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A capable state in Afghanistan: A building without a foundation?

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WIDER Working Paper No. 2013/063

A capable state in Afghanistan

A building without a foundation?

Frauke de Weijer*

June 2013

Abstract

This paper argues that attempts at state-building in Afghanistan have led to institutions that are not robust. The state institutions and organizations continue to be highly dependent on external resources and technical expertise, and lack of critical mass of people able and willing to maintain them when external support recedes. I contend that Afghanistan may have fallen into a 'capability trap' that can lead to an actual decrease in state capacity in spite of an appearance of progress. This capability trap has been facilitated by four conditions; (i) high expectations on the government without sequencing or prioritization, (ii) more weight on immediate results than on establishing capable institutions, (iii) a limited menu of acceptable options for institutional arrangements, leading to strong pressures for simple 'transplantation', and (iv) a top-down model of implementation. Thinking about state-building thus needs to shift towards helping to structure or guide a process through which the problem-solving capacity of a broader range of actors can be brought to the fore, and more contextually fit models can emerge, that are less reliant on external expertise, resources, and legitimacy.

Keywords: Afghanistan, capable states, capability traps, public sector reform, governance, institutional change.
JEL classification: O20, D02, H11

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1 Introduction

But strange to say, all these measures, efforts, and plans—which were not at all worse than others issued in similar circumstances—did not affect the essence of the matter but, like the hands of a clock detached from the mechanism, swung about in an arbitrary and aimless way without engaging the cogwheels.

(Tolstoy[1])

The USA has spent over a half a trillion dollars on Afghanistan since the fall of the Taliban in 2002. The amount beggars the imagination: it is bigger than the annual GDP of Belgium or Norway and nears US$150,000 per Afghan citizen. While most of the US expense was for its own troops, it also spent US$89.5 billion on humanitarian and reconstruction assistance to Afghanistan. Added to the US resources for development and state-building were resources put in by other countries and the multilateral organizations. Over the last decade one small country has absorbed roughly the same as the global annual flow of all development assistance.

What has half a trillion dollars produced? While there have been gains, few claim this money was well-spent and led to the hoped-for results. The US plan to continue to withdraw their troops into 2014. To date, the underwhelming progress in establishing a capable state on the ground is not met with strategy shifts or prolonging support but simply with a proportionate retrogress in the stated ambitiousness of the US goals for state-building prior to withdrawal.

This raises the broader question of the lessons learned from efforts at building a capable state in Afghanistan. In assessing failures to meet expectations there are various logical possibilities. One is the expectations were set too high, such that no conceivable plan could deliver and hence that failure was foreordained simply by overambitious expectations. Another possibility is that the theories of state-building on which strategies and tactics were based was right but that the flaw was in implementation. Another possibility is that underlying theories of state-building that guided the strategies, tactics, plans, and implementation of the external actors in Afghanistan were just fundamentally wrong. It wouldn't have mattered how much was spent and that the failures of implementation were not contingent but implementation failed because implementation of plans based on a fundamentally wrong theory is impossible.

After the quick defeat of the Taliban, *state-building* was the name of the game. The idea was that the security provided directly through US and foreign troops would provide an umbrella under which external resources could flow into reconstruction, delivering of emergency assistance, and building a capable state. The plan was to create an effective, legitimate, and resilient state, which, after the departure of the foreign troops, could maintain sufficient control over its territory to keep the terrorists out. In the international community, and especially in the USA, notions of state-building were strongly influenced by theorists such as Max Weber and Charles Tilly, with strong emphasis on the ability of the state to maintain control over its territory, a monopoly of the legitimate use of physical force, and the ability to eliminate or neutralize rivals inside its own territory.

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[1] Quote from Tolstoy's *War and Peace*, when discussing the failure of Napoleon to secure his earlier victories in Russia and allowing Moscow to burn and his army to retreat in haste and disarray.

Somewhat less attention was being paid to the *legitimacy* of the state, for which in any case elections and democratic practice were seen as the best recipe.

