

## **SUBMISSION - Jim McMurchy**

### **The administration, management and objective of Australia's overseas development programs in Afghanistan in the context of the Transition Decade'**

#### **Introduction:**

I ask that my submission still be included in your Senate Inquiry despite its late submission date. I only returned from Afghanistan on September 13<sup>th</sup> and became aware of the Inquiry a couple of days later.

I have visited Afghanistan four times in the last five years. I go as a tourist, but have maintained an active interest in the progress of the country as it struggles to free itself from war, poverty and corruption.

I note that most submissions received are from aid organisations which is natural, but I also feel a lay persons opinion can shed an alternate viewpoint on a topic which up til now has mainly been used to provide 'feel good' sound grabs for politicians.

For too long the Australian public has been treated to glib shallow statements from politicians regarding the real state of affairs in Afghanistan. It has led to a political narrative devoid of 'on the ground realities', except for photo opportunities on a secure base.

Compounding this is an increasing lack of public knowledge, interest or support for Australia's involvement - be it military or civilian. This apathy has manifested itself into race related talkback radio where some callers question why Australia send its troops and aid to Afghanistan while Afghan refugees escape their own country.

Many people would be aghast at the scale of investment of money and lives that have gone into Afghanistan for a seemingly never ending quagmire. Even when the coalition forces have largely left the country to its own devices post 2014, the possible or probable civil war implosion in many parts of the country will leave those earlier investments seem very dubious both in their arrogance of approach, the implementation of strategy and the lack of lessons learned from history.

Like so many of the problems in Afghanistan ( lack of security, lack of government influence and infra-structure, endemic corruption, poverty, illiteracy and lack of hope), if the West has not been able to significantly improve the situation, what chance do the Afghans have with less 'high tec' military and logistical support, less foreign aid (despite pledges) and a weak central government barely able to exert influence outside Kabul.

There has been some good advances - dramatic increases in children going to school,

particularly girls; widespread improvements in health services; increased availability of water and power supplies and the emergence of inspired young educated Afghans who hopefully may hold one of the few tangible hopes for the future.

### **Aid Objectives and Management:**

As outlined in the AusAID publication 'Australia's strategic approach to aid in Afghanistan 2010-2012', Australian aid efforts are to add a humanitarian focus to a otherwise dominant military presence.

Whilst the objectives are clearly stated as in the above document, the implementation of such goals runs immediately into the challenges of separating humanitarian from military goals. The age old debate rages as to the levels and methods of obtaining security before aid programs can be implemented.

Maybe this is best illustrated by the infamous line by Stanley McChrystal when he announced on the eve of the surge into Marja that "we've got government in a box, ready to roll out".

Unfortunately the 'government in a box' didn't arrive and the security gains alone were not enough to inspire the local populace and went a long way to destroying 'trust on the ground'.

To date, a lot of well intentioned aid has still reflected donor preferences re allocations and implementations, rather than seeking greater consultation with the local community. This has led in some cases to projects being inappropriately designed, located and even causing local family or tribal disputes over land and water rights.

As part of the COIN strategy, the military has tended to absorb and link many aid projects to their Provincial Reconstruction Teams. This blurs the line between humanitarian and military assistance.

Such aid projects tend to be short sighted projects, located in the areas of greatest insurgency to gain the 'hearts and minds' of the local population in an attempt lure them from the fear or attraction of the insurgents. Some projects have also seen the military support (tacit or otherwise) of some fearsome warlords and their militia, as an extra layer of security or promise of safe passage on the roads ('transport mafia').

This fact highlights such a simple but major problem with delivering aid projects. One need workers (often on high salaries) to be provided security, the presence of security then tends to lead to the aid workers being lumped with the military as 'foreign invaders' and thereby 'justified targets' in the minds of the insurgents.

Worsening this overhead drain on the aid budget is when private security is required, along with bullet-proof vehicles and secure compound accommodation. Not all aid organisations take this 'high security' and subsequently 'high profile' presence.

However, it is clearly a priority for Australian aid efforts as family, media and politicians alike would not respond well to civilians deaths, even in such a deadly environment as parts of Afghanistan.

### **Management of Aid Programs:**

With Australia's recent announcement of an increase in aid from \$165 million to \$250 million per year by 2015-16, it has accompanied this with a determination to follow through with the pledge made at the 2010 Kabul Conference to put 50% of foreign aid through Afghan Government systems. This is called 'on-budget funding'.

Due to the frailty of the Afghan economy, this is the preferred conduit, as it helps to build up government finances and expertise. Many donor nations are sceptical due the lack of oversight and transparency of past aid efforts managed by this method of financing.

The other method which is largely used by private donors and Non-Government Organisations (NGO's) is the 'off-budget' method. This allows for greater donor preference as to where and how the aid is used as it is managed by the aid organisation directly.

It however does little to strengthen government capabilities in finance and governance. More and more legislation and consultative committees have been set up to harmonise and co-ordinate the combined might of private and government aid funding.

Another drain on the effectiveness of the aid dollar are the multiple layers of sub-contracting. Numerous examples exist where multiple layers of contractor involvement in the contract process, each making their own healthy profit, whilst passing on the actual on the ground risk to less and less proficient or accountable contractors.

Between 2001-2010, estimates in the Afghan Aid Bulletin declare approximately US\$57 billion has entered the country for aid disbursement, with approximately \$900 million from the Australian Government. More recent US figures put their humanitarian and reconstruction efforts to 2012 at US\$89.5 billion.

Add to this a war bill of US\$480 billion, one can see why their economy is not great, they suffer resentment in Afghanistan for their presence, but possibly more so for the lack of tangible improvements on the ground.

Quite simply, when local Afghans drive along dilapidated roads as they pass the huge

'mini-city' air bases (sealed, secured and air-conditioned), they must wonder what their lot in life is and why.

With World Bank figures showing over 95% of the Gross Domestic Product (GDP.) of Afghanistan coming from the cost of sustaining the foreign military presence and the injection of aid from NGO and private organisations, withdrawals as forecast after 2014 are sure to virtually cripple an already disabled economy.

Even the hope of sustaining much of Afghanistan's GDP. with mineral wealth are going at a slower pace than expected. The Chinese syndicate with the 30 year lease to the US\$3 billion Aynak copper mine are suffering security and logistics problems and these are expected to delay first production to 2016.

### **Future Directions for Aid to Afghanistan:**

Personally reflecting, I fear for the safety of aid workers ('tarred with the same brush' as their military protectors), I fear for the local Afghans (possible civil war and 'a rush to the gates' by the Coalition despite pledges), and I fear for the reduced number of troops left to protect and train 'the bleeding sore' that will be the Afghan security forces.

Given the problems of illiteracy, corruption, desertion, the threat of the Taliban, significantly reduced military capability in all forms and the possibility of 80-100,000 troop and police cuts due to economic woes and reduced coalition funding, how can any politician or military spokesperson paint a favourable future for Afghanistan.

The above mentioned talk of such severe troop and police cuts echoes horribly similarly to the disbandment of the Baathist army in Iraq which created an instant anti-Government militia.

There will always be those caring and brave individuals and organisations typically associated with assisting humanitarian suffering who will still operate in Afghanistan. Less clear is the attitude of aid organisations more involved with agriculture, logistics, governance and cultural matters who may not have as heroic a staff base especially in deteriorating security conditions.

The ever expanding number of 'baby faced' NGO and foreign government employees flying into Kabul looking to enhance their C.V's by serving in a 'war zone' may start to become a thing of the past.

Unfortunately I feel aid will become increasingly difficult to safely deliver. The Afghan Government will become an economic 'cot case' without it, and following on from that would be the collapse of the government - a precarious 'house of cards' that the West has so vainly fought to support for over the last 10 years.

Much of the aid has delivered substantial and hopefully sustainable improvements particularly in the countryside. Whilst there is clearly worse traffic and pollution (even refuse burning from Bagram air-base has upset the locals) in the the major cities of Kabul, Herat and Mazar-e-Sharif, one really does not notice any worthwhile changes including the ever increasing garish mansions of drug lords, warlords, corrupt politicians and successful business people alike.

For the circle of guides, drivers, shopkeepers, students at Kabul University and others who one meets as a tourist, I unfortunately say very few are confident for the future - almost evenly split whether the West should stay or go, but most saying not now and not in the immediate future.

They do feel the West have botched their presence (too long, too little progress on most fronts, anger at night raids and innocent casualties, anger at their 'gung ho' presence on the roads even though they really do seem to have retreated to their bases and a feeling of little tangible benefit to the economy in a localised sense).

So as the Committee listens to the obviously vested, but genuinely motivated submissions of the aid organisations, I encourage you to spread your inquiry to read some of the following recommended reading or publications from the selected organisations listed. I also feel a simple Google search would reveal a plethora of some of the pithier reporting by long term correspondents on the ground.

My grim predictions are increasingly being spoken about by many long term analysts, so I urge you to maintain an open mind as you search for safe, practical and sustainable guidelines and/or legislation to manage Australia's aid contribution to Afghanistan in the 'Transition Decade' ahead.

### **Recommended Reading:**

Afghanistan Research and Evaluation Unit - The A-Z Guide to Afghanistan Assistance 2012.

Afghanistan Analysts Network - see blog dated 13.06.2011 by Martine Van Bijlert.

Afghanistan - How the West Lost Its Way. Tim Bird & Alex Marshall

Afghanistan - The Mirage of Peace. Chris Johnson & Jolyon Leslie

Report to the US Foreign Relations Committee - Evaluating US Foreign Assistance to Afghanistan. June 8, 2011.

Special Inspector General For Afghanistan Reconstruction - Quarterly Reports.

When More is Less - Astri Suhrke.

Working Towards Peace and Prosperity in Afghanistan - Wolfgang Danspechgruber.