



Prepared Remarks of
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***“Lessons Learned from American Stabilization and
Reconstruction Efforts in Afghanistan”***

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Thank you for that kind introduction and I want to thank the University of Ottawa and Dr. Banerjee for inviting me back to speak today. Since I was here roughly a year and a half ago – a lot has happened in Afghanistan. We have a great new U.S. Ambassador in Kabul, John Bass, a new NATO Commanding General, Scott Miller, and a new South Asia policy outlined by President Trump that they are implementing.

But there is also a great deal that has not changed in Afghanistan. In the words of a former American Ambassador, “if present trends continue, five years from now Afghanistan is likely to look very much like it does today: reconstruction stagnation, a weak central government starved of resources, unable to extend its influence to regions where oppressive warlords reign, opium production soars, and guerilla warfare in Afghan-Pakistani border areas generated by Pakistan-based Muslim extremists...”¹

Ambassador Tomsen’s prediction of Afghanistan’s was tragically prescient because he uttered those words not last year, not five years ago, but back in 2003. Given recent Taliban attacks in Ghazni and Baghlan provinces, a spate of increased violence in Kabul, and the fact that the United States has spent \$126 billion over 17 years on the Afghanistan reconstruction effort to date, one can reasonably ask how much has changed since Ambassador Tomsen’s statement and wonder where the current effort stands.

Since I last was in Ottawa, SIGAR has released numerous audits, inspection reports and indicted a number of individuals. In addition, we released four lessons learned reports – focusing on the effort to rebuild the Afghan security forces; on efforts to develop Afghanistan’s private sector economy; on stabilization efforts undertaken in Afghanistan; and on counternarcotics efforts. These four reports join SIGAR’s inaugural

lessons learned report published in 2016, which focused on anti-corruption efforts in Afghanistan. All five reports are available on our website at www.sigar.mil in both print and interactive formats and will be the subject of my discussion today.

While SIGAR is currently working on four additional lessons learned reports and plans to produce several more in the years ahead, we have distilled the five published reports into what we consider the ten most important and consistently observed lessons of American and coalition engagement in Afghanistan that have impacted our reconstruction effort. They include:

- Persistent insecurity and uncertainty about the future;
- A lack of comprehensive and coordinated strategies within the U.S. government and among our coalition partners;
- Misaligned priorities between the United States, coalition partners, and the Government of Afghanistan;
- A failure to understand the Afghan operating environment;
- Insufficient monitoring and evaluation of ongoing efforts;
- Spending decisions that exacerbated corruption;
- The failure to take into account the Afghan government's actual capabilities and political will;
- Politically driven timelines; and
- Counterproductive military and civilian personnel policies

Lastly, our tenth lesson was that with the right people and the right resources, it was possible to build capacity in Afghanistan – albeit on a smaller scale.

By identifying these findings and making recommendations, our hope is that we may not only be able to improve efforts in Afghanistan, but also similar future operations elsewhere in the world. While there have been undeniable successes in Afghanistan, there have also been unquestionable failures and ongoing challenges. Progress has been slow and many lessons could have, and should have, been learned since late 2001.

You may ask why you should care about the lessons SIGAR has identified from Afghanistan. After all, Canada has withdrawn its troops from Afghanistan's dusty battlefields after over 40,000 brave Canadian souls served, over 1,900 of whom were wounded and 159 gave the ultimate sacrifice fighting in the 'graveyard of empires.'

But, for one, your government continues to financially support reconstruction and the security forces in Afghanistan to the tune of hundreds of millions. And perhaps more importantly, stabilization and reconstruction activities have a long history and will no doubt be undertaken again in the future. Canada will, should it choose, have a role in those efforts. We may not know where the next Afghanistan, Iraq, or Syria will be – but we do know we WILL be doing this again, so we must learn what we can from our experience in Afghanistan, just as we should listen and learn from the forthcoming panel about Canada's experiences in Africa, Haiti, and indeed, Afghanistan.