In the development policy discourse state-building was increasingly seen as reversing the fragility of the state, through strengthening the weak institutions and the ability of the state to perform basic functions and increasingly meet the expectations of citizens. Ghani and Lockhart in particular have emphasized the importance of strengthening the compact between state and citizens, and placing accountability to citizens at the heart of the state-building strategy (Ghani and Lockhart 2008). Thus, a capable state should be able to effectively perform a number of basic functions of government, which range from maintaining security and territorial control, administrative control, sound management of public finances, and a country's assets, to (re)constructing its infrastructure, providing access to education and health care to all citizens, forming and regulating the market, and providing for citizen rights-focused social policy.[2] In Fukuyama's (2004) terms, the desired scope and strength of state institutions is both broad and deep.

Ten years on, how capable is this government to perform these functions? And what is the chance that it will continue to do so after the departure of the foreign funds and expertise? If state-building can be defined as the creation of self-sustaining state capacity that can survive once foreign advice and support are withdrawn, as Fukuyama (2004) suggested, how will Afghanistan fare? In other words, how robust are the institutions that have been established post-2002?

Many analysts now expect the Afghanistan experience will be a failure in state-building, in all three dimensions. Most analysis focuses on the (feared) inability of the state to fight the insurgents and maintain control over its territory or to provide security to its people. Analysts are divided on this issue, but doubt prevails. In addition, there is some recognition of the fact that state territorial control is not simply a case of military might, but hinges on the ability of the state to provide a credible and legitimate alternative to the insurgents. Here, the overall assessment equally is one of unmet expectations. All in all, thus, the picture is not rosy. Much less focus, however, has been placed by analysts on the more operational aspects of the state apparatus, its policy-making ability, its ability to provide schooling and healthcare, its ability to boost food security and agricultural growth and so on. How is state capability in Afghanistan performing in this regard?

Here some news is actually pretty good as some quite impressive results have been achieved since 2002. School enrollment has increased from 1 million to over 7 million children, with girls' enrollment up from under 200,000 to nearly 3 million (World Bank 2012a). Access to basic health care services now stands at 85 per cent of the Afghan population (MoF 2010). More than 4,000 kilometres of roads have been paved, and 73 per cent of the population has access to telecommunication services (ibid.).

However, the dependency on outside expertise and support in generating the good news has been very high. It was mostly outsiders who wrote the policies and planning underpinning this progress. Most of the implementation, in particular of the social services, is conducted by (often international) NGOs. 71 per cent of Afghanistan's financial resources come from external financing, and this aid dependence is likely to remain for a long time as domestic revenues cannot meet even the government *recurrent* expenditures. Furthermore, the capacity

2 Paraphrased from Ghani and Lockhart (2008).

to manage the different governmental programmes lies with a small group of people within the government ministries who are able to talk the talk and understand donor requirements. If all the foreign advisors were taken out of Afghanistan tomorrow, a very narrow group of people would be left that are able to manage and further develop the institutions that have been created. And it can be strongly doubted whether these people will have the political backing to do so, as some of the most effective ministers have already found themselves waylaid.

This continued dependency on external resources and the capacity of the institutions painstakingly strengthened over a period of a decade through capacity-building and public sector reform is worrisome. Yet, in the media, most of the concern is directed towards the ability of the Afghan National Army and Police to maintain security when the foreign troops leave. Alarm is also being raised about whether the Taliban, if they come back into power, will allow girls to go to school. But almost no attention is paid to the ability of the Ministry of Education to keep the schools going after foreign advisors and funding leaves, or that of the Ministry of Public Health to continue to deliver health care services. Yet, the risk that this state capacity for implementation of basic services will also collapse post-2014 is real.

Building institutions takes time. A timeframe of a few years to establish capable institutions is wishful thinking, and more realistic timeframes of around 20 years or even more than a generation, are necessary. More effort does indeed need to be directed towards explaining to the public in the West the long-term process involved in institutional transformation. Yet, if this period needs to be covered by extensive financial support this may not be very realistic, given a political climate where support—especially such massive support as was given to Afghanistan—may not be sustained for very long.

But the problem goes deeper than this. The current strategies for state-building may have undermined the very capacity we[3] external actors strove to build.[4] We may have done so through attempting to build institutions that are not technically, financially, and socially sustainable. We may have pushed Afghanistan into a *capability trap*; we may have helped to build institutions that present the appearance of state capability on the surface but in reality are not robust as they are not rooted in local realities and hence are at risk of collapse when external support withdraws.

This paper will discuss the degree to which capability traps have been formed in Afghanistan. It will do so through assessing the degree of robustness of the existing capabilities of the state that have been built up since 2002, by looking at (i) the degree of dependency on external technical capacity, (ii) the degree of financial dependency on external resources, and (iii) the degree to which policies and models of state organization are supported by a critical mass of

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[3] And I mean 'we' literally. The analysis provided in this paper is not an 'armchair' or pen and paper based analysis. I was there at the time, and many of the dynamics I describe I have seen happen myself, and, truth be told, have contributed to. From 2002 to 2011 I worked, intermittently, as an advisor in several ministries in Afghanistan, with a strong sense of purpose and to the best of my ability. And I have seen progress in these ministries; the situation in 2011, when I was last there, was a lot better than it was in 2002. Yet, over time, the flaws in both theory and implementation became increasingly clear to me. I started to see where and how we were all contributing to—what I later came to see as—capability traps. How we were putting tremendous efforts into building up constructions that are unlikely to hold when the pillars of external support are taken away.

[4] Fukuyama (2004: 39) also made this allegation: 'The international community is not simply limited in the amount of capacity it can build; it is actually complicit in the *destruction* of institutional capacity in many developing countries'.

people. It will take the sectors of education, healthcare, and the police/agriculture and assess these in more detail, and will follow on with an analysis of the factors and dynamics that allow capability to develop and sustain. Finally, it will provide some elements of an approach that could reduce the risk of such capability traps occurring and increase the chances of more robust institutions being formed.

2 Robustness of institutions

This paper draws on earlier work on capability traps by authors involved in the Building Capable States research stream.[5] These authors argue that the current theory of change in development is based on the notion of 'accelerated modernization via transplanted best practices', which seeks to promote progress through importing standard responses to predetermined problems and to modernize institutions by intensifying a process of reform via the importing of methods and designs deemed effective elsewhere. Development interventions—projects, policies, programmes—thus create incentives for developing country organizations to adopt 'best practices' in laws, policies, and organizational practices which look impressive (because they appear to comply with professional standards or have been endorsed by international experts) but are unlikely to fit into particular developing country contexts. They suggest that reform dynamics are often characterized by 'isomorphic mimicry'—the tendency to introduce reforms that enhance an entity's external legitimacy and support, even when they do not demonstrably improve performance. These strategies of isomorphic mimicry in individual projects, policies, and programmes add up to 'capability traps': a dynamic in which governments constantly adopt 'reforms' to ensure ongoing flows of external financing and legitimacy yet never actually improve (Pritchett, Woolcock, and, Andrews 2010).

This dynamic is reinforced by a fundamental mismatch between the high expectations placed on nascent institutions, organizations, and administrative systems, and what they can actually perform. In an increasingly connected world there is a pressure for regulatory frameworks and standards to be increasingly harmonized. Yet this pressure can lead to 'premature load bearing', where unrealistic expectations about the level and rate of improvement of capability lead to stresses and demands on systems that cause capability to weaken, if not collapse. In their words: 'Expecting as a theory of change that systems and administrative capabilities which routinely fail to implement even straightforward objectives will be able to successfully engage deeply complex ones is unrealistic and inefficient at best, and counterproductive and unethical at worst' (Pritchett, Woolcock, and Andrews, 2010: 1).

A capability trap leads to institutions that are like a house of cards; they may show the external appearance of strength, but are in fact not very robust and may collapse when external support collapses. The following sections will assess the degree of robustness of the state institutions that have been strengthened or built up since 2002, by looking at the following three dimensions:

- The degree of dependency on external technical capacity;
- The degree of financial dependency;

5 Notably Pritchett, Woolcock, and Andrews. See, for instance, Pritchett, Woolcock, and Andrews (2010), Pritchett and de Weijer (2011), and Andrews, Pritchett, and Woolcock (2012).

- The degree to which policies and models of state organization are supported by a critical mass of people.

2.1 Manifestations of lack of robustness

This lack of robustness of state capability manifests itself in three main dimensions. First, the institutions established are highly dependent on external technical capacity as they need to meet the high standards of international best practice. Second, the state is highly dependent on external financing, both for its recurrent budget and its operating budget; and third, the policies and implementation models chosen are not necessarily supported by a critical mass of people and do not draw in the distributed capacities and resources.

Dependency on external technical capacity

Progress has been made in a lot of sectors, such as education, health care, infrastructure development, communication technology, and so on. Yet, many of the policies underpinning this progress have been written by outsiders, often with minimal involvement of government civil service. The Afghanistan National Development Strategy (ANDS), which is *the* national development strategy for Afghanistan, is a case in point.

From the beginning, the Government of Afghanistan, particularly the ANDS Secretariat, made the claim that ANDS was Afghan-owned, an indigenous development vision that could guide government action in place of strategies that had been prepared outside Afghanistan. The strong leadership of Professor Nadiri gave extra weight to this claim. However, an independent analysis of the process of formulating the ANDS shows that the final document was mostly produced by foreign consultants who, even if they did not write it themselves, heavily influenced the content. A lack of technical and policy development expertise within the ministries was to blame, but an equally significant factor was the influence of the policy agendas of the agencies funding the consultants called in to help. In particular, the ideas of an open-market economy, private sector development and commercialization were often promoted by consultants, and often not shared by ministry staff. In addition, the working language of these documents was English, not Dari or Pashto. These gaps in capacity, the divergent perspectives on strategies to pursue, and the high pressure to use the ANDS as a mechanism to secure donor commitments led to a national strategy with little Afghan ownership and little capacity built up to execute it (Shah 2009).

The ANDS process, and similar subsequent processes, led to the development of national development programmes in the different sectors. The formulation and execution of these programmes is conducted mostly by external—non-civil service—staff. Over time, the emphasis has shifted from international to national advisors. The Ministry of Finance has estimated that as of 2010 about 7,000 Afghan consultants work in government ministries and agencies (World Bank 2012b).[6] The responsibility for executing the national development programmes frequently lies with programme implementation units that tend to get established in a separate branch of the ministry's organogram and operate largely independently from it. It is this parallel system of programme implementation units and 'secondary civil service' that develops most of the policies and executes most of the programmes and is therefore responsible for the results on the ground that have been seen. This creates a dependency on a

[6] This number excludes the security sectors, where numbers of Afghan and international consultants are much higher.

small group of people that have the technical capacity to formulate and execute these policies and programmes.

The years of war have eroded human capital, and most of the civil service staff was trained in the 1970s with little subsequent opportunities for staying abreast of developments. Building up this capacity takes time. Yet, again, the problem goes deeper than this. It warrants some reflections on the wisdom of developing policies, programmes and systems for which the technical capacity to utilize them is lacking and will be lacking for a long time to come. Some of the systems put in place require high computer literacy, not just at headquarter level, but also in provinces and districts. Would it not be better to establish systems that are more in line with current capacity levels and allow these to evolve over time into more complex and capable systems? Afghans, even without formal education, are not without capacity. Would it not be better to build upon the capacities that are there, rather than focusing on those that are not?

Technical capacity is not only necessary to develop policies and manage programmes; it is also required for implementation of these programmes. Yet, many of the national programmes rely on national and international NGOs to implement the services. The National Solidarity Programme, the National Rural Employment Programme, and the Basic Package of Health Services Programme are all implemented by NGOs. Government staff at provincial and district levels play at best a monitoring role, a task in which they are severely hampered by the fact that their capacity is lower than those they are supposed to monitor. To what degree is implementation capacity being built up in the state apparatus itself, particularly at subnational level? Unless a credible mechanism exists that can draw this implementation capacity into the government administration, the government institutions are not really coming one step closer to becoming self-reliant in their service delivery role. Perhaps this will come naturally when funding to NGOs starts to decline and government funding increases, but this may also well be wishful thinking.

Financial dependency

Afghanistan is one of the most aid dependent countries in the world, with an aid dependency ratio of 71 per cent. Since 2002, the entire development budget, and on average up to approximately 45 per cent of the operating budget, has been financed by external aid (MoF 2010).

Revenue generated domestically currently stands at 9.4 per cent of GDP, which is low also in comparison with other countries at similar income levels. By comparison, the domestic revenue generation level in a country like the Netherlands is 39 per cent. Yet, the types of service delivery models that are being established in Afghanistan are similar to those in industrialized countries, with highly centralized systems, schools and health clinics within close reach of all households, and services are delivered for free. These are expensive systems, not just to build up, but also to maintain.

Indeed, public expenditure in Afghanistan has increased seven-fold since 2002 (World Bank 2010). Partially this can be viewed as a one-off initial investment into reconstruction, but operating costs have also increased steadily, from US$897 million in 2003 to US$2,469 million in 2010 (MoF 2010). In 2011/12, Afghanistan managed to fund 60 per cent of its recurrent budget from domestic revenue. With—in my mind rather optimistic—projections of an annual growth of 7–9 per cent of GDP and an increase in domestic revenue to 11.9 per cent, the share of recurrent operating expenditures covered by domestic revenue will creep up

to 73 per cent in 2014/15. This means that 27 per cent of operating costs, predominantly consisting of wages in the security and education sectors, will be left uncovered (World Bank 2010).

The calculation offered above is the one used by the World Bank to determine the fiscal gap *in the budget.* However, this is still a rather optimistic way of calculating, as it uses a narrow definition of recurrent costs, of which 66 per cent go to wages and salaries, and 24 per cent to operation and maintenance.[7] It does not cover any of the other costs that are necessary to keep these government ministries running.

Moreover, 82 per cent of the funding coming to Afghanistan is not channeled through the national budget but is kept outside it (MoF 2010). Part of this funding is also spent on technical assistance, and on expenditures associated with programme implementation units embedded in government ministries. These costs are therefore not appearing in calculations on government recurrent costs or in the calculations on when the domestic financing gap may be closed. Oftentimes the costs associated with such technical assistance are ten to twenty times higher than if the same tasks were performed by the Afghan civil service.

The fiscal gap *in the budget* –as dramatic as it is—is still much lower than the actual fiscal gap in governmental service delivery, if this currently off-budget additional capacity is necessary to keep these institutions afloat and services flowing in the medium- to long-term.

Critical mass of support

The processes described above lead to the reliance on a small group of people who have the expertise and who sufficiently strongly share the vision of the national development strategy to be able to carry it forward. Genuine Afghan ownership can be doubted, due to the strong influence of funding agencies, and those that do support the overall strategic direction are mostly found at a central level and within government ministries. At the subnational level and outside the government the degree of involvement in the formulation of this development vision and strategies to achieve it is much lower. The level of more broad-based political support to the policies pursued is therefore not ensured.

Again the ANDS is a case in point. As described above, the process to formulate the ANDS did not include the input of a broad range of government staff even at central level, and provincial staff was even more sidelined. Non-governmental subnational consultations on the ANDS were mostly box-ticking exercises that were rushed through due to lack of time. Furthermore the strategy was passed without any significant review or input by the Afghan parliament. As the ANDS was a requirement to qualify for debt relief, it also had to meet a range of economic, management, and performance targets set by the IMF, which gave the IMF considerable say over its content. Analysts regarded the final ANDS as a manifestation of the vision of international funding organizations rather than an indigenous development and poverty reduction plan for Afghanistan (Shah 2009). Similar dynamics occurred in line ministries, which the next section will show.

The policy-making process as it currently functions assumes a trickle-down effect in the ministries. Policies and strategies devised at central level, generally in a policy and planning directorate and with close supervision of the minister, are expected to be taken up and

[7] Capital (5 per cent) and 'others' complete the picture.

executed by the relevant departments within the ministries and the subnational directorates. Yet, as they have had little input into the process, have no ownership over it, and do not necessarily support the strategic direction being taken, the chances of them being able (or willing) to execute these policies as expected is slim. The 'spirit' of the policy can easily get lost in translation.

This lack of consensus-building on what policies fit the Afghan landscape and have the necessary political support is typical for the policy-making process in Afghanistan. It leads to policies that are not broadly supported outside the narrow technocratic circles. In the political minefield that is Afghanistan, the chances for these technocrats to maintain political support for their policies is limited, as evidenced by the sidelining of a number of ministers whom many regard as highly competent.[8] Of course it is difficult in the Afghan context to get political consensus on anything, and such a process will be extremely messy. There is indeed something to say for using a technocratic approach, as it can limit the political interference and move things forward more rapidly. This is a strategy that can work in the short run, but how will it work in the long run? In the long run it will become clear that there is no critical mass of people that can sustain the policies and institutions which have been established. Institutions by themselves are empty shells. They need people to inhabit them and continue to breathe life into them, otherwise they will collapse.

2.2 Analysis per sector

This section will look deeper into three sectors to see how these issues manifest themselves in each of them.

Health care

Great progress has been made in the health sector. About 85 per cent of the population lives in districts which now have providers to deliver a basic package of health services. Access to diagnostic and curative services increased from zero in 2002 to more than 40 per cent in 2008. Infant and maternal mortality reduced by 85,000 and 40,000 per annum, respectively (MoF 2010).

Yet, there are concerns over the sustainability of the health care system. Health care is financed almost fully by external funding. Delivery of the basic health care services is done through national and international NGOs that are contracted by the Ministry of Public Health. Almost 100 per cent of the cost of delivering these services is borne by donors, such as USAID (37 per cent of the costs), the EC (19 per cent), the World Bank (24 per cent), and others (MoPH 2010). The reliance on continued external financing is therefore extremely high.

8 These include Haneef Atmar and Ashraf Ghani.

Table 1: Cross-sectoral overview of gaps in financial, technical and social robustness

	Financial gap	Technical gap	Critical mass of support
Health care	Almost fully externally funded. Service delivery and technical assistance costs not covered by government operating budget.	Implementation fully conducted by NGOs. Heavy reliance on external consultants in policy-making and programme management.	Community-based systems play a key role. Systems relatively well-adapted to socio-cultural realities.
Education	Core funded, draws 20% of national operating budget. Technical assistance not costed in the operating budget and reliant on external funding.	Implementation capacity is built up inside the MoE, rather than outside it. Policy formulation and management capacity heavily reliant on external expertise.	Alternative models to centralized, public provision of education not explored. Relevance of curriculum doubted. Quality perceived as suboptimal.
Agriculture	Competing ideas about financial sustainability of agricultural service delivery.	Technical expertise present but not in tune with new thinking. Available expertise unutilized.	Battle over policy narratives erodes broad-based support.

Source: author's compilation.

The operating costs of the ministry therefore do not include the actual delivery of services. In addition, a lot of technical assistance funding is channeled into the MoPH, to assist it in formulating its policies, developing its strategic programmes, and managing and monitoring these, and most of these costs are not considered part of the operating budget. The US alone is currently spending US$84 million to build the capacity of the Ministry of Public Health,[9] which is also not reflected in recurrent costs of the ministry. This severely influences the fiscal gap calculations mentioned above and raises more questions about the financial and technical gaps.

The reliance on national and international NGOs to deliver the services raises questions about the long-term sustainability of the approach. Actors with the long-term potential to stay involved in health service delivery need to have their capacities strengthened and brought into the system. The current reliance of around 50 per cent on international NGOs, ten years down the road, does not bode very well. Furthermore, a credible mechanism must be put in place that draws the relevant capacities into a system that can be sustained in the long-term, be it public or private or some hybrid. Strategic decisions must be made about the ministry's responsibilities—whether to continue to contract out for essential health services or to opt for an increasing role in direct service provision. In both cases important issues have to be resolved. How will the transition from an NGO-run system to a system of public or private

[9] This is according to Committee on Foreign Relations (2011).

provision be secured, and what guarantees the presence of sufficient financing?

The Ministry of Public Health did an excellent job in pulling together resources and came up with a strong and streamlined system of health care delivery, but in the process has made itself almost entirely dependent on external funding and external implementation capacity. Due to the understandably high pressure for results, little inroads have yet been made into developing more robust systems for service delivery that Afghanistan can sustain from a technical and financial perspective.

From a social perspective, the Ministry of Public Health has done quite well. It was soon faced with the fact that one of the biggest obstacles in health care was socio-cultural in nature, particularly in relation to women. The challenges of improving maternal health have been particularly exacerbated by the strong cultural preference for women to be seen and treated only by other women, despite a severe shortage of trained female health workers in Afghanistan. Yet, over the past decade, access to maternal health services across Afghanistan has steadily increased and statistics of maternal mortality improved. The 2010 Afghanistan Mortality Survey puts maternal mortality rates below 500 deaths per 100,000 live births, whereas a UN study in 2005 still found 1,800 women dying per 100,000 live births (BBC 2011). At the heart of maternal health improvements in Afghanistan is a strategy of training community-based midwives and incorporating these into public health delivery systems. Central to the success of the midwifery programmes has been the community support they have garnered, even in Taliban-heavy areas. In some cases the support of religious leaders has been actively mobilized in order to increase the social acceptability of the approach.

Education

In the field of education, excellent results have also been achieved. In 2001, after the fall of the Taliban, net enrollment was estimated at 43 per cent for boys and a dismal 3 per cent for girls, and about 240 students for every marginally trained teacher. Since 2002, school enrollment has increased from 1 million to 7.2 million children; girls' enrollment increased from 191,000 to more than 2.71 million (World Bank 2012a). More than 3,500 schools have been built and new curriculum and textbooks developed for primary education and the number of teachers increased seven-fold (MoF 2010).

The provision of basic service delivery is conducted by teachers employed by the Ministry of Education itself. Despite some NGO involvement in providing different forms of education, the Ministry of Education (MoE) has mostly used the external assistance to provide basic education as well as teacher training and retraining programmes to increase the quantity of teachers and improve teaching skills. Thus the capacity to deliver these services is built up within the civil service rather than outside it, as we saw in the case of the health care sector. In terms of implementation capacity, the MoE has done relatively well in building up a capacity that may not be perfect, but is more likely to be sustained over time.

The education sector accounts for about 20 per cent of operating expenditures, most of which are spent on the 228,000 government employees in the education sector. This is similar to the number of government employees in the security sector, but since the salaries are lower it draws a smaller burden on the operating budget, and is therefore more likely to be sustained.

Yet, a lot of the work is not done by these employees from the 'first civil service'. Instead, the policy formulation process, programme development and management systems are heavily operated by the 'secondary civil service'. Strong monitoring systems have been established within the ministry, such as balanced score card monitoring systems. What is the capacity of the 'first civil service' to sustain this system in the long-run? What will happen when this 'secondary civil service' falls away? How will the teachers be paid and their quality maintained (or rather continue to be improved)?

Box 1: Is capacity being built? A study of the policy-making process in the MoE

The demand for education in the post-Taliban period rose exponentially and pressures upon the ministry to perform and show immediate results were very high. The short route to increasing capacity was to import it, while simultaneously building up the capacity of the civil service through pairing up arrangements. Civil servants were to be brought along in processes of policy formulation and consultation. Yet, in practice, time constraints were too pressing and pressures for results too high. The advisors took over most essential activities and began making all key decisions. For instance, it was the advisors that wrote the drafts of the National Education Support Programme with little input from civil servants. Similarly, planned consultations with provincial directorates of education involved merely sharing a pre-formulated plan at the end of the process. The modernization of the ministry's systems needed a workforce proficient in English and computers to run them, a requirement the civil service was not able to fulfill, further exacerbating the dependency on this external capacity of national advisors. In interviews, a general fear is voiced that the systems in the primary and secondary subsector will collapse if funding to this external capacity is discontinued (Shah 2010).

Access to education has increased tremendously, but the quality of education remains an issue of concern. In addition, in surveys about the perceptions of the Afghan education system doubts were raised regarding the effectiveness and local relevance of teacher training and curriculum improvements. Many Afghans continue to prefer the private schools, as their quality is judged to be of higher standard (ACBAR 2011). In neighbouring Pakistan, the quality of the public schooling system was deemed to be so bad, that a string of private schools mushroomed. In Afghanistan this is mostly seen in higher education, and not so much in primary education. Yet, what has been seen are communities setting up their own schooling systems. However, different ways of organizing an educational system—more decentralized in nature and more rooted in local demands for education—have not really been explored. Existing motivations and capacities are not really utilized to the fullest, and more hybrid- and community-based forms of education have not really had the chance to be developed. The risk of this education system getting stuck in a low-quality equilibrium is quite high.

Agriculture

The agricultural sector was left under-resourced for a long period post-2002, due to weak leadership within the ministry and an initial undervaluation of the role of agriculture in the Afghan economy and rural livelihood. The sector also became a battlefield for narratives, in particular in relation to the role of the market and the role of the state. In the process, ownership over policy and strategy by the civil service was lost.

The relatively weak leadership of the Ministry of Agriculture, Irrigation and Livestock (MAIL) until 2007[10] hindered the emergence of a clear vision for agriculture in Afghanistan, and became a pinball in a game played between forces interested in promoting their own narratives.

Box 2: Three policy narratives in the agricultural sