paid the ultimate price in defense of liberty in Afghanistan. Additionally, over 21,000 of our troops were wounded and continue to bear the scars of conflict.

These are sobering numbers, and we owe all who served in Afghanistan as well as the long-suffering American taxpayer an accurate accounting of what worked and what did not work in that country.

Since Congress established SIGAR in 2008, we have publicly issued over 600 audits and other reports, including 11 “lessons learned” reports, in an attempt to do just that. Our work demonstrates that no single policy decision nor Administration led to the failure of our reconstruction effort. Rather, it was a series of decisions made over two decades that led to us this point.

The seeds of the collapse in Afghanistan were sown well before the last 60 days, but the questions now are: What could we have done differently, and what must we prepare to do differently in the future?

For the sake of brevity, let me highlight just three key areas from our reports for your consideration.

First, the U.S. Government’s inability to get the right people into the right jobs at the right time was one of the reconstruction mission’s most significant failures. While the State Department has statutory authority, for example, to lead security-sector assistance efforts overseas, it does not have the personnel, expertise, or resources to do so.

This left the Defense Department to fill that void, resulting in less-qualified and poorly trained personnel undertaking key diplomatic and development roles. Additionally, State and USAID experienced frequent staff turnovers in Afghanistan, of a year or even less service there, leaving their successors to start from scratch and make similar mistakes all over again.

Second, U.S. Government agencies, including State and AID, rarely conducted sufficient monitoring and evaluation, or M&E, as we call it, to understand the impacts of their development efforts. The absence of periodic reality checks created the risk of doing the wrong thing perfectly. By that, I mean a project that completed required tests would be labeled successful, even though it did not achieve or contribute to broader, more important goals.

If better monitoring and evaluation processes had been in place to evaluate programs, to combat corruption, develop the economy, build the Afghan security forces, many of the problems that contributed to the rapid collapse of the Afghan State could have been corrected. Measuring success by focusing on dollars and cents is no substitute for common sense.

Third, and probably more importantly, the U.S. Government did not understand the Afghan political and cultural context, thereby leading to empowering corrupt power brokers and politicians, forcing inappropriate Western technocratic models on Afghan institutions, imposing formal Western rule of law on a country that addressed most disputes through informal means, and struggling to understand and mitigate cultural barriers to supporting women and girls. This failure meant projects intended to mitigate conflict often exacerbated it.

To be sure, State and AID had successes, but their sustainability of those gains is obviously now in grave doubt.

Now, the book on Afghanistan is not yet closed. Questions remain unanswered—questions that SIGAR has been tasked by Con-

gress to investigate, including the sudden collapse of the Afghan Government and security forces. At the request of your colleague, Chairman Bera, we will also be conducting an audit of the Special Immigrant Visa program. I look forward to working with this subcommittee and members as we undertake these efforts.

And I look forward to answering all the questions have you today.

[The prepared statement of Mr. Sopko follows:]

Special Inspector General for Afghanistan Reconstruction



SIGAR

Testimony

Before the Subcommittee on International
Development, International Organizations,
and Global Corporate Social Impact

Committee on Foreign Affairs

U.S. House of Representatives

Development Assistance During Conflict: Lessons from Afghanistan

Statement of John F. Sopko,
Special Inspector General
for Afghanistan Reconstruction

October 6, 2021

Chairman Castro, Ranking Member Malliotakis, and Members of the Committee,

Thank you for the invitation to testify before you today. This is the 26th time I have presented testimony to Congress since I was appointed as Special Inspector General over nine years ago. Today's testimony stands out as one of the most sobering, given the crisis that the Afghan people currently face. These are trying times for all of us who care about the future of the Afghan people, especially the Afghans that aided the U.S. and its allies over the past twenty years at great risk to their own personal safety, and the safety of their families and loved ones.

It is safe to say that the speed of the Taliban advance into Kabul and the total collapse of the Ghani government caught all of us off guard. Fortunately, I can report that all of SIGAR's staff were safely evacuated from Kabul, as well as all of our Afghan locally employed staff. I wish to thank Congressman Keating, Congresswoman Jacobs, and other members of the House Foreign Affairs Committee who have worked tirelessly to support our efforts to get our Afghan colleagues to safety.

The United States has undertaken three large-scale reconstruction efforts in conflict-affected environments in the past 50 years—Vietnam, Afghanistan, and Iraq—and we are confident the U.S. government will undertake more in the future. However, U.S. agencies are woefully unprepared for those efforts, as the last two decades have demonstrated.

Fortunately, in the last few years, the Departments of State and Defense and the U.S. Agency for International Development have shown an interest in pursuing some reforms with their 2018 Stabilization Assistance Review (SAR) and the 2020 United States Strategy to Prevent Conflict and Promote Stability. SIGAR staff and our report, *Stabilization: Lessons from the U.S. Experience in Afghanistan*, informed these important interagency documents. More recently, after completing our 20th anniversary report, *What We Need To Learn: Lessons from Twenty Years of Afghanistan Reconstruction*, SIGAR was asked to advise the National Security Council, State, DOD, and USAID as they consider how best to implement the Global Fragility Act (GFA), which Congress enacted in 2019. The GFA is yet another acknowledgment of the importance of reducing fragility in service of U.S. national security, as well as the size of the reforms necessary to be successful. We are pleased to see the entire U.S. government so eager to learn and improve at this critical juncture.

However, as I detail below, there is much to be done. This testimony draws heavily from three especially relevant SIGAR lessons learned reports:

- *What We Need to Learn: Lessons from Twenty Years of Afghanistan Reconstruction* (2021)
- *The Risk of Doing the Wrong Thing Perfectly: Monitoring and Evaluation of Reconstruction Contracting in Afghanistan* (2021)
- *Stabilization: Lessons from the U.S. Experience in Afghanistan* (2018)

The U.S. government spent 20 years and \$145 billion trying to rebuild Afghanistan, its security forces, civilian government institutions, economy, and civil society. The Department of Defense (DOD) also spent \$837 billion on warfighting, during which 2,456 American troops and 1,144 allied troops have been killed and 20,666 U.S. troops injured. Afghans, meanwhile, have faced an even greater toll. At least 66,000 Afghan troops were killed. More than 48,000 Afghan civilians were killed, and at least 75,000 were injured since 2001—both likely significant underestimations.

The extraordinary costs were meant to serve a purpose—though the definition of that purpose evolved over time. At various points, the U.S. government hoped to eliminate al-Qaeda, decimate the Taliban movement that hosted it, deny all terrorist groups a safe haven in Afghanistan, build Afghan security forces so they could deny terrorists a safe haven in the future, and help the civilian government become legitimate and capable enough to win the trust of Afghans. Each goal, once accomplished, was thought to move the U.S. government one step closer to being able to depart.

While there have been several areas of improvement—most notably in the areas of health care, maternal health, and education—progress has been elusive and the prospects for sustaining the progress that was made are dubious. The U.S. government has been often overwhelmed by the magnitude of rebuilding a country that, at the time of the U.S. invasion, had already seen two decades of Soviet occupation, civil war, and Taliban brutality.

Since its founding in 2008, SIGAR has tried to make the U.S. government's reconstruction of Afghanistan more likely to succeed. Our investigations held criminals accountable for defrauding the U.S. government; our audits and special projects reports identified weaknesses in programs before it was too late to improve them; our quarterly reports provided near real-time analysis of reconstruction problems as they unfolded; and our lessons learned reports identified challenges that threaten the viability of the entire American enterprise of rebuilding Afghanistan, and any similar efforts that may come after it.

SIGAR has issued 427 audits, 191 special project reports, 52 quarterly reports, and 11 comprehensive lessons learned reports. Meanwhile, SIGAR's criminal investigations have resulted in 160 convictions. This oversight work has cumulatively resulted in \$3.84 billion in savings for the U.S. taxpayer.

After conducting more than 760 interviews and reviewing thousands of government documents, our lessons learned analysis has revealed a troubled reconstruction effort that has yielded some success but has also been marked by too many failures. SIGAR has identified 11 key lessons that span the entire 20-year campaign and that apply to other conflict zones around the globe:

1. The U.S. government continuously struggled to develop and implement a coherent strategy for what it hoped to achieve.

The challenges U.S. officials faced in creating long-term, sustainable improvements raise questions about the ability of U.S. government agencies to devise, implement, and evaluate reconstruction strategies. The division of responsibilities and labor among agencies did not always take into account each agency's strengths and weaknesses. For example, the Department of State is supposed to lead reconstruction efforts, but it lacked the expertise and resources to take the lead and own the strategy in Afghanistan. In contrast, DOD has the necessary resources and expertise to manage strategies, but not for large-scale reconstruction missions with significant economic and governance components. This meant no single agency had the necessary mindset, expertise, and resources to develop and manage the strategy to rebuild Afghanistan. For the U.S. government to successfully rebuild a country, especially one still experiencing violent conflict, civilian agencies will need the necessary resources and flexibility to lead in practice, not just on paper.

This poor division of labor resulted in weak strategy. While initially tied to the destruction of al-Qaeda, the strategy grew considerably to include the defeat of the Taliban, an insurgent group deeply entrenched in Afghan communities, and then expanded again to include corrupt Afghan officials who undermined U.S. efforts at every turn. Meanwhile, deteriorating security compelled the mission to grow even further in scope. U.S. officials believed the solution to insecurity was pouring ever more resources into Afghan institutions—but the absence of progress after the surge of civilian and military assistance between 2009 and 2011 made it clear that the fundamental problems were unlikely to be addressed by changing resource levels. The U.S. government was simply not equipped to undertake something this ambitious in such an uncompromising environment, no matter the budget. After a decade of escalation, the U.S. began a gradual, decade-long drawdown that steadily revealed how dependent and vulnerable the Afghan government remains.

2. The U.S. government consistently underestimated the amount of time required to rebuild Afghanistan, and created unrealistic timelines and expectations that prioritized spending quickly. These choices increased corruption and reduced the effectiveness of programs.

The U.S. reconstruction effort in Afghanistan could be described as 20 one-year reconstruction efforts, rather than one 20-year effort. U.S. officials often underestimated the time and resources needed to rebuild Afghanistan, leading to short-term solutions like the surge of troops, money, and resources from 2009–2011. U.S. officials also prioritized their own political preferences for what they wanted reconstruction to look like, rather than what they could realistically achieve given the constraints and conditions on the ground. Early in the war, U.S. officials denied the mission resources necessary to have an impact, and implicit deadlines made the task even harder. As security deteriorated and demands on

donors increased, so did pressure to demonstrate progress. U.S. officials created explicit timelines in the mistaken belief that a decision in Washington could transform the calculus of complex Afghan institutions, powerbrokers, and communities contested by the Taliban.

By design, these timelines often ignored conditions on the ground and forced reckless compromises in U.S. programs, creating perverse incentives to spend quickly and focus on short-term, unsustainable goals that could not create the conditions to allow a victorious U.S. withdrawal. Rather than reform and improve, Afghan institutions and powerbrokers found ways to co-opt the funds for their own purposes, which only worsened the problems these programs were meant to address. When U.S. officials eventually recognized this dynamic, they simply found new ways to ignore conditions on the ground. Troops and resources continued to draw down in full view of the Afghan government's inability to address instability or prevent it from worsening.

3. The U.S. government failed to appreciate how corrosive corruption was to its goals in Afghanistan, and how its own interventions contributed to rather than alleviated that endemic corruption.

In Afghanistan, tens of billions of dollars injected into the Afghan economy, combined with the limited spending capacity of the Afghan government, increased opportunities for corruption. The amounts also exceeded the oversight capacity of the U.S. military and civilian agencies due to insecurity and lack of mobility, staffing shortages, lack of contract management expertise, and numerous layers of subcontractors who were beyond the reach of contract monitors. U.S. officials often could not ensure a project was completed sufficiently or at all. These weaknesses opened the door to widespread corruption.

The United States repeatedly allowed short-term counterterrorism and political stability priorities to trump strong anticorruption actions. Policymakers tended to believe that confronting the corruption problem—for instance, by taking a hard stand against corrupt acts by high-level officials—would impose unaffordable costs on the U.S. ability to achieve security and political goals.

But in the long term, this was a false choice. In fact, corruption grew so pervasive that it ultimately threatened the security and reconstruction mission in Afghanistan. In 2009, U.S. officials became increasingly concerned about corruption and began to mount a more energetic response. That response, however, ran up against deeply entrenched, corrupt networks, and an Afghan government resistant to meaningful reform.

4. Many of the institutions and infrastructure projects the United States built were not sustainable.

Reconstruction programs are not like humanitarian aid; they are not meant to provide temporary relief. Instead, they serve as a foundation for building the necessary institutions of government, civil society, and commerce to sustain the country indefinitely. Every mile of road the United States built and every government employee it trained was thought to serve as a springboard for even more improvements and to enable the reconstruction effort to eventually end. However, the U.S. government often failed to ensure its projects were sustainable over the long term. Billions of reconstruction dollars were wasted as projects went unused or fell into disrepair. Demands to make fast progress incentivized U.S. officials to identify and implement short-term projects with little consideration for host government capacity and long-term sustainability. U.S. agencies were seldom judged by their projects' continued utility, but by the number of projects completed and dollars spent.

Over time, U.S. policies emphasized that all U.S. reconstruction projects must be sustainable, but Afghans often lacked the capacity to take responsibility for them. In response, the U.S. government hoped to help Afghan institutions build their capacity, but those institutions often could not keep up with U.S. demands for fast progress. Moreover, pervasive corruption put U.S. funds sent through the Afghan government at risk of waste, fraud, and abuse. These dynamics motivated U.S. officials to provide most assistance outside Afghan government channels. While expedient, the approach meant that Afghan officials were not getting experience in managing and sustaining U.S. reconstruction projects over the long term. As a result, even when programs were able to achieve short-term success, they often could not last because the Afghans who would eventually take responsibility for them were poorly equipped, trained, or motivated to do so.

5. Counterproductive civilian and military personnel policies and practices thwarted the effort.

The U.S. government's inability to get the right people into the right jobs at the right times was one of the most significant failures of the mission. It is also one of the hardest to repair. U.S. personnel in Afghanistan were often unqualified and poorly trained, and those who were qualified were difficult to retain. DOD police advisors watched American TV shows to learn about policing, civil affairs teams were mass-produced via PowerPoint presentations, and every agency experienced annual lobotomies as staff constantly rotated out, leaving successors to start from scratch and make similar mistakes all over again. These dynamics had direct effects on the quality of reconstruction. There were often not enough staff to oversee the spending, and certainly not enough who were qualified to do so. This was particularly true for civilian agencies, such as State or the U.S. Agency for International Development (USAID), which should have been leading the effort but were unable to

meaningfully perform that role. This compelled the better-resourced DOD to fill the void, creating tensions with civilian agencies that often had different ideas but fewer staff to offer.

6. Persistent insecurity severely undermined reconstruction efforts.

The absence of violence was a critical precondition for everything U.S. officials tried to do in Afghanistan—yet the U.S. effort to rebuild the country took place while it was being torn apart. For example, helping Afghans develop a credible electoral process became ever more difficult as insecurity across the country steadily worsened—intimidating voters, preventing voter registration, and closing polling stations on election day. In remote areas where the Taliban contested control, U.S. officials were unable to make sufficient gains to convince frightened rural Afghans of the benefits of supporting their government. Insecurity and the uncertainty that it spawns have also made Afghanistan one of the worst environments in the world to run a business. The long-term development of Afghanistan's security forces likewise saw a number of harmful compromises, driven by the immediate need to address rising insecurity. The danger meant that even programs to reintegrate former fighters faltered, as ex-combatants could not be protected from retaliation if they rejoined their communities.

7. The presence of local governance is a precondition for effective stabilization programming.

Attempting to simultaneously stabilize an area and build local governance structures is unlikely to be effective. Some semblance and history of local governance must be in place before an area can be stabilized with robust programming. Supporting pre-existing informal governance structures (or rebuilding them) may be preferable to building formal government, which is both costly and often culturally unfamiliar. Either way, ensuring target communities have competent, accountable, and sustainable local governance is important for effective stabilization programming.

8. The U.S. government did not understand the Afghan context and therefore failed to tailor its efforts accordingly.

Effectively rebuilding Afghanistan required a detailed understanding of the country's social, economic, and political dynamics. However, U.S. officials were consistently operating in the dark, often because of the difficulty of collecting the necessary information. The U.S. government also clumsily forced Western technocratic models onto Afghan economic institutions; trained security forces in advanced weapon systems they could not understand much less maintain; imposed formal rule of law on a country that addressed 80 to 90 percent of its disputes through informal means; and often struggled to understand or mitigate the cultural and social barriers of supporting women and girls. Without this background knowledge, U.S. officials often empowered powerbrokers who preyed on the population or diverted U.S. assistance away from its intended recipients to enrich and

empower themselves and their allies. Lack of knowledge at the local level meant projects intended to mitigate conflict often exacerbated it, and even inadvertently funded insurgents.

9. Winning hearts and minds requires a close examination of what has won and lost the hearts and minds of that particular population in the recent past.

The kinds of services the U.S. government sought to help the Afghan government deliver were unnecessarily ambitious and not tailored to the environment. While improvements in the delivery of healthcare, formal rule of law, education, and agriculture services likely helped many Afghans, the coalition and the Afghan government aimed to provide Afghans in contested areas an array of high-quality services that went well beyond what the Taliban had provided and required a level of capacity and legitimacy far beyond what the government could offer, particularly in the time allotted.

10. U.S. government agencies rarely conducted sufficient monitoring and evaluation to understand the impact of their efforts.

Monitoring and evaluation (M&E) is the process of determining what works, what does not, and what needs to change as a result. Conceptually, M&E is relatively straightforward, but in practice, it is extremely challenging. This is especially true in complex and unpredictable environments like Afghanistan, where staff turnover is rapid, multiple agencies must coordinate programs simultaneously, security and access restrictions make it hard to understand a program's challenges and impact, and a myriad of variables compete to influence outcomes. The absence of periodic reality checks created the risk of doing the wrong thing perfectly: A project that completed required tasks would be considered "successful," whether or not it had achieved or contributed to broader, more important goals.

SIGAR's extensive audit work on sectors spanning health, education, rule of law, women's rights, infrastructure, security assistance, and others collectively paints a picture of U.S. agencies struggling to effectively measure results while sometimes relying on shaky data to make claims of success. The U.S. government's M&E efforts in Afghanistan have been underemphasized and understaffed because the overall campaign focused on doing as much as possible as quickly as possible, rather than ensuring programs were designed well to begin with and could adapt for success. As a result, the U.S. government missed many opportunities to identify critical flaws in its interventions or to act on those that were identified. These shortcomings endangered the lives of U.S., Afghan, and coalition government personnel and civilians, and undermined progress toward strategic goals.

11. Continually stress-testing the theories and assumptions guiding programming is crucial.

In complex environments, causal processes of change are usually not well understood. Yet assumptions about those causal processes are often used to justify programming. In such environments, many projects are likely to be implemented because they are believed—rather than proven—to be effective. For example, a senior civil affairs officer said his division staff would regularly tell the Commander of the International Security Assistance Force that “[The] Commander’s Emergency Response Program is a terrible development tool, but it’s a great stabilization tool, but we never knew if it was true.” As our analysis of USAID’s current strategy demonstrates, the evidence base justifying entire portfolios of contracted projects can be relatively shaky. Despite uncertainty about what worked, impact was rarely assessed. At times, it was simply assumed. In part, this was because M&E systems were not always well positioned to validate the fundamental theories and assumptions tying projects to broader goals. Instead, M&E functioned as a “work-maker” rather than as a legitimate process capable of determining what worked and what did not. In Afghanistan and elsewhere, the answer to that fundamental question depends heavily on whether the theories and assumptions guiding programming are valid. M&E must therefore continually reassess that validity.

* * * * *

In conclusion, as an inspector general’s office charged with overseeing reconstruction spending in Afghanistan, SIGAR’s approach has generally been technical; we identify specific problems and offer specific solutions. However, after 13 years of oversight, the cumulative list of systemic challenges SIGAR and other oversight bodies have identified is staggering. As former National Security Advisor Stephen Hadley told SIGAR, “We just don’t have a post-conflict stabilization model that works. Every time we have one of these things, it is a pick-up game. I don’t have confidence that if we did it again, we would do any better.”

This was equally apparent after the Vietnam War, when a war-weary and divided country had little appetite to engage in another similar conflict. After Vietnam, for example, the U.S. Army disbanded most active duty civil affairs units and reduced the number of foreign area officers, the Army’s “regionally focused experts in political-military operations.” Special Forces moved away from counterinsurgency and instead focused on conducting small-scale operations in support of conventional operations. And USAID’s global staff was gradually cut by 83 percent.

In other words, according to former Vice Chief of Staff of the Army General Jack Keane, “After the Vietnam War, we purged ourselves of everything that had to do with irregular warfare or insurgency, because it had to do with how we lost that war. In hindsight, that was a bad decision.” After all, declining to prepare after Vietnam did not prevent the wars in Iraq and Afghanistan; instead, it ensured they would become quagmires.

Rather than motivating the U.S. government to improve, the difficulty of these missions may instead encourage U.S. officials to move on and prepare for something new. According to Robert Gates, former Secretary of Defense from 2006–2011:

I have noticed too much of a tendency towards what might be called 'Next-War-itis,' the propensity of much of the defense establishment to be in favor of what might be needed in a future conflict. . . . Overall, the kinds of capabilities we will most likely need in the years ahead will often resemble the kinds of capabilities we need today.

The post-Afghanistan experience may be no different. As this report shows, there are multiple reasons to develop these capabilities and prepare for reconstruction missions in conflict-affected countries:

1. They are very expensive. For example, all war-related costs for U.S. efforts in Afghanistan, Iraq, and Pakistan over the last two decades are estimated to be \$6.4 trillion.
2. They usually go poorly.
3. Widespread recognition that they go poorly has not prevented U.S. officials from pursuing them.
4. Rebuilding countries mired in conflict is actually a continuous U.S. government endeavor, reflected by efforts in the Balkans and Haiti and smaller efforts currently underway in Mali, Burkina Faso, Somalia, Yemen, Ukraine, and elsewhere.
5. Large reconstruction campaigns usually start small, so it would not be hard for the U.S. government to slip down this slope again somewhere else and for the outcome to be similar to Afghanistan.

Nevertheless, after the last two decades in Afghanistan and Iraq, State, USAID, and DOD have all signaled they do not see large-scale missions as likely in the future. The Stabilization Assistance Review approved by all three agencies in 2018 noted, "There is no appetite to repeat large-scale reconstruction efforts, and therefore our engagements must be more measured in scope and adaptable in execution." Just as after Vietnam, today U.S. policymakers and the public they serve may have sound reasons for avoiding another prolonged conflict and reconstruction mission. However, that does not mean such an endeavor is avoidable in the future.

As SIGAR's *Stabilization* report notes, "there will likely be times in the future when insurgent control or influence over a particular area or population is deemed an imminent threat to U.S. interests." If the U.S. government does not prepare for that likelihood, it may once again try to build the necessary knowledge and capacity on the fly. As seen in Afghanistan and Iraq, doing so has proven difficult, costly, and prone to avoidable mistakes.

As former U.S. Ambassador to Afghanistan Ryan Crocker observed, “You have to start working on it before you need it.” One former senior DOD official likewise noted that rebuilding another country requires advanced skills that must be cultivated ahead of time. “You wouldn’t invent how to do infantry operations [or] artillery at the start of a war. You need [to already have] the science behind [reconstruction] and people who think about it 24/7. . . . Right now, it is all ad hoc.”

Building on SIGAR’s body of work, as well as the work of inspector general offices across the government, this report points to conceptual, administrative, and logistical work that should be done between large-scale reconstruction efforts to increase the U.S. government’s chances of success in future campaigns.

The nature and range of the investment necessary to properly prepare for these campaigns is an open question. In previous lessons learned reports, SIGAR has made recommendations for existing U.S. government offices to create a database of qualified personnel to call up when necessary, build interagency doctrine for security sector assistance, and establish anti-corruption offices within key agencies. As former U.S. envoy to Afghanistan James Dobbins observed, properly preparing “doesn’t mean that you have to have a standing capability to immediately train [an entire army], but you need to have the know-how and an ability to surge those kinds of resources.” Others have argued that such an ability requires a permanent office with the authority and funding to prepare for, plan, execute, and evaluate all reconstruction missions.

U.S. agencies should continue to explore how they can best ensure they have the strategic planning capabilities, reconstruction doctrine, policies, best practices, standard operating procedures, institutional knowledge, and personnel structures necessary for both large and small reconstruction missions.

Thank you for the opportunity to testify today. I look forward to answering your questions.

Mr. CASTRO. Well, thank you for your testimony, Mr. Sopko.

And I will now recognize members for 5 minutes each. And, pursuant to House rules, all time yielded is for the purposes of questioning our witnesses.

Because of the virtual format of this hearing, I will now recognize members by committee seniority, alternating between majority and the minority. And I can only call on you if you are present with your video on. If you miss your turn, please let our staff know, and we will circle back to you. If you seek recognition, you must unmute your microphone and address the chair verbally.

And I will start by recognizing myself for the first question.

Well, one common thread across SIGAR's work is how the Department of Defense, given the reconstruction responsibilities that it was, was ill-suited for that task because—because it had the resources to do it, but the State Department and USAID may have been able to do those things better.

I asked you about this issue when you last testified in front of the committee, in January of last year, and one of the takeaways was to increase staffing and presence of diplomats in the field. But much of this is the product of how Washington decisions are made.

Now, the Biden Administration has given the USAID Administrator a seat on the National Security Council, which is a first. And this can balance some of the discussions at the interagency and is a welcome recognition of the role development can play in advancing our national security.

Can you speak to how the DOD was able to crowd out State or USAID in Afghanistan? And what more can be done to ensure that critical voices are not left out of the conversation when discussing these issues?

Mr. SOPKO. DOD did not crowd them out for nefarious reasons. It was just, I think, the reality of the situation. Their funding overwhelmed State and AID. They also had the capability to get into areas that were not safe. And that is another problem you have to realize.

You know, some State Department and AID officials jokingly said, "We were out-PowerPointed." You talk about some of the meetings and the organizations that were set up in which there was supposed to be equal membership from State, AID, and DOD, and maybe there would be 1 person from AID and 1 person from State and 20 people from DOD.

That is a particular problem. It is enhanced in Afghanistan because we wanted fast results, quick results. And I think there was a frustration expressed by DOD that State and AID and regular development—and we all know and you particularly on the committee should realize that development takes time. You cannot do development or reconstruction in months or even half a year or a year. It takes time.

And what happened is, DOD was given the reins to do a lot of the development aid and did not know how to do it, did not have the capability, did not have the expertise. And that is particularly a problem.

It is a problem, basically, of funding. We tend to view more bodies in State and AID as a waste of money, but we do not if we are talking about the Defense Department. And I think until we get

over that and realize State and AID have important missions, they have to be fully funded.

Mr. CASTRO. All right. No, thank you.

And in your most recent report, you note that contractors were often used to travel to places that were deemed too dangerous for U.S. Government employees. This made the U.S. Government dependent on contractors to do oversight of projects, which meant there was little to no actual oversight over the projects.

This problem of U.S. personnel being stuck in embassies and unable to get into the field is, of course, not unique to Afghanistan. But as we explore doing development in other conflict zones, how can the United States ensure that diplomatic and development personnel are able to get out into the field in the same way that contractors are?

Mr. SOPKO. The ultimate thing is, Congress, the American people, and the Administration, whoever is in the White House, Democrat or Republican, has to realize that diplomacy is never going to be totally risk-free.

We expect and we understand when DOD takes calculated risks. There has been a tendency—and I saw this over time in Afghanistan—a fear among State Department officials and AID officials to take risk. As a result, people did not leave the compounds, people did not go over the wire and do work they need to do. And I think it is because they were afraid they would get in trouble if somebody got hurt.

I am not talking about recklessness; I am talking about—there is State Department. If you talk to the average State Department official or AID official, they understand they have to take risks. You have to let them take those calculated risks. Then we do not have to worry about contractors doing their job or worry about DOD doing the job.

I think that is the—it is the approach we have to risk-taking in the diplomatic field. We have to resolve that.

Mr. CASTRO. No, well, thank you, sir.

And I want to pass it over to the ranking member for her questions.

Ms. MALLIOTAKIS. No, thank you very much. I appreciate what you are saying here today. And it seems that, you know, this is an issue where, I think, Republicans and Democrats can certainly agree we want to make sure the taxpayer money is being used properly.

I have a question relating to, you know, can we—or, if we can, how—can we ensure that this money does not get into Taliban hands?

Mr. SOPKO. Well, currently all funding, except I think a very small amount of humanitarian aid, has been stopped, so it is not getting into Taliban hands. But—

Ms. MALLIOTAKIS. Well, if we were—

Mr. SOPKO [continuing]. If the spigot is opened—I am sorry?

Ms. MALLIOTAKIS. No. Sorry. Please continue.

Mr. SOPKO. Yes. If the spigot is opened, it is going to be difficult to do it, far more difficult, because we do not have people on the ground.

There are ways to look at it, but the first thing we should consider is, we should put conditions on it to make certain we have access, whether it is SIGAR or somebody else, has access to books and records and, remotely, can monitor how it is being done.

It is going to be extremely difficult. We had problems monitoring it even with a friendly, though incompetent, Afghan—and corrupt Afghan Government. We will definitely have more problems. But you have to put those conditions on it.

And you have to enforce the conditions. And we do not have a good track record on that. And we have highlighted that over the years. We did not really put strong conditions and hold the Afghans' feet to the fire on that.

And I hope we have learned from that and we realize, if we give money to the Taliban, we are going to have to try to watch how the money is being spent.

Ms. MALLIOTAKIS. I agree with you wholeheartedly, and that is why I pause when we are having this discussion about sending more money.

As Inspector General, what kind of fraud have you seen? You have talked about waste. We know that there has been tons of waste. Any particular egregious examples of fraud that you can point to?

Mr. SOPKO. Oh, we saw it everywhere. I mean, probably the biggest and most talked about are the ghosts—ghost soldiers, ghost police we saw over there, where the Afghan Government created out of whole cloth individuals that did not exist. We ended up paying the salaries. We ended up not only paying the salaries, but we paid everything that went to supporting a soldier or a policeman.

Likewise, the international bodies—and I know this subcommittee has jurisdiction over international organizations—we found the same problem with international organizations, where they were paying salaries or paying for things and they did not monitor and evaluate. And this, in particular, was very difficult for us, because a lot of the international organizations wouldn't let us in to take a look at the books and records. So that is—we saw that a lot.

Fuel disappearing. Over 50 percent of the fuel we bought for the Afghan Government, for their police, their soldiers, and for the government itself, was stolen—50 percent.

Ms. MALLIOTAKIS. Wow.

Mr. SOPKO. And we had a wonderful case that I gave to President Ghani shortly after he was inaugurated. He said he was going to do something about it. Well, we saw price fixing to the tune of—costing the U.S. taxpayer over \$250 million extra on a \$1 billion contract. He never did a thing on it, nor did his attorney general, nor did anyone else.

Ms. MALLIOTAKIS. The same—

Mr. SOPKO. So the whole time—yes?

Ms. MALLIOTAKIS. The same President Ghani who fled with \$169 million, as was reported by the BBC and other outlets.

Mr. SOPKO. Well, we haven't proven that yet. We are looking into that. Actually, the Oversight and Government Reform Committee has asked us to look into that.

But there are allegations, but not only with President Ghani. There are allegations with senior officials in their finance ministry, their central bank, and a number of other ministries walking off with millions of dollars. But, again, those are just allegations.

Ms. MALLIOTAKIS. Yes.

Mr. SOPKO. We have not confirmed any of those yet.

Ms. MALLIOTAKIS. And I appreciate that.

What metrics can Congress put in place to ensure that the money is being spent appropriately but also that you are getting the intended results along the way, so, that way, programs can be cutoff or money can be diverted if we are not seeing intended results? Do you have any recommendations?

Mr. SOPKO. Well, we issued an entire report on that, and I do not think we have enough time in—

Ms. MALLIOTAKIS. Yes. Yes.

Mr. SOPKO. —23 seconds. But the monitoring and evaluation report that we issued earlier this year, I would highly recommend—

Ms. MALLIOTAKIS. OK.

Mr. SOPKO [continuing]. Taking a look at that.

We talk about the need for effective monitoring and evaluation. And it has to be realistic. And you have to look at what the end result is. We are pretty good at doing inputs and outputs, but never looking at the outcomes. And you have to hold State, AID, and DOD to having met the outcomes that they tell you they are supposed to result in. And if you do not—that is the biggest problem we saw.

The ultimate monitoring and evaluation that was done in Afghanistan was at the end, because they falsified or ignored all the bad results on M&E for the years and years that we have been raising concerns. And the ultimate M&E, the ultimate monitoring and evaluation, was: Could the Afghan Government stand on its own? And we saw what the results were.

If we had had effective monitoring and evaluation, if we had actually held their feet to the fire over the last 10 years, I say we wouldn't have ended up where we are today, with a nonexistent Afghan Government.

Ms. MALLIOTAKIS. Thank you. And if it is happening there, it is happening in Yemen and Syria and Iraq, potentially, and other countries.

Thank you, Mr. Chairman.

Mr. SOPKO. It is not my job to look at those other countries—

Ms. MALLIOTAKIS. Sure.

Mr. SOPKO [continuing]. But I think, take our report—and we have briefed State and AID on this, and I must say they are listening now—and take our report and see if they are doing it in these other countries.

You raise an excellent point, ma'am.

Ms. MALLIOTAKIS. Thank you.

Mr. CASTRO. All right. Thank you.

We will go the vice chair of the committee, Sara Jacobs.

Ms. JACOBS. Well, thank you, Mr. Chair.

And thank you, Inspector General Sopko, for being here and for all of your work over the years to make sure that we try to learn some of these lessons in Afghanistan.

First, I wanted to thank you for your answer to Chairman Castro's question about diplomats being able to travel and risk-taking. We actually are working on a bill in that regard right now, to try and make sure that our diplomats are able to get outside and actually talk to people and understand what is going on and take the necessary risk to do the job well.

I wanted to ask you a little bit, kind of, a meta-question, let's say. I think we tend to do these big reviews and lessons learned. I have read many of your reports, but, you know, we actually know that, even though you have a lot of these great lessons, that there are a lot of needed reforms and lessons that haven't actually been implemented, and especially, as we are seeing now, stabilization operations across Africa, particularly in the Sahel, that could use some reorientation and potentially are suffering from many of the same failures we are talking about today.

Given your experience watching this process in Afghanistan, how do you think we should make sure we pivot before it is too late? In other words, what would actually be required to intervene in the interagency process, identify and communicate the failures, identify what needs to change, and make that come to fruition?

Because it is clear to me that more money and more strategies and more oversight reports do not necessarily lead to this change. So what would? And how can Congress be a partner on that?

Mr. SOPKO. Congresswoman, that is an excellent question, and you hit the nail on the head. And the answer is to look at the role of Congress. You control the purse strings.

And doing oversight—and I used to work for one of the greatest chairmen in recent history, John Dingell. And he knew that oversight was what Congress should do. And this is bipartisan, non-partisan oversight. And that means not just calling in the Secretary of State, but that means digging deeply and looking at particular programs.

And, Congresswoman, if you have allegations, if you have concerns about what we are doing in Africa or what we are doing in Haiti, then the chairman and the ranking member should work on getting your staff to start asking some tough questions. And do not end by just bringing in the Secretary of State. You cannot require him to know everything. You have to find the people who are running that program.

So, ultimately, it is Congress's role. And if you do not get answers, do not fund the program. And I am old-school. I worked for almost 25 years on the Senate and the House. And it is the role of Congress to protect the taxpayers' purse. And it is through oversight and withholding funds and sending messages to certain errant bureaucrats.

Bring them up. Hold people accountable, Congresswoman. Hold people accountable. All of the reports we have done? No one in the government has been held accountable. I always joke that the only person who is ever going to get fired over Afghanistan is probably going to be me, nobody else—not the generals who came up and spun and spun and spun and the Ambassadors and AID adminis-

trators who gave bogus data to you. None of them have been held accountable. You have to hold people accountable, ma'am.

Ms. JACOBS. OK. Well, thank you.

And, my staff, if you are listening, sounds like we have some work to do.

I wanted to move on to the Global Fragility Act. I know in your latest SIGAR report you talked about the lack of administrative capacity to carry out programs. And the Global Fragility Act right now dictates that no more than 5 percent can be spent on administrative expenses to ensure that, you know, the money is actually going to our partners and to assistance. But, obviously, as you point out, capacity of our agencies to carry out their work is incredibly important.

So what kind of investment in our capacity at both State and USAID do you believe is required for GFA to be successful?

[Audio interruption.]

Mr. SOPKO. I am sorry. I am hearing another question.

I am sorry. Somebody is speaking over you, Congresswoman.

Mr. CASTRO. Everybody, please mute themselves unless they are speaking.

Mr. SOPKO. I am terribly sorry. I couldn't hear your question, Congresswoman.

Ms. JACOBS. That is OK. I was asking about GFA and the 5 percent to Administration and what you think actually would be required to be able to adequately implement GFA at State and AID.

Mr. SOPKO. You know, we haven't specifically looked at that issue, and I am sorry, I cannot answer that. I can have my staff look into it.

What we are just saying is that civilian agencies are going to be carrying out what I think is a very important statute but you are not giving them any more resources to do it. And we saw what happens when they are underresourced, in Afghanistan and Iraq.

So I do not know what the number is, but I am happy to get back to you and try to give you a number on that.

Ms. JACOBS. OK. That would be great.

Thank you so much. Thank you again for all your work.

And, Mr. Chair, I yield back.

Mr. CASTRO. Thank you, Vice Chair.

All right. Darrell Issa is next. But, Darrell—you do not have your video on, Darrell. I will take 5 seconds to see if you are there.

If not, Ms. Tenney is next, but she is not on video either. All right.

Ms. Houlihan, you are up.

Ms. HOULAHAN. Thanks. Can you all hear me OK?

Mr. SOPKO. Yes, I can.

Ms. HOULAHAN. Excellent. Thanks.

My questions have to do with the Taliban and particularly women.

The Taliban are continuing to send a lot of mixed signals on whether women will be allowed to work or participate in social and economic activities, which, of course, directly impacts the ability of women and girls to access critical services and aid.

So I was wondering if you could help me understand, how can the United States and our international partners effectively or bet-

ter engage the Taliban on principled humanitarian access, ensuring for the equitable distribution of humanitarian aid, particularly at this time when women and girls are confined to home due to insecurity and the Taliban's crackdowns?

Mr. SOPKO. That is a very good question, and, unfortunately, I do not have a good answer. We have lost all ability, first of all, to really know how bad the situation is for women and girls, as well as a lot of other Afghans, but we also do not have much leverage.

Now, the best thing I can say, Congresswoman, is, we need to get the intel of what is going on. We can get that from the media that is there and other sources, just to find out how good or how bad the Afghan Taliban are doing. We cannot trust what they say. They are pretty good at PR this time around.

But if we do do any funding—and I am not advocating that we give a dime to the Taliban government, so just know that—remember, what do they want? And how do we ensure, if we give them anything that they want, we get something in return?

So I think it is going to have to be smart conditionality, strong conditionality. And we are going to have to be willing to say no if they are not living up to their commitments on a number of issues, including counterterrorism, human rights violations, et cetera.

That is the best I can give you. We are in a very poor spot to try to help the women, the girls, and the average Afghans right now.

Ms. HOULAHAN. Yes, I agree. That definitely keeps me up at night.

And I am going to ask my second question and hopefully have time to ask a followup—

Mr. SOPKO. Sure.

Ms. HOULAHAN [continuing]. To this one.

Secretary Blinken testified before us last month, and he announced that the State Department would appoint a special envoy to focus on Afghan women's issues.

How do we make sure that that role is effective, given what we have just been talking about? And how can the U.S. advance accountability mechanisms to prevent harm to women and girls in other conflict-affected contexts?

Mr. SOPKO. Well, I hope whoever they appoint is aggressive and savvy and has the ability to call upon all the resources of the U.S. Government to find out what is going on. And also I hope that, when that person, whoever it is, has the ability then to brief the Secretary and brief Congress on a regular basis on what the problem is and to work out the solution, I hope it is not window dressing. You know, there are many Ambassadors floating around this country who I think are more window dressing than reality.

So you want to make certain, whoever that person is, Congress interviews them, Congress finds out what is his brief, what is his authorities, can he find out, and then what he is going to do with the information. So pull the thread.

I think it is a great idea, a special Ambassador, just as long as the special Ambassador does something and has the ability to do something.

Ms. HOULAHAN. And with the last waning seconds of my time, I am wondering, you mentioned, you know, do not give something

without getting something in return if, for whatever reason, we move forward with support or direct money to the Taliban-led government.

What would be an example or two or three of what you would think of in terms of getting something in return?

Mr. SOPKO. Well, if they wanted access, let's say, to the \$8 billion we froze in the Federal Reserve, you would want to get an assurance that is verifiable by either U.S. Government or an international body that they are respecting the rights of women. That means somebody on the ground with the ability, just like weapons inspectors we have used in the past.

I remember, when we gave money to the former Soviet Union, right, before the collapse and after the collapse on nuclear proliferation and other issues, we required them, the Russians and the former Soviet Union, to allow GAO inspectors in. Now, Russia is not the same as Afghanistan, the Taliban aren't the same as the Kremlin, but that's the type of thing. OK, you want our money? Then inspectors come along with it.

Ms. HOULAHAN. Thank you, sir.

Mr. SOPKO. You remember, when we did the Marshall Plan, when we did the Marshall Plan after World War II, we had somebody from the U.S. Government sitting in every office in France, Germany, Belgium, et cetera, to ensure that the money got spent.

Now, that is the old days. You can do it with technology now a lot better than having somebody sit there. But you have to have somebody out there to kick the tires who can actually independently determine if the Taliban are living up to their agreements.

Ms. HOULAHAN. Thank you. I really appreciate your time.

And I yield back.

Mr. CASTRO. Thank you, Ms. Houlahan.

Darrell Issa.

Mr. ISSA. Thank you.

I am going to followup on the last round of questioning and ask it in sort of a negative way but, I think, assertively.

Isn't it true that when we left Afghanistan we basically left 37 million people to the historic rule of the Taliban under sharia law and a sixth-century mentality?

Mr. SOPKO. Well, we left the Afghan people to the current Afghan Government. So I cannot say if it is all sharia law, and I cannot say fourth century. But the obvious is that we are not there and there is no Ghani government, so we left them to a government run by the Taliban.

Mr. ISSA. But, historically, that government, you know, when they ran things the last time, did not respect what we would consider women's rights. Or, more specifically, they believed in women's rights that were so different than ours that we would call them inhumane. Women are taken out of school at a very early age. They are not going to get the kind of education that we are used to.

There are a lot of those things that are just a given at this point, unless you assume that they have somehow changed their ways, which there seems to be no indication.

Mr. SOPKO. I have not seen any indication that they have changed their ways, other than to have better public relations.

And, again, Congressman Issa, I know you and I go back years when you were on the House Oversight and Government Reform Committee. Back then, as well as now, I have not met an Afghan woman who trusts the Taliban.

Mr. ISSA. Now, your reports leading up to the collapse of the Afghan military predicted that it would fold, that, in fact, it was not stable. Isn't that true?

Mr. SOPKO. Well, we predicted it would fold. We did not predict it would fold as fast as it did.

Mr. ISSA. But, if you predicted it would fold, then the decision to leave Afghanistan was, by definition, a decision to leave it to the Taliban and their interpretation of justice, law, and where the world should go, correct?

Mr. SOPKO. I cannot say that that was the purpose of the decision or whatever—

Mr. ISSA. Well, were your—your reports were run through the system, so they were seen by people at the highest levels of the State Department, correct?

Mr. SOPKO. All of our reports are public, and they have been public for as long as I have been there, so almost 10 years.

Mr. ISSA. So is there any other conclusion one could reach when you say that it will inevitably collapse but that we were going to leave the people, the 37 million people, of Afghanistan to the rule and control of the Taliban?

Mr. SOPKO. I wouldn't draw that conclusion. Our conclusions were more that the government or the military would probably collapse over a period of time. We did not know who was going to replace it. The Taliban was out there. There could have been another government that came in, non-Taliban, that replaced the Ghani regime, which was basically—

Mr. ISSA. So—

Mr. SOPKO [continuing]. Viewed as incompetent. So I did not—we did not say Taliban is the next one in line.

Mr. ISSA. Well, but besides that—

Mr. SOPKO. We just—

Mr. ISSA. Right. But besides the Taliban and ISIS-K, is there another significant group that you could name that had a reasonable possibility, from a military and government standpoint, of taking control of Afghanistan?

Mr. SOPKO. Well, right now, I wouldn't want to name them, but I think there were a number of warlords and other politicians and political groups that could have. And I think there was some evidence that they were planning to take over—maybe not democratically, but they were.

So there were a number of groups out there, I think, who were strongmen, reasonable leaders, that were looking to take over.

Mr. ISSA. Thank you.

I yield back.

Mr. CASTRO. Thank you, Mr. Issa.

Mr. MEIJER.

Mr. MEIJER. Thank you, Mr. Chairman, for allowing me to participate in this subcommittee hearing and to the rest of the subcommittee for allowing it with the unanimous consent.

And thank you, Mr. Sopko, for being here today.

You know, I spent late 2013 to mid-2015 in Afghanistan, flew in and out of Kabul's airport, and saw those Italian G.222s—

Mr. SOPKO. Yep.

Mr. MEIJER [continuing]. Sitting there, gathering dust, and then, 1 day, they were all in a pile of scrap metal, \$549 million worth of investment gone down.

And I appreciated your testimony and all of your reporting, which, you know, as my colleague Ms. Jacobs said, you know, some of us were reading those.

I guess, you know, you mentioned, you know, the need for Congress to reprise its oversight capabilities in this area. And, I guess, what do you attribute to the failure of Congress to really ask those tough questions or, even if those tough questions were being asked, for any action to have been taken on behalf them over the past, you know, two decades but probably more acutely the last decade?

Mr. SOPKO. Congress, you are pulling me way beyond my brief. I do reconstruction. I do not—in Afghanistan. I do not look at, you know, congressional foibles or prerogatives.

Mr. MEIJER. Understood, sir.

Mr. SOPKO. Yes, so—but, I mean, you know, when I retire, maybe I will write a book about that.

But, I mean, it is—it is difficult to change—and I think you appreciate this. Once you start a war, it is hard to change it. I mean, it is a slippery slope, and, you know, it keeps going down, down and down and down. And there are more and more people who are involved in it. And everybody thinks, just one more cycle, just another year, another 6 months, we are going to turn the corner.

That is the difficulty. It is the difficulty of changing a ship at stake. As it is moving down that river, how do you get it to turn? I mean, it is almost like, we saw what happened when that big ship in the Suez just turned a little and it got stuck. That is the difficulty.

But Congress has to do effective oversight. The IGs do, but by the time we get there, the body is dead and cold and it is maybe removed, and all we have is a chalk outline of an audit or a program that is dead. You are there in the beginning. And the congressional committees have to do that.

And it was President Wilson who said, the role of oversight for Congress is as important, if not more important, than the role of legislating.

So I am biased toward the oversight.

Mr. MEIJER. Well, I appreciate that.

And I will direct this next question to be a little bit more within your scope. Obviously, you have gone through a litany—

Mr. SOPKO. OK.

Mr. MEIJER [continuing]. Of the failures that have been witnessed, of fraud, waste, abuse, mismanagement.

You mentioned earlier the fuel surcharge and those, kind of, corruption components. We have seen other reports on, you know, the extent to which, you know, extortion rackets or security forces or security services, private security services, were essentially set up as ways of getting money out of the U.S., creating security threats and then profiting from it.

Did you ever, in your reporting, come to an estimate of how much of the Taliban's funding may have been through U.S. funds that were being either, you know, extorted or skimmed or bribed or otherwise?

Mr. SOPKO. I do not think we did. There were estimates, but I am afraid to give them now because I think they could have been classified.

But we assumed that Taliban got about a third of their money through either the corruption or narcotics, and then a third through taxing, and a third through donations.

But that is the best I can say at this point. I can try to get back to you, Congressman, if you want, and the committee on that, but I am afraid to go much further.

Mr. MEIJER. I appreciate that.

And I want to end on a positive note. So your reports, kind of, showed many of the failures. At any time in your investigations and in your work, did you find success stories that you can share?

Mr. SOPKO. Oh, oh, absolutely. I mean, I think there were successes with healthcare. There were successes with education. There were successes with the mortality rate among Afghans in general, not as much as was exaggerated by the former Administrator of the USAID sometime ago, but there were successes in all of those areas.

The National Solidarity Programme was a great success. I think some of the State Department programs supporting a free and independent media—there were small programs—they were a success. Some of the money—and, again, these were small programs—supporting civil society organizations were a success.

So there were successes. But, overall, there were a lot of failures.

Mr. MEIJER. Yes. Thank you, Mr. Sopko. And I think we should learn from the successes and make sure we learn even more from the failures.

And thank you, Mr. Chairman. With that, I yield back.

Mr. CASTRO. All right. Thank you, Mr. Meijer, for joining us today.

And we are going to go to a quick second round of questions, and I am going to start off. And, members, if you have questions—I do not want to call on folks if they do not have a question. So I know Ms. Jacobs has one, the vice chair has one. If you have a question, then send me something in the chat, if you can, or let our staff know, the subcommittee staff, and they will let me know.

So, Mr. Sopko, a few followup questions for you.

And part of the charge of the mission of this committee is also on global corporate social impact. And I want to ask you your role or your assessment of U.S. companies and corporations and their work in Afghanistan—defense contractors, of course, but other kinds of contractors that were used. Any positive and negative impacts that they had?

I know that you talked about the corruption in Afghanistan and the Afghan money and pilfering money and so forth. What role did U.S. contractors play in any of that? If you could speak to that as well.

Mr. SOPKO. Well, most—I mean, I cannot come up with a number, but I would say most contractors, whether defense contractors,

aid contractors, or whatever, did a good job or did as best the job they could with the contracts that were written.

The problem with many of the contracts is that we really—and this was a government fault—we did not hold the contractors accountable. And we also did not specifically look to see if those contracts actually accomplished anything.

And, again, I urge the members to read our monitoring and evaluation, where, you know, it was the risk of doing the wrong thing perfectly. So we would give contracts to American contractors or foreign ones, and they did everything to the letter of the contract, but it accomplished nothing. That is not the contractor's fault; that is the fault of whoever wrote the contract—

Mr. CASTRO. Well, let me—I guess, let me drill down for a second.

Mr. SOPKO. Yes.

Mr. CASTRO. Now, so you are saying that, I guess, military leaders or the Administration, successive Administrations, whether it may have been DOD or the State Department or USAID, that they alone came up with that mission. Were they influenced by these contractors at some point that were lobbying them to do certain things in Afghanistan? Or are you absolving those contractors of any role in convincing them to go in a wayward direction?

Mr. SOPKO. Yes, I am not absolving some of the contractors. We indicted some and put them in jail. We just got a plea from somebody today on a contractor or a subcontractor.

I am just saying, that, to me, it was the bigger problem, is contractors doing everything to meet the contract but it did not accomplish anything at the end. So that, to me, is a bigger waste.

Now, there were contractors that did substandard work. Those were mainly a lot of subs that came in, and what happened is, contracts were being sold from sub to sub to sub. The other thing is, there were a lot of sole-source contracts that did not follow the acquisition rules. That was a major problem, and that is where we saw a lot of problems.

There were the contractors—like, somebody mentioned the G.222. That was \$400 million to \$500 million for airplanes that did not fly, or did not fly too well, and were basically turned into scrap. That was a situation where I believe the contractors did not live up to the contract and produced insufficient goods.

I do not have, you know, an estimate one way or the other. I think you could read our reports on some of the major problems with contractors, but I do not like to paint all the contractors with one brush. That is—

Mr. CASTRO. Sure.

Mr. SOPKO [continuing]. The point I am trying to make.

Mr. CASTRO. Sure.

Mr. SOPKO. Many of them did. Actually, many of the contractors—I won't say "many"—a number of contractors came to us and told us on the QT, you know, "This is ridiculous, what they are asking to us do."

Mr. CASTRO. Sure.

Mr. SOPKO. We had contractors that came to us saying, "The timeline is totally ridiculous."

I mean, we had the woman who provided those sexy white goats, Italian goats, that were flown in to, you know, fool around with less sexy Afghan goats to produce mohair or whatever—that woman just went through the roof. You know, “This is ridiculous. There is no way you could do this in 6 months. It would take you at least 6 to 10 years.” But the——

Mr. CASTRO. But, I mean, who gets—like, on that, right, who gets talked into that idea? Or does some administrator come up with that on their own, a bureaucrat comes up with that on their own? Because you are dealing with companies that have extensive lobbying—as you know; you worked in Congress——

Mr. SOPKO. Yes.

Mr. CASTRO [continuing]. Have extensive lobbying operations to convince people to do different things. So I am wondering, you know, do these administrators or bureaucrats just decide on their own to do this crazy stuff, or are they getting talked into some of that?

Mr. SOPKO. Well, in that case with our goats, she did not have a lobbyist, that is for sure. She just, you know, signed up for it, did it, and just quit in disgust. So I put that aside.

We did not see any evidence of a lobbyist directing this. We looked for that—directing some stupid contract. We looked for it, but we did not find that. So I cannot attest to that. It could have occurred. We did not find it. So I cannot answer it.

Mr. CASTRO. Fair enough. No, well, thank you.

All right. I am going to yield back the time. And I know that Representative Jacobs has questions, and then I think Representative Meijer after that will have a question.

Vice Chair?

Ms. JACOBS. Well, thank you. And thanks for letting us do two rounds.

I wanted to keep digging on this question of USAID contracting. I think that, you know, you talked about how it is the contract and the contracting itself that is a problem.

You know, could you talk a little bit about some of the impediments to changing contracts and, in particular, if there was a difference between how large NGO's and smaller NGO's were dealt with?

In particular, we know smaller NGO's had a hard time working with USAID, but was there any evidence that those smaller NGO's were actually less impactful? Was this more of an administrative capacity? How can we improve USAID's ability to work with those smaller NGO's if they are, in fact, just as or more effective?

Mr. SOPKO. I would have to get back to you with more details on that.

Overall, I think the successes we saw, the more important—I won't say “more important,” but the more successful contracts were usually smaller, and usually smaller NGO's doing them. And I do not know if I can draw any conclusion from that.

We did hear a lot of complaints by small NGO's that it was difficult for them to contract with USAID, but I do not have the particulars on that right now. I apologize. I can get back to you.

Small, actually, was better. You know, my gut reaction—we do not have an audit on that—but spending a lot of money did not—

and, as you can see from my reports, that was a problem we saw. We thought if we could throw more money at the situation, it would improve.

Now, there are also some small subcontractors or contractors who did a horrible job. But there are some major contractors—I mean, some of these issues—and I can talk about the rule-of-law program, an important program. But, you know, I saw so much—and I do not know if these were big contractors or small contractors—where it looked like it was, you know, a tourism job, or program, for lawyers in the ABA.

So I would end up having to talk to lawyers coming in on this rule-of-law program who couldn't spell "Afghanistan," who had no concept of the culture and the law they were doing it. But they were being paid by—I do not know if it was a major contractor or a subcontractor, to fly over to Afghanistan for a couple weeks or a month to talk of old war stories about how they were a prosecutor or a defense attorney or they did corporate work for AT&T, which has no relevancy to Afghanistan. Now, I cannot tell you who brought them over, but we kept running into them.

Likewise, we saw major contractors at the—the Promote program was a real boneheaded program, to be very blunt, where they were hiring people because they had to show success immediately. That was some major contractors. They were hiring kids off the street whose only qualification was that they were a carbon life form and breathing. They did not know anything about women's issues.

And I had Mrs. Ghani even tell me that. You created this program in which, to enter it, you had to be a high-school graduate. And she said, "By definition, that eliminated 90 percent of the women in Afghanistan." And you, as the AID Administrator, were saying this was going to be the greatest successful program for women in the history of the United States? I mean, Mrs. Ghani quit in disgust from even talking to those people.

So I cannot tell you—that was a large contractor. I do not know who it was. But they were so desperate, they just were hiring college kids whose only qualification—

Ms. JACOBS. Well, actually, could I jump in and ask—

Mr. SOPKO. Yes.

Ms. JACOBS [continuing]. A followup on this question?

Mr. SOPKO. Yes.

Ms. JACOBS. You know, I think part of it, as we have sort of talked about before, is that we had folks who did not really understand the context of Afghanistan—

Mr. SOPKO. Right.

Ms. JACOBS [continuing]. And what they were working on, in part because of the rapid turnover of—

Mr. SOPKO. Yes.

Ms. JACOBS [continuing]. Civilian and military staff. As you know, Afghanistan, people stay 1 year versus 2 and 3. That is—

Mr. SOPKO. Yes.

Ms. JACOBS [continuing]. Typical of an FSO rotation.

How legitimate is the concern of the risk of clientitis? And how do we go about balancing that with our need for our folks to actually be understanding and experts in the countries they are serving so we do not keep making these mistakes?

Mr. SOPKO. Well, you have to write it into the contract, make certain these people have some knowledge. And somebody who is reviewing the contract should insist—and this goes back to monitoring and evaluation—that it sounds logical for a country like Afghanistan or like a country like Haiti.

I think you asked the question before, or maybe some other member, about, is this going on in Africa and other places? It very well could. And that is what my staff tells me who produced that lessons learned report, because we are not writing good contracts. The government is a horrible organization for writing contracts.

And this is what I have said before. It is not that the people in Afghanistan who worked for the U.S. Government were evil or bad or stupid. We gave them a box of broken tools. And I have used that term before, and that is what we did. Our contracting authority is broken. Our H.R. program is broken. Our appropriations cycle is broken. How we reward people in the government is broken. You need to fix that.

I mean, I had contracting officers who repeatedly told me, “The only thing I am judged on is how much money I put on contract, not whether any of the contracts work. And by the time my tour is done, I do not even care if they work or not. You are gone. You do not stick around long enough to be held accountable.” That needs to be fixed.

And you need to look at what is going on in Africa and around the world with AID contracting and State contracting and DOD contracting right now. It could be just as bad, but I do not know. That is not my job, to look at USAID outside of Afghanistan.

Ms. JACOBS. Right.

Well, thank you, Mr. Chair. We have a lot of work to do on this committee, and I will yield back.

Mr. CASTRO. Well, thank you, Vice Chair.

And, Mr. Sopko and committee members, that concludes our questions.

Mr. Sopko, first of all, thank you for all of your years of hard work and earnest examination and analysis of both our successes and our failures in Afghanistan. And we absolutely heed your advice and your warning about being aggressive in our oversight.

And so, thank you for everything. And, you know, you still have your job there, so they haven’t fired you. You joked you would be the only one that got fired. You still have your job, which is good. We are glad for that. And, again, just want to say thank you for being with us.

Mr. SOPKO. Thank you. And if we can help you at all, Mr. Chairman, do not hesitate to call us. We are here to help.

Mr. CASTRO. Thank you. Absolutely.

And that concludes our hearing, and we will adjourn. Thank you.

Mr. SOPKO. Thank you.

[Whereupon, at 2:05 p.m., the subcommittee was adjourned.]

APPENDIX

SUBCOMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-6128

**Subcommittee on International Development, International Organizations, and
Global Corporate Social Impact**

Joaquin Castro (D-TX), Chair

September 29, 2021

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs to be held by the Subcommittee on International Development, International Organizations and Global Corporate Social Impact, to be held virtually via Cisco WebEx. The meeting is available via live webcast on the Committee website at <https://foreignaffairs.house.gov/>:

DATE: Wednesday, October 6, 2021
TIME: 1:00 p.m., EDT
SUBJECT: Development Assistance During Conflict: Lessons from Afghanistan
WITNESSES: The Honorable John F. Sopko
Inspector General
Special Inspector General for Afghanistan Reconstruction

*NOTE: Witnesses may be added.

By Direction of the Chair

COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON International Development, International Organizations, and Global Corporate Social Impact HEARING

Day Wednesday Date 10/06/2021 Room Virtual

Starting Time 1:00 Ending Time 2:06

Recesses ☐ (____ to ____) (____ to ____) (____ to ____) (____ to ____) (____ to ____) (____ to ____)

Presiding Member(s)
Chairman Joaquin Castro

Check all of the following that apply:

Open Session ☒

Executive (closed) Session ☐

Televised ☒

Electronically Recorded (taped) ☒

Stenographic Record ☒

TITLE OF HEARING:

Development Assistance During Conflict: Lessons from Afghanistan

SUBCOMMITTEE MEMBERS PRESENT:

See attached hearing attendance form.

NON-SUBCOMMITTEE MEMBERS PRESENT: (Mark with an * if they are not members of full committee.)

Representative Peter Meijer

HEARING WITNESSES: Same as meeting notice attached? Yes ☒ No ☐

(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: (List any statements submitted for the record.)

QFRs submitted by Representative Jacobs

TIME SCHEDULED TO RECONVENE _____

or

TIME ADJOURNED _____

Subcommittee Staff Associate

HOUSE COMMITTEE ON FOREIGN AFFAIRS

SUBCOMMITTEE ON INTERNATIONAL DEVELOPMENT, INTERNATIONAL DEVELOPMENT
AND GLOBAL CORPORATE SOCIAL IMPACT HEARING: "SHIFTING THE POWER:

PRESENT	MEMBER
X	Joaquin Castro, TX
X	Sara Jacobs, CA
	Brad Sherman, CA
	Ilhan Omar, MN
X	Chrissy Houlahan, PA
X	Andy Kim, NJ

PRESENT	MEMBER
X	Nicole Malliotakis, NY
X	Darrell Issa, CA
X	Lee Zeldin, NY
X	Claudia Tenney, NY

Guest: Representative Peter Meijer

RESPONSES TO QUESTIONS SUBMITTED FOR THE RECORD

Honorable John F. Sopko
Special Inspector General for Afghanistan Reconstruction
Responses to Representative Sara Jacobs QFRs
For hearing titled
“Development Assistance During Conflict: Lessons from Afghanistan”
October 6, 2021

Question: What can we learn from how other countries do development? The UK and Japan for example that do system-wide reviews of their development strategies and seem to do a better job of course correcting.

SIGAR Response: SIGAR’s work has discussed the importance and rarity of in-depth and thoughtful portfolio-level reviews. For example, Germany conducted a successful long-term impact review of its development activities over a period of six years, in combination with a portfolio review of its reconstruction funding in Afghanistan. The German government said that these two exercises, while limited, provided a few key points of reference for strategic decision-making.¹ A notable component of the German approach was a multiyear study of the causal impact of aid in six districts in three northern Afghan provinces, where much of Germany’s assistance was focused. In a challenge to the widespread claim that determining impact in Afghanistan was prohibitively difficult, the review concluded that “conducting methodologically sophisticated impact analyses of development aid including extensive household surveys is also possible in Afghanistan.”²

With regards to the U.K., especially after the drawdown of British troops, Kabul-based staff expressed an interest in experimental designs, and stated that their evaluations tried to go “as far down as feasible on the causal chain.” Although they believed that establishing impact is usually not possible in Afghanistan, in some cases they used “theory-based” evaluations to look at whether a project’s original theory of change has held up in order to establish whether there was a plausible contribution to impact. Some reports from the UK Independent Commission for Aid Impact underscore instances where theory was insufficiently scrutinized, limiting the effectiveness of both DFID’s projects and its M&E systems.

The commission has at times been very critical: A March 2014 review of DFID’s efforts to build physical infrastructure and provide vocational training to Afghans so that they could obtain better jobs “[lacked] strategic coherence.” The commission added that significant weaknesses in project design, including “unproven theories of change,” made it difficult to assess the impact of projects against the UK’s overall strategic objective for Afghanistan, which was to create a “viable state.” Pointing to the “weak evidence base of ‘what works’ in Afghanistan,” the commission said that DFID needed to improve its M&E systems.

DFID’s most ambitious M&E effort was the 2009 Helmand Monitoring and Evaluation Plan, designed “to improve the delivery and effectiveness of [the UK’s] stabilisation efforts” in

¹ SIGAR, *What We Need to Learn: Lessons from Twenty Years of Afghanistan Reconstruction*, August 2021, p. 90.

² SIGAR, *The Risk of Doing the Wrong Thing Perfectly: Monitoring and Evaluation of Reconstruction Contracting in Afghanistan*, July 2021, pp. 165-166.

Helmand Province. Among other components, the Helmand Monitoring and Evaluation Plan involved quarterly perception polls of Afghans residing in targeted areas in order to monitor the effectiveness and impact of programming. According to a 2014 UK government review, this was the largest survey ever carried out in Helmand. But the review also said it was overly complex, and showed “how an M&E system will struggle to demonstrate impact if its overarching purpose is ill defined” and “how one M&E system has struggled to be everything for everyone.” Still, the UK’s experience with the Helmand Monitoring and Evaluation Plan yielded some useful lessons. According to the review, “Intervention hypotheses based on a well thought out [theory of change] should be tested through surveys and analysis to validate the intervention plan before undertaking the action or activities.”³

The U.K. has pioneered a number of innovations that are best practices the U.S. should emulate. First, it has used inter-ministerial pooled funds to ameliorate the dynamic whereby militaries and defense departments tend to lead stabilization efforts and development in countries experiencing conflict.⁴ The U.K. established the Conflict, Stability, and Security Fund (CSSF) in April 2015, as the latest in a series of cross-government conflict prevention funds that stretch back to 2001.⁵ In its 2019/2020 fiscal year, CSSF spent approximately \$1.7 billion.⁶ The Fund is designed to be nimble and flexible, in order to react to changing contexts with quick, tactical interventions.⁷ Its programs have also been praised for being “well informed on conflict dynamics.”⁸

Other countries’ development efforts often struggle with the same challenges that the U.S. faces. For example, SIGAR has repeatedly documented how short timeframes for projects and pressure to demonstrate progress encourage a focus on the types of interventions that produce short-term, easy-to-measure outputs at the expense of those that are slower but have more enduring impacts. The U.K. Independent Commission on Aid Impact has found that the CSSF suffers from the same shortcomings.

However, with regards to support to partner nation’s electoral processes, the U.K. has made headway on the problem of uncoordinated short-term programs. A 10-year planning and budgeting cycle would be ideal for electoral support. A longer time horizon would enable electoral support programs to place greater emphasis on the institutional strengthening and professional development of election commissions, helping them move away from narrowly focusing on the immediate training needs necessary to prepare for an election. It would also allow for the promotion of legislative reforms to protect the institutional independence of

³ SIGAR, *The Risk of Doing the Wrong Thing Perfectly: Monitoring and Evaluation of Reconstruction Contracting in Afghanistan*, July 2021, , pp. 166-167.

⁴ According to SIGAR’s Stabilization Report: “British civilians experienced similar tensions with their military in Helmand over the military’s expectation that civilian programming would follow behind front line troops and immediately begin highly visible infrastructure projects, regardless of security conditions, which often reduced project effectiveness.” SIGAR, *Stabilization: Lessons from the U.S. Experience in Afghanistan*, May 2018, p. 48.

⁵ UK Independent Commission on Aid Impact, *Report: The Conflict, Stability, and Security Fund’s Aid Spending*, March 29, 2018, electronic p. 7.

⁶ <https://www.gov.uk/government/organisations/conflict-stability-and-security-fund/about#budget>

⁷ UK Independent Commission on Aid Impact, *Report: The Conflict, Stability, and Security Fund’s Aid Spending*, March 29, 2018, electronic p. 7.

⁸ UK Independent Commission on Aid Impact, *Report: The Conflict, Stability, and Security Fund’s Aid Spending*, March 29, 2018, electronic p. 7.

election commissions.⁹ U.S. funding and technical support for Afghan elections almost always came at the last minute and abruptly surged and waned, undermining cost effectiveness and the sustainability of progress made.¹⁰

By contrast, the U.K. has had success with a longer term approach to election support in Bangladesh. According to a DFID study on the effectiveness of its electoral support through the United Nations Development Programme (UNDP), “UNDP put in place programmes to build capacity with the Bangladesh Election Commission several years before the 2008 election, scaling up substantially over the last 18 months. The assistance was provided in the context of political agreement on a ‘Road Map’ for restoring democracy, with an agreement between donors and the Bangladesh Election Commission governing external support. UNDP therefore had ample time to address systemic and capacity issues.”

Question: In the latest SIGAR report, it talks about the lack of administrative capacity to carry out programs, and it points out a provision in the Global Fragility Act that dictates that no more than 5 percent can be spent on “administrative expenses” to ensure our partners are getting the lion’s share of our assistance. But it points out that without the capacity of our agencies to carry out their work, we are unlikely to see success. What kind of investment in our capacity at both State and USAID do you believe is required for the GFA’s success?

SIGAR Response: The Global Fragility Act (GFA) asks agencies to make a laundry list of improvements while setting them up to fail by not providing additional staff to achieve these goals. It is essentially an unfunded mandate. Among other things it envisions a much longer term and more robust strategic planning process. GFA country strategies must go beyond throwing money and technical assistance at the problem. They must establish politically savvy responses and long-term partnerships with GFA countries to advance the shared goal of rebuilding each fragile state’s relationship with its own society.¹¹

In other words, the GFA isn’t just another program in each GFA country—it’s an entirely new top-to-bottom agenda that will require bandwidth. An anecdote shared with SIGAR by a senior official in USAID’s Bureau for Conflict Prevention and Stabilization illustrates how unrealistic this will be without additional dedicated planning staff: She said that her office cannot even create a two-hour training for her staff on GFA, both for funding and bureaucratic reasons. We hope that might be changing. In his October 27 testimony before the Senate Foreign Relations Committee, Secretary Blinken called for the creation of a “diplomatic reserve training corps / training float,” which SIGAR would welcome.

Yet training can only close the gap so much. SIGAR has documented how conflict prevention or stabilization requires a great deal of flexibility to quickly pivot strategies in response to fast-

⁹ SIGAR, *Elections: Lessons from the U.S. Experience in Afghanistan*, February 2021, p. 152.

¹⁰ SIGAR, *Elections: Lessons from the U.S. Experience in Afghanistan*, February 2021, pp. 150-152.

¹¹ Rachel Kleinfeld, “Picking Global Fragility Act Countries,” CSIS May 26, 2021.

moving events on the ground.¹² However, we have also documented how rare this is. USAID is characterized by contractual rigidity. USAID Contracting Officers (COs) already regularly oversee far more programs and dollars than they can effectively manage, particularly in conflict zones. COs need to be intimately familiar with individual awards to facilitate programmatic flexibility, something that is exceedingly rare. Awards also need to be designed for iteration and adjustments to respond to new developments through effective feedback loops.

SIGAR has also documented that greater flexibility is only possible with higher staff-to-program dollar ratios. USAID's Office of Transition Initiatives is a good example of how a higher staffing ratio can result in nimbler programming. Ironically, the office was criticized for the same higher staff levels that made this flexibility possible in the first place.¹³

Finally, beyond training and flexibility, State and USAID need to be able to devote staff time to careful deliberation about their strategies. DOD is able to devote considerable time to stress testing their strategies, while State and USAID are often not. Much of this comes back to not having enough staff to devote any to this critical task. Staffing issues are particularly acute at USAID, which saw its global staff slashed from 12,000 during the Vietnam era to 2,000 by 2008.

Further, increasing the number of COs and Contracting Officer's Representatives (CORs) capable of shepherding a program through an action-learning, iterative evolution is a long-term proposition. It takes years for them to master the byzantine regulations that the agency must abide by. While more senior COs are more open to having frank and open discussions about what was not working and how to change it, inexperienced contracting officers and contracting officer's representatives tend to be afraid of taking risks.¹⁴ According to Paul O'Brien, vice president of policy at Oxfam America, internal USAID protocols recommended that each manager oversee roughly \$10 million in grants—yet during some periods in Afghanistan, that number reached upwards of \$100 million.¹⁵ At one point, USAID's Director of the Office of Acquisition and Assistance determined that, in order to meet the U.S. government's average ratio of dollars to contracting officers, USAID would have to send nearly its entire overseas workforce to work only in Afghanistan.¹⁶ These dynamics are byproducts of inadequate oversight staff.

We do not have specific guidance regarding what percentage of GFA funds we would recommend be directed towards hiring at USAID and State to support its implementation.

Question: In SIGAR's latest report, it talks about how contractors were used to travel to field locations that were "deemed too dangerous" for U.S. government employees. This is demonstrative of a problem that we've struggled with for years – our diplomats not 'getting outside the wire' and really interacting with civil society and stakeholders outside the capital

¹² SIGAR, *Stabilization: Lessons from the U.S. Experience in Afghanistan*, May 2018, pp. 132-135.

¹³ SIGAR, *Stabilization: Lessons from the U.S. Experience in Afghanistan*, May 2018, pp. 134-135.

¹⁴ SIGAR, *The Risk of Doing the Wrong Thing Perfectly: Monitoring and Evaluation of Reconstruction Contracting in Afghanistan*, July 2021, p. 74.

¹⁵ SIGAR, *What We Need to Learn: Lessons from Twenty Years of Afghanistan Reconstruction*, August 2021, p. 31.

¹⁶ SIGAR, *Stabilization: Lessons from the U.S. Experience in Afghanistan*, May 2018, pp. 52.

cities due to risk aversion at the Department. And it's clear this contributed to the failure to understand the context in which we were operating in Afghanistan – another theme discussed in your report. Could you talk about the ways in which risk aversion and diplomats' inability to get outside the wire negatively impacted the mission in Afghanistan? What would you recommend to overcome this challenge?

SIGAR Response: To be effective, diplomats must engage in dialog and build trust with local interlocutors; glean information from local sources; understand how the local community functions; and, ultimately, gain a deeper understanding of the local social, cultural, and political context.

Nonetheless, a large proportion of international development projects end in failure, and as a consequence, many parts of the developing world are plagued by stagnant human development indicators despite years of outside interventions.

It is clear that the challenges confronting U.S. diplomats in Afghanistan would have been daunting even if the country were not embroiled in a civil war. Afghanistan is afflicted with some of the lowest human development indicators in the world, ranking 169th out of 189 countries and territories in the U.N.'s 2020 rankings. The country's circumstances are truly dire, and even if it were not an active conflict environment, any diplomat posted there would seem to face almost insurmountable odds in their attempts to improve the country's standing.

Unfortunately, poor security in Afghanistan raised the hurdles, and lowered the odds of success even further for our diplomats. In some cases, that meant mundane—yet important—administrative tasks could not be performed, such as project quality control inspections. But that was not the chief impediment. The chief impediment for our people in Afghanistan was the way poor security denied them the opportunity to even begin to grapple with the challenges that confront development professionals in any other underdeveloped but politically stable country.

The reality is that the American diplomats and aid workers who spent multiple tours in Afghanistan have little direct experience with the country. Living on a U.S. military base, even a small outpost, where you live and work with other Americans and have sparse interactions through an interpreter with Afghans who self-selected by opting to visit the base is hardly Afghanistan experience. After all, if our diplomats stayed in Washington and hosted meetings with Afghans here, those meetings would never count as “Afghanistan experience.” The months they spent on a U.S. base or outpost that happened to be physically located within the borders of Afghanistan could not possibly impart anything more than the most superficial impressions of the country. Yet it was those superficial impressions, combined with abundant bold assumptions, that informed their decisions. Given those facts, the U.S. government's wholesale failure should come as no surprise.

In terms of recommendations, the first thing the U.S. government may want to do is examine its track record of building institutions in non-conflict environments and draw generalizable lessons from those examples, if any exist. Is it a lack of will or ability that prevents us from improving impoverished countries that are not afflicted with largescale political violence? Could we address mere poverty in northern Ghana if we wanted to? Could we fix Detroit for that matter? Until we

are confident we can, we should moderate our expectations for conflict environments like Afghanistan.

On the other hand, if we do take another try at large-scale state-building in a conflict environment, we should reflect on our collective experience in Afghanistan, where poor security inhibited even our most basic objectives. Securing a country as large and populous as Afghanistan may require more troops than we are willing to devote to the task, but establishing that security is a prerequisite to all other state-building activities.

We could simultaneously improve the chances of our conflict stabilization programming succeeding by focusing on places where a reasonable degree of security is already present. At present too often we start in the least secure places first, and then hop scotch around like fire fighters, spending insufficient time to adequately understand the context, much less tackle complex problems that require enduring engagement. Instead, we should focus on fewer places where we can invest more deeply, seeking to put out the embers of conflict. Devolving more responsibility to implementing partners and, in particular, their local staff, as USAID's Office of Transition Initiatives and others do, is another way to increase knowledge of the context and relevance of programming, within the current security constraints on US-direct hire movement.

There are ways to improve access to field sites and to do so safely. In the words of Ambassador Anne Patterson: "During the past two decades, the U.S. focused more on physically eliminating terrorists than on evaluating trends and building relationships. . . I've learned that information, not physical barriers, keeps us safe."¹⁷ Ambassador Patterson agrees with the goal of the Expeditionary Diplomacy Act to roll back the State Department's bunker mentality. She argues that the role of the State Department's Accountability Review Board should be re-examined to ensure that it is not overly disincentivizing diplomats and development officials from taking reasonable and necessary risks.

Another part of the solution is to "reexamine insurance coverage, benefits, and salaries" for diplomatic and development officials who take security risks to get the job done.¹⁸

Finally, even when the military requests that civilians embed with them, the bureaucratic hurdles are massive and problematic. These require further examination and attention. During the 2018 Stabilization Symposium, participants shared a number of anecdotes that highlight the counter-productive barriers to interagency coordination. Among these were that General Brown, CENTCOM Deputy Commander, and his staff were struggling to figure out how DOD could pay to have civilians seconded to work with his officers on the ground in Yemen. Another participant noted that it took 12 months to get an agreement as to how DOD would be able to cover all of the logistics and security for USAID and State personnel in Syria.

¹⁷ Anne Patterson, "Cables from the Field: A Diplomat's Lessons from the Two Decades Since 9/11," *Journal of National Security Law & Policy*, vol. 12:81, electronic pp. 2, 9.

¹⁹ SIGAR, *Reconstructing the Afghan National Defense and Security Forces: Lessons from the U.S. Experience in Afghanistan*, September 2017, p. 170.

Question: Another issue that contributed to our lack of understanding of Afghanistan was rapid turnover of civilian and military staff. According to the report, “by the time they found their bearings and built important relationships, they began preparing to depart.” As you know, in Afghanistan officers stayed for one year versus the two to three years that is typical of a foreign service officer elsewhere, and even this is a short timeframe in an effort to prevent what some might call “clientitis.” In your view, how legitimate is the concern for this risk and how do we go about balancing that risk with needing our diplomatic corps to be experts on the countries where they serve?

SIGAR Response: There is no doubt that the costs of the annual turnover of civilian staff (and sometimes even more rapid turnover of troops) greatly outweighed concerns about clientitis. However, concerns about clientitis were not the primary driver of short tours. The major concerns were burnout and separating U.S. government officials and troops from their families by assigning them to an unaccompanied post. Recruitment for civilian agencies was already problematic even without requiring longer tours in Afghanistan. Such a requirement would have reduced both the numbers and quality of candidates that were hired.

However, it is possible to build and retain country-expertise without keeping people in country for more than a year. U.S. Special Forces and U.S. Air Force trainers and advisors created enduring relationships with their Afghan partners using frequent deployment cycles and returning to work with the same units repeatedly—akin to a one-year-on, one-year-off rotation. These enduring partnerships enabled their Afghan partners to build capabilities more quickly than other units. There is also precedent for two-year tours in-country. The Defense Department’s Ministry of Defense Advisors program mandated that its civilian advisors serve two-year tours, with the potential to remain for a third year.¹⁹ Another way to retain talent and country expertise would be to have staff rotate between deployments and related headquarters assignments, like the Afghanistan desks at State and USAID.

Finally, as with so many of these problems, this one is much bigger than just Afghanistan. As a 2020 report by the Council on Foreign Relations put it: “The post 9/11 surge in unaccompanied Foreign Service positions at overseas posts – which saw a fivefold increase from 2003 to 2013 and remains at 15-20 diplomatic posts a year, reflects a long-term reality with which the State Department has yet to fully come to grips.”²⁰

Question: Another challenge that SIGAR has discussed extensively is the issue of burn rate in our development programs. Oftentimes partners were incentivized to burn through money in order to demonstrate ‘success’ rather than showing the impact achieved. Can you talk about what led to this challenge and the impact it had on the success of our programs in Afghanistan, and if this challenge is applicable elsewhere in the world?

¹⁹ SIGAR, *Reconstructing the Afghan National Defense and Security Forces: Lessons from the U.S. Experience in Afghanistan*, September 2017, p. 170.

²⁰ Uzra Zeya and Jon Finer, “Revitalizing the State Department and American Diplomacy,” Council on Foreign Relations, November 2020, p. 17.

SIGAR Response: One of the main drivers of burn rate pressure on field staff is the fact that Congress will not generally match a previous year's funding levels unless all of the previous year's money was expended. This incentivizes spending quickly over spending intelligently. On the flip side, when Congress puts a hold on funding until it gets answers to its questions from the Mission, that undermines programmatic effectiveness by forcing the program to merely "keep the lights on," rather than implementing their strategy. Sometimes Congressional pressure on burn rate is more explicit. As a USAID official told us, "The Hill was always asking, 'Did you spend the money? What's your burn rate?' I didn't hear many questions about what the effects were."²¹

However, more broadly, the problem with burn rate pressure is its unpredictability. The tendency for funding to follow a flood/drought pattern is hugely problematic for thoughtful programming. CENTCOM Deputy Commander Brown has stressed that stabilization efforts are undermined by "unstable funding." SIGAR covered these challenges most extensively in our Elections Assistance Lessons Learned report (summarized in the response to QFR #1).

Another reason for burn rate pressure is DOD's frequent dominance over its civilian counterparts. As DOD insisted on taking the lead in Afghan provinces, civilian agencies either resisted or were unable to keep up even when they tried to, which convinced DOD that civilian agencies were not "nimble or capable enough to effectively support private sector development" in insecure environments. What emerged was a self-perpetuating cycle. Civilian agencies needed to hire additional partners to keep pace with the projects deemed acceptable by the military; when the agencies could not effectively monitor the work being done, the ensuing waste and fraud drove the military to request even more programs. These programs would then also go understaffed or without adequate oversight. In this way, the United States continuously spent money and engaged in more projects without seeing proportionate returns on its efforts.²² Similarly, the State Department sometimes expanded USAID's budget beyond the levels at which the agency said it could responsibly spend it, because State mistakenly believed that progress would be made faster that way.²³

Burn rate pressure is a natural extension of the lack of emphasis on figuring out what works and what doesn't, also known as monitoring and evaluation. In the absence of confidence about which programs and programmatic approaches worked better than others, money is the only available metric. It is also a key metric used to evaluate personnel performance: the more money a COR oversaw, the better their promotion potential. The same holds true for personnel running programs for implementing partners.²⁴ A far better metric is whether the program met its objectives and whether stakeholders ensured those objectives contributed to the mission's overall political goals—regardless of dollar amounts involved.

²¹ SIGAR, *Stabilization: Lessons from the U.S. Experience in Afghanistan*, May 2018, p. 57.

²² SIGAR, *What We Need to Learn: Lessons from Twenty Years of Afghanistan Reconstruction*, August 2021, p. 56.

²³ SIGAR, *Stabilization: Lessons from the U.S. Experience in Afghanistan*, May 2018, p. 57.

²⁴ SIGAR, *Stabilization: Lessons from the U.S. Experience in Afghanistan*, May 2018, pp. 75-76.

Question: SIGAR has also reported on our tendency to try to impose Western-like institutions in environments that do not currently have them and that are not a good fit for such institutions. The latest SIGAR report states that between 2003 and 2015, we spent more than \$1 billion on rule of law programming in Afghanistan – most of which went toward the development of a formal legal system, which was foreign to most Afghans, who actually favored more informal, community-level traditional dispute resolution mechanisms. We’ve seen this play out elsewhere. In your view, was this effort due to our lack of understanding of the context, or because we simply thought we knew better? Did we ever ‘learn’ this lesson in the context of Afghanistan?

SIGAR Response: The question as to whether we (1) failed to understand the context, or (2) just thought we knew better, are really two sides of the same coin. We thought we could establish a more effective and practical system of governance because we didn’t understand the context; and we didn’t take the time to understand the context because we thought we already knew what was best for Afghanistan.

When we went into Afghanistan the short-term objective was to eliminate Al Qaeda, but the longer-term objective was to prevent the organization from reestablishing itself there in the future. The way to do that, we thought, was to build an Afghan government replete with all of the formal institutions of a modern, western nation-state, which would oversee the country’s formerly ungoverned spaces and deny Al Qaeda safe haven.

The reason we may have been so bullish about the transferability and universal applicability of our institutions may be rooted in our interpretation of recent history. Our state-building experiment in Afghanistan occurred just over a decade after the collapse of the Soviet Union—an event that was sometimes attributed to the virtues of our own system of governance, rather than the vices of the Soviet system. The narrative of our triumph over the Soviet system—and the idea that liberal democracies are the final form of government for all nations as they progress along a linear political continuum (as famously envisioned in Fukuyama’s “The End of History”)—may have been all the encouragement we needed to attempt to impose radical and revolutionary changes on Afghanistan in response to the shock and trauma of 9/11.

Only time will tell if we truly learned any lessons about the pitfalls of blindly attempting to graft our institutions onto societies that are not prepared to receive them.

Question: Put differently, it is hard to know if we sound more sensible right now because we have truly learned the lesson, or because there is no competing demand to invade another country that might relegate those cautious voices to the back-bench. There is a lot of needed discussion about State Department reform to address its shortcomings over the last 20 years in Afghanistan. I think we have an opportunity to ensure the State Department has the capacities and skills required to engage in conflict prevention and stabilization efforts – and the most obvious place to look at where to house these capacities is the Conflict and Stabilization Operations Bureau. I noticed that in previous reports SIGAR has recommended the revamping of the Civilian Response Corps at both State and USAID – which used to be housed at the Office of the Coordinator of Reconstruction and Stabilization, which CSO has now absorbed. So my question

is, what kind of role would have been helpful for this Bureau to play during the past 20 years in Afghanistan?

SIGAR Response: The personnel problems and interagency coordination problems that undermined the U.S. effort in Afghanistan were neither new nor unanticipated. The Office of the Coordinator for Reconstruction and Stabilization (S/CRS) was envisioned to address both problems. However, it lacked both the authority it would have required to fulfill its mandate of overseeing the inter-agency strategy and the resources needed to hire adequate staff for the tasks it was assigned. Like any organization with significant authority but minimal resources, CRS was marginalized by other offices within the government that viewed it as a bureaucratic threat.

The similarities between the Global Fragility Act (GFA) and National Security Policy Directive (NSPD) 44 (which led to the creation of S/CRS) are striking. NSPD 44 tasked State with leading the interagency efforts of eight agencies, including USAID, USDA, and the Department of Justice. Likewise, the GFA states that “the Department of State is the overall lead department for establishing United States foreign policy and advancing diplomatic and political efforts.” NSPD 44 further required State to develop “a strong civilian response capability including necessary surge capabilities, [and to] analyze, formulate, and recommend additional authorities, mechanisms, and resources needed to ensure that the United States has the civilian reserve and response capabilities necessary for stabilization and reconstruction activities to respond quickly and effectively.”

State stood up CRS but could only staff it with a few dozen personnel. The idea of trying to oversee the stabilization missions in Iraq and Afghanistan with 20 people set State up for failure. Likewise, the GFA requires all of the relevant agencies to “identify the authorities, staffing, and other resource requirements needed to effectively implement the initiative” but also caps the investment State can make in itself. In other words, both NSPD 44 and the GFA gave State extraordinary responsibilities and minimal resources to fulfill them.

Most critical among the authorities that CRS (and State’s Bureau of Conflict and Stabilization Operations (CSO) Bureau, starting in 2011) lacked over the course of the war in Afghanistan was the ability to force other agencies to follow a common strategy. As a result, there was continual strategic confusion and different agencies worked at cross-purposes.²⁵ Had CRS been done right from the start—if it had the authority and funding to oversee the stabilization and reconstruction work of other agencies—State would have been in a far stronger position to lead the strategy.

The GFA is on track for a similar fate. When the GFA came out in late 2019, no new resources were offered to State and USAID to do the planning, so it predictably took a year for State to even develop a Global Fragility Strategy that still lacked target countries. During that year, funding for the GFA’s Prevention and Stabilization Fund was cut in half from \$200 million/year to \$100 million/year.

In fact, this is the most problematic dynamic in State’s relationship with both Congress and the White House, as it relates to the agency’s conflict work. These policymakers initially embrace

²⁵ SIGAR, *Stabilization: Lessons from the U.S. Experience in Afghanistan*, May 2018, p. 54-55; SIGAR, *What We Need to Learn: Lessons from Twenty Years of Afghanistan Reconstruction*, August 2021, pp. 10, 50.

the idea that State needs to be in the lead and also that it needs the resources to do so. But then they give State insufficient resources and authority to actually do what they have been asked to do. So when State fails to deliver, those policymakers conclude that State cannot succeed and strip them of those responsibilities and the meager resources they were given for the task. Then a decade or two later, the cycle repeats.

Question: “Absorptive capacity” is the amount of international aid a country can receive before it becomes counterproductive, and we know there is a lower threshold for countries experiencing prolonged conflict. This was undeniably present in Afghanistan. Can you talk about this challenge and why it was able to persist despite the knowledge among development professionals of the risks? Are you aware of anywhere else where this is an issue, or at risk of being an issue?

SIGAR Response: SIGAR’s Lessons Learned Program has documented many instances in which USAID told State and DOD that it could not responsibly spend the amounts of money that Congress budgeted. The infusion of money and personnel for stabilization activities led to massive increases in the number and value of development contracts. As part of that effort, the Departments of State and Defense pushed an understaffed USAID to develop a new set of development projects to complement expanded military operations. The pressure to produce results in a short amount of time, sometimes without specific definitions of what those results might be or reliable means of measuring them, meant that the “burn rate”—the rate at which money was spent on a program—was often the only way to measure “success.” In its most basic form, the metric relied on the questionable assumption that simply spending more money correlated with, or even directly contributed to, operational goals.²⁶

However, burn rate pressure is by no means a problem limited to Afghanistan. It was just worse and more widely publicized in Afghanistan because it was so extreme. The greater the political salience of a conflict, the greater risk of high burn rate pressure. It is a problem around the world in country contexts as diverse as Ecuador and Pakistan.²⁷

Burn rate pressure is a symptom of the bigger problem of understaffing USAID for the work it is told to do. It is also a product of that fact that agency’s work relies on incredibly complex theories of change, and evaluations of programs are based on whether the implementing partner performed the tasks assigned, rather than on whether the approach was successful in achieving its objectives, an argument covered at length in SIGAR’s [Risk of Doing the Wrong Thing Perfectly](#) report. Efforts to ascertain what programs and approaches work and which do not are generally farmed out to contractors and are not core responsibilities of senior decision makers. The same is true at State and DOD.

²⁶ SIGAR, *The Risk of Doing the Wrong Thing Perfectly: Monitoring and Evaluation of Reconstruction Contracting in Afghanistan*, July 2021, p. 13; SIGAR, *Stabilization: Lessons from the U.S. Experience in Afghanistan*, May 2018, p. 57.

²⁷ Tom Dichter, “Singed by the Burn Rate,” Medium, January 12, 2014; Ben Fowler and Tim Sparkman of MarketShare Associates and Michael Field of DAI for ACDI/VOCA, “Reconsidering the Concept of Scale in Market Systems Development,” produced under a contract for USAID, February 2016, footnote 11; Cameron Munter, “Better Next Time? Tales From the American Aid Experiences in Iraq and Pakistan,” January 14, 2016.

There are numerous other examples of countries where amounts of donor assistance exceeded their absorptive capacity. In CSIS' words, after the January 2010 earthquake in Haiti, "Hundreds of millions of dollars were spent to rebuild the country's educational system alone, for example, and yet Haiti has been able to spend only a fraction of that amount, with comparatively little to show for the investment." The report goes on to say that donors bore responsibility for "making heroically unrealistic demands."²⁸ Similarly, donor assistance reached the equivalent of 45% of the budget of South Sudan (then southern Sudan) by 2010. Little over two years after the country achieved independence, a civil war broke out in the country, and a year after that Transparency International ranked it the fifth most corrupt country in the world.²⁹

SIGAR found similar problems with efforts to build the Afghan National Defense and Security Forces. The lack of attention paid to security sector governance in Afghanistan meant that corruption ran rampant in the Afghan security forces.³⁰ Further, SIGAR found that insufficient emphasis on security sector governance is a global problem: "Most U.S. SSA programs focus on improving fighting capabilities of the partner nation's security forces, with limited efforts to improve the necessary security governance and sustainability institutions."³¹

As these examples demonstrate, absorptive capacity is not a simple numerical threshold. Granted, rough guidelines based on total amount of aid a country is receiving as a percentage of its overall GDP are useful—and SIGAR has used those calculations to explain the concept—the type of aid given is also a significant factor in determining whether it achieves the desired strategic effects. There are at least four potential uses of the phrase absorptive capacity. The first refers to disbursement constraints or disbursement slowness, evidenced by a low rate of utilization of credits or a long lag between commitments and disbursements. This could also be called the "pipeline approach". (In this sense exceeding absorptive capacity contributes to burn rate pressure, as commitments build up over time.) The second is macroeconomic instability associated with large aid inflows, i.e. the Dutch disease. The third and more classical meaning of absorptive capacity is a drop (possibly a cancellation) of the marginal return of aid beyond a certain amount, analyzed at the macro level, in terms of growth, or at the micro level, in terms of projects' or specific expenditures' impacts ("decreasing returns").³²

The fourth meaning captures the way that large aid flows fundamentally alter the relationship between government, elites, and local citizens, ultimately undermining the legitimacy of the partner government, as it becomes more beholden to its foreign funders and less to its populace. Another example is that it is a common practice for donors to set up autonomous agencies in

²⁸ Robert Lamb and Kathryn Mixon, "Rethinking Absorptive Capacity," CSIS, June 2013.

²⁹ OECD, "2011 Report on International Engagement in Fragile States: Republic of South Sudan," 2011; Council on Foreign Relations, "Civil War in South Sudan," webpage accessed October 2021; Transparency International, "Corruption Perceptions Index," 2014, webpage accessed October 2021, <https://www.transparency.org/en/cpi/2014/index/dnk>.

³⁰ SIGAR, *What We Need to Learn: Lessons from Twenty Years of Afghanistan Reconstruction*, August 2021, p. 29.

³¹ SIGAR, *Reconstructing the Afghan National Defense and Security Forces: Lessons from the U.S. Experience in Afghanistan*, September 2017, p. 175.

³² Patrick Guillaumont, Sylviane Guillaumont Jeanneney, "More Than the Volume of Aid, its Modalities Matter," Centre d'Études et de Recherches sur le Développement International, January 18, 2011.

order to attract the best civil servants, with higher wages, and avoid administrative inertia.³³ This approach is driven by the need to demonstrate quick progress, but what it actually does is make the intervention less sustainable and direct donor attention away from core ministries and longer-term reforms.³⁴ A version of this occurred in Afghanistan during the surge when many Afghan government officials received salary top-ups from donors. The World Bank found that this led staff receiving top-ups to be more responsive to donors than their Afghan managers, and contributed to popular perceptions of corruption.³⁵

The Global Fragility Act (GFA) seeks to address some of these challenges. For example, it recognized that in failing to address the drivers of fragility, including improved security sector governance, the U.S. is in fact working against its own interests in fostering stable, democratic states.³⁶ The GFA approach also hopes to address the U.S.' tendency to avoid tackling partner government's most pernicious political challenges, often involving corruption and political predation on the population, because going after these problems is usually regarded as so harmful to the bilateral relationship that nothing else would get done if these issues were broached.³⁷

³³ Patrick Guillaumont, Sylviane Guillaumont Jeanneney, "More Than the Volume of Aid, its Modalities Matter," Centre d'Études et de Recherches sur le Développement International, January 18, 2011.

³⁴ Patrick Guillaumont, Sylviane Guillaumont Jeanneney, "More Than the Volume of Aid, its Modalities Matter," Centre d'Études et de Recherches sur le Développement International, January 18, 2011.

³⁵ Anti-Corruption Resource Center, "Salary Top-Ups and the Impact on Corruption," 2013, pp. 5-6.

³⁶ Ena Dion and Emily Cole, "How International Security Support Contributed to Mali's Coup," U.S. Institute of Peace, September 21, 2020.

³⁷ Erol Yayboke, Annie Pforzheimer, Janina Staguhn, and Daphne McCurdy, "A Policymaker's Guide to the Global Fragility Act," CSIS, May 6, 2021.