SIGAR is positioned to play a unique role in identifying best practices and lessons from America's longest war because we are not housed within a single government agency. This makes us the only entity with the authority, capability and independence to look at U.S. efforts in Afghanistan in a truly holistic way, as General John Allen, the former U.S. and NATO Commanding General in Afghanistan and others pointed out to me shortly after I took this job.

This point hit home with me because while SIGAR was finding waste, fraud, and abuse nearly everywhere we looked in Afghanistan – from the \$488 million worth of aircraft we bought for the Afghans that couldn't fly – to the navy we bought for a landlocked country – to the buildings our government paid for that literally melted in the rain – I was constantly asked what it all meant in the context of the larger reconstruction effort.

I was also frustrated that individual agencies were constrained from deriving any long-term lessons in Afghanistan and adjusting their operations accordingly, largely because their personnel in Afghanistan rotate out of country after a year or less in what I call the “annual lobotomy.” To paraphrase Army officer John Paul Vann’s comment about the U.S. experience in Vietnam, we don’t have 17 years’ experience in Afghanistan. We have one year’s experience 17 times over.

Additionally, even if an agency does produce a lessons learned report, it rarely, if ever, coordinated with other government agencies in its preparation. Furthermore, lessons learned efforts that were undertaken were often long forgotten by the time they were needed again. My own staff in Kabul found a 1988 USAID-commissioned study entitled “A Retrospective Review of U.S. Assistance to Afghanistan: 1950 to 1979.” Many of the report’s lessons are not only still relevant, but if they had been taken into account in the early 2000’s, could have made a real impact. Unsurprisingly, we could not find anybody at USAID or the State Department who was aware of the report’s

existence, let alone of its findings.

When you undertake an effort such as our lessons learned initiative, you will inevitably gore somebody's ox. The programs, projects, policies, and strategies SIGAR has reviewed all were the result of decisions made by people who, in large part, were doing the best they could at the time. But despite the fact that our lessons learned reports identify failures, missed opportunities, and bad judgment, the response to our lessons learned reports has generally been positive.

The Defense Department was especially interested in our review of efforts to rebuild the Afghan security forces, asking us to brief numerous senior officials, including Chairman of the Joint Chiefs Joseph Dunford, and requested that two SIGAR subject matter experts be detailed to the Joint Staffs' failure analysis team that was helping develop the President's new strategy last year.

Our report on stabilization efforts was also well received. The State Department, Defense Department, and USAID requested our input as they completed their own Stabilization Assistance Review, which was recently finalized. We've been told that our report was made mandatory reading in at least one State Department bureau and my Deputy recently met with over 90 senior interagency officials of the British Government to discuss the report's findings.

While I don't have the time to discuss in detail all ten of the common threads we have identified in our lessons learned work to date, I do want to focus on five that I feel are especially important. They are:

- The impact of continued insecurity;
- Corruption and how the U.S. and coalition contributed to it;
- The impact from the lack of comprehensive strategies;
- The effect of politically driven timelines; and
- Counterproductive personnel policies;

Insecurity

First, let's look at the negative impact of continued insecurity. One of the most important common themes across all five of our lessons learned reports was that security is the critical component needed for reconstruction to succeed.

While U.S. and coalition military operations in late 2001 were largely successful, by early 2002, there was a misconception that Afghanistan was a post-conflict state. In 2003, the White House proposed just \$151 million in assistance for Afghanistan – a figure that included a whopping \$1 million for the Afghan National Army. While Congress later increased aid to just under \$1 billion, the message was clear – the United States intended to maintain a light footprint and did not foresee that the Taliban could reemerge to challenge the newly installed Afghan government.

Accelerating the Taliban's return was the coalition's reliance on warlords that the Taliban themselves had pushed out of power. The coalition paid warlords not only to provide security, but also, in many cases, to run provincial and district governments.

One senior U.S. official told us that it was seen as a pragmatic approach – that it was necessary to work with unsavory characters in order to pursue U.S. counterterrorism objectives, and that there was an assumption that the U.S. would eventually hold the powerbrokers to account -- only that rarely, if ever, happened.

The abuses – whether political, economic, or purely violent – committed by coalition-aligned Afghans turned many frustrated Afghans into the hands of the growing Taliban insurgency. The deterioration of security that followed negatively impacted virtually every U.S. initiative in Afghanistan to this day.

For example, as the Taliban threat grew, efforts to sustain and professionalize the Afghan security forces became secondary to immediate combat needs. The coalition built – or attempted to build – the Afghan force that the U.S. and coalition needed at the time – a force that would allow us to bring our troops home. There was little concern for the capabilities and resources the Afghans would be left with once coalition forces departed. A decade and a half later, the Afghan security forces still cannot sustain themselves, so we continue to spend billions annually to support them.

Afghanistan's economy was also negatively impacted by increasing insecurity, which discouraged trade, investment, and other economic activity. It also increased the difficulty of building government institutions needed to support the private sector. In particular, the U.S. government's announcement of the military drawdown and the resultant anticipation of dramatic aid reductions reinforced existing uncertainty and pessimism about the economy and fostered a "last call" mentality that encouraged Afghans to make money off the coalition's presence while they still could – something that has had a lasting impact on the success of all of the coalition's assistance

programs.

Corruption

The second key lesson from our reports is that corruption negatively affect the reconstruction effort and the coalition, particularly the U.S., exacerbated the corruption problem in Afghanistan.

The injection of billions of dollars into the Afghan economy by international donors led by the United States, when combined with the limited ability of the Afghan government to expend funds, poor donor oversight and contracting practices, and institutional incentives to spend money, quickly increased the risks of corruption.

We simply spent too much, too fast, in too small an economy, with too little oversight. While the West berates Afghanistan for being, according to Transparency International, the fourth most corrupt country in the world, it had help getting there. The \$126 billion the U.S. alone has spent on reconstruction – more than we spent on the Marshall Plan to rebuild Europe after World War II – flooded the Afghan economy. And that does not include the estimated \$700 billion the U.S. has spent on warfighting or funds provided by coalition partners and other donors.

Most development economists agree that the generally accepted amount of foreign aid a country's economy can absorb is 15 to 45 percent of the country's gross domestic product, or GDP. Afghanistan, with a relatively small economy, would be able to safely absorb a number towards the bottom of that range. Most anything more than that spills over into the illicit economy like water running off the sides of a saturated sponge.

By 2004, aid to Afghanistan from just the United States consistently exceeded the 45 percent limit and totaled more than 100 percent of Afghanistan's GDP in both 2007 and 2010. This distorted the Afghan economy, fueled corruption, and bought a lot of real estate in Dubai, the United States and elsewhere – and, remember, this does not even include assistance provided by other international partners, including the roughly \$3 billion (CAD) provided by the Canadian government since 2001.

As former U.S. Secretary of Defense Robert Gates put it, "For all our handwringing and hectoring on corruption we seemed oblivious to how much we were contributing to it and on a scale that dwarfed the drug trade. Tens of billions of dollars

were flooding into Afghanistan from the U.S. and our partners and we turned a blind eye or simply were ignorant of how regularly some portion was going to payoffs, bribes, and bank accounts in Dubai.”²

The U.S. government’s historic inclination to believe throwing more money at a problem automatically leads to better results exacerbated the problem. The stabilization effort in Afghanistan was derailed as money spent – rather than the outcomes of those expenditures – became the metric of success.

On that point, as our reports have repeatedly noted, our government agencies are very good at measuring inputs – usually, the amount of money spent on something. They’re decent at measuring outputs – for example, how many clinics they built or soldiers trained. But time and time again we have seen little if any focus on the outcomes of projects and programs. Measuring inputs and outputs alone cannot tell you if a clinic is staffed, has medicine, is connected to the electrical grid or has fuel for its generators, has access to clean water, and is being used by the local community. But no individual or agency in Afghanistan seems to ever be held accountable for successful outcomes – only on whether they spent funds and delivered an output.

There may be no more classic example of this in Afghanistan than the \$8.8 billion the U.S. has spent to fight narcotics in Afghanistan. The outcome of that effort can only be considered a success if the goal was for Afghanistan to produce more poppy and opium than ever before.

By 2013, the U.S. military had come to recognize corruption as a critical threat to U.S. security objectives in Afghanistan – including the effectiveness of the Afghan security forces we were spending billions to train. But it wasn’t until 2014 – 13 years after setting foot in Afghanistan, that the military placed a single condition on the Afghan military in exchange for U.S. funding.

But the damage had already been done. When the Afghan 215th Corps in Helmand collapsed in the face of a Taliban offensive in 2016, it was in large part due to an overestimation of the corps’ strength based on a personnel roster that had been inflated by the inclusion of non-existent “ghost soldiers” by senior commanders who pocketed the U.S.-funded salaries of those “ghosts.”

More recently, the U.S. Department of Justice attaché in Kabul describes Afghanistan as having “a largely lawless, weak, and dysfunctional government,” citing

the number of corruption cases languishing due to the lack of political will – rather than capacity – of the Afghan government.³ I've heard similar sentiments many times during my tenure as the SIGAR.

While Afghanistan undoubtedly had a corruption problem prior to 2001, U.S. and coalition spending acted as gasoline thrown on an already burning fire. Money cannot solve all the world's problems and where governments do choose to spend it, we must be aware of the operating environment and ensure that the proper controls and oversight bodies are in place to protect it.

Lack of Comprehensive Strategies

Our third key lesson was that the lack of comprehensive strategies inhibited assistance efforts. One of the most consistent failures SIGAR has identified in all of our work has been the lack of coherent, whole-of-government strategies to address challenges facing the reconstruction effort.

Strategies are critical to ensuring that all parties move in the same direction and are especially important when missions, like Afghanistan reconstruction, require multiple government agencies – and multiple governments – to coordinate.

Stabilization efforts were impaired by frequent battles between DOD and USAID. The absence of an anti-corruption strategy allowed security, counter-terrorism, and political goals to trump anti-corruption priorities.

Counternarcotics efforts suffered from the absence of a narcotics strategy that empowered the State Department to direct other agencies to provide the resources needed to ensure that U.S. security, development, and governance efforts accounted for how the impact of the drug trade on those efforts, conversely, how those efforts might impact the drug trade.

The effort to rebuild the Afghan security forces required integrated whole-of-government support from civilian and military agencies with expertise in training and advising foreign countries in security operations and their governing institutions. But here lies a cautionary tale. In the United States, the State Department has responsibility for training foreign police forces, such as the Afghan National Police. But State lacks the ability to operate in a hostile environment like Afghanistan. So the mission fell, in large part, to the U.S. military. But the U.S. military has little expertise in

training civilian police forces. We found instances where Blackhawk helicopter pilots were assigned to police training missions, and they and other soldiers turned to watching NCIS and COPS to try and develop curricula for their training programs.

This may be an extreme example, but it is an example that has had serious implications for the development of the Afghan National Police. It also demonstrates that the lack of comprehensive, coordinated strategies among government agencies negatively affected the reconstruction effort.

Artificial Timelines

The fourth common theme from our five lessons learned reports was that politically driven timelines undermined the reconstruction effort.

Because U.S. military plans for Afghan security force readiness were created in an environment of timelines dictated from Washington – and because these plans consistently underestimated the resilience of the Taliban insurgency and overestimated the capabilities of the Afghan security forces – those forces were ill-prepared to deal with deteriorating security after the drawdown of U.S. combat forces in 2014.

As General Allen, the commanding general at the time, told us, “we went from an end state to an end date.” Examples of the immediate effect of the drawdown were the temporary fall of Kunduz City and the failure of the Afghan 215th Corps in Helmand in 2015 after the vast majority of U.S. forces had left the country and ceased most offensive operations.

Artificial timelines also hampered efforts to develop the Afghan economy as overly ambitious targets and unrealistically short timeframes compromised program performance.

An example of what goes wrong when timelines from Washington drive decisions rather than realities on the ground can be seen in the operations of the Department of Defense’s Task Force for Business and Stability Operations, or TFBSO. The Defense Department – fearing that USAID’s long-term economic development plans in Afghanistan would not provide quick benefits that could weaken support for the insurgency – created its own \$675 million effort to jumpstart the Afghan economy.

As an aside, I’ll note that in I recently spoke to 300 Colonels and Lieutenant

Colonels at the Army War College and asked how many had been trained in economic development. Nobody raised their hand.

For \$675 million, TFBSO made minimal economic impact, but quite a few questionable decisions, to put it charitably. Among some of TFBSO's more novel ideas was a \$2.3 million program to purchase and fly sexy imported white Italian goats into Afghanistan on military aircraft to mate with native Afghan goats in an effort to improve the quality of Afghanistan's domestic cashmere.

It made for some happy Afghan goats but otherwise, as often happens in love and war, things did not turn out as hoped. There was an outbreak of disease that necessitated that part of the herd be culled, and the project manager quit in frustration over poor management and the unrealistic timelines of the project. The key problem arose because TFBSO was trying to accomplish in a couple years what would ordinarily take decades because of the politically driven timelines to rebuild the Afghan economy. Adding insult to injury, as of April of last year, SIGAR inspectors could find neither hide nor hair of the remaining goats.

TFBSO also spent millions to construct a compressed natural gas station in Sheberghan in an effort to quickly create a CNG market in Afghanistan. A noble goal, but, unfortunately, there were no other CNG stations in Afghanistan so any cars using the filling station couldn't leave the city. Afghanistan also happened to lack any cars that ran on CNG – and the conversion cost was very steep – so the U.S. taxpayer happily – or perhaps not so happily – paid to convert a number of taxies to run on CNG to produce a local market for the filling station. The station began operations in 2012, but to our knowledge remains the sole CNG filling station in all of Afghanistan.

A comprehensive SIGAR audit of TFBSO found that over half of the program's expenditures went to overhead costs, so the costs of both the cashmere and CNG projects were likely considerably higher than I just stated. In fact, an outside consultant hired by the Defense Department estimated that the CNG project alone could have cost up to nearly \$43 million.

The large number of projects and programs that TFBSO expended funds on failed for a number of reasons, including their managers' penchant for ignoring the need for projects to be sustainable once the U.S. stopped providing funding. TFBSO also routinely failed to conduct adequate risk and market analysis. Were it not for the Defense Department's knowledge that they had to produce results in Afghanistan

extremely quickly, one wonders if the initiative would have been undertaken at all.

Stabilization and counternarcotics efforts also suffered from unrealistic timelines, as both endeavors, by their very nature, take long periods of time to be successful – time they were not given.

Personnel

The fifth common lesson our reports identified is that the most basic of things – human resourcing – negatively affected the reconstruction effort by inhibiting continuity and institutional memory.

I assumed my post as SIGAR in 2012. As I stand here today, I'm now working with my fifth U.S. Ambassador to Afghanistan, my sixth NATO and U.S. Commanding General, and eighth head of the U.S. train, advise, and assist command. Some eighty percent of the U.S. Embassy clears out year on year and most of the U.S. military assigned to Afghanistan stays a year or less.

Annual rotations of personnel for non-accompanied posts like Afghanistan have long been standard practice for the military, State Department, and USAID – and there are understandable reasons for this. But if the “annual lobotomy” in Kabul is going to continue, ways must be found to avoid the routine loss of institutional memory.

As one report affirmed, brief rotational deployments and frequent shifts in command contribute to a “lack of proper continuity of effort, a breakdown, or gaps in critical U.S.-host country relationships, and a mutual lack of trust.”

Retired Sergeant Major Robert Rush noted that “one tenet of [counterinsurgency doctrine]...is to know the populace, and one-year tours...did not give organizations or the community they were supporting the time to get to know one another. [One unit] leaves and another unit would come in and begin the learning phase all over again.”⁴

Knowing that their deployment would last just a year, commanders knew they had to demonstrate progress in a short amount of time. As senior State Department official Eliot Cohen noted, “Commanders starting a rotation [in Afghanistan] would say, ‘This is going to be difficult.’ Six months later, they’d say, ‘we might be turning a corner.’ At the end of their rotation, they would say, ‘We have achieved irreversible momentum.’ Then the next command group coming in would pronounce, ‘This is going to be

difficult..."⁵

As for the civilians based in Kabul, to journalist Christina Lamb, "it was as if [they believed] history had only started when they had arrived a few months earlier."⁶ British journalist and current Member of Parliament Rory Stewart noted that individual [development] officers are never in any one place and rarely in any one organization long enough to be assessed...in fact, their very uselessness benefits them."⁷

Short rotations have affected every aspect of the reconstruction effort and I must add, almost every member of the coalition in Afghanistan. Military officials build relationships with their civilian counterparts, which are then lost. Advisors to Afghan security units build trust and then depart. Afghan government officials must deal with a revolving door of American and coalition government officials and have learned to wait out officials they dislike or don't agree with – knowing that the foreigner will soon be gone. Contracting officers approve projects knowing they won't be in the country when the project is completed and their replacements may have little, if any, knowledge of, or interest in, the project they inherited.

Any solution to this problem will be difficult – many of my staff serve multiple tours and some have been in Kabul for five or more years so I know the toll the tours take on them and their families. But we simply must find a better way to maintain continuity of effort and knowledge.

Conclusion

In conclusion, SIGAR's lessons learned program may be our agency's longest lasting legacy.

I am encouraged that many of the recommendations we have made in the five reports we have issued to date are under consideration in many quarters – and some have already been implemented. I'm further encouraged that senior U.S. policymakers, both in Kabul and Washington, have asked us to conduct additional reports to aid their work – as have many of our coalition partners.

As I mentioned, by its very nature, any lessons learned report is going to question decisions that were made and those who made them. But it is to their credit that many of the individuals who decisions have been criticized are seeing the value of our work and asking for us to produce more of it.

While this speaks to the quality of SIGAR's work product, it more importantly speaks to the professionalism of senior policymakers who are not only learning lessons but also attempting to apply them. After all, we learn more not from success, but from failure. In that sense, there is still a great deal we all can learn from our Afghanistan endeavor.

In closing let me leave you with two interlocking thoughts. One comes from a former South Vietnamese General who, referencing Vietnam, said "History is not easy...people are still confused why a huge force like the United States was defeated. But if you don't know your enemy, you will lose every time."⁸

To his maxim, I would add an addendum from former cartoonist and cultural commentator, Walt Kelly that we are often our own worst enemy.

My hope is that the ultimate contribution from SIGAR's lessons learned program will help us better understand and overcome the real enemy to our success in Afghanistan and elsewhere around the globe -- which many times is ourselves.

Thank you very much and I look forward to your questions.

¹ Tomsen, Peter, *The Wars of Afghanistan: Messianic Terrorism, Tribal Conflicts, and the Failures of Great Powers*, 1st Edition (New York: Public Affairs, 2011), p. 619, Kindle Edition.

² Lamb, Christina, *Farewell Kabul: From Afghanistan to a More Dangerous World*, E-book Edition (London: Williams Collins, 2015), p. 471, Kindle Edition.

³ SIGAR, *Quarterly Report to the United States Congress*, July 30, 2018, p. 111.

⁴ Rush, Robert, "What's Better to Use in Combat: Unit Replacement or Individual Troop Rotation?" *Foreign Policy*, January 26, 2016.

⁵ Coll, Steve, *Directorate S: The C.I.A. and America's Secret Wars in Afghanistan and Pakistan*, 1st Edition (New York: Penguin Press, 2018), p. 297, Kindle Edition.

⁶ Lamb, *Farewell Kabul*, p. 375.

⁷ Stewart, Rory, *The Places in Between*, 1st Edition (Orlando: Harcourt, 2006), p. 248.

⁸ Bowden, Mark, *Hue 1968: A Turning Point of the American War in Vietnam*, 1st Edition (New York: Grove Press, 2017), Epilogue, Kindle Edition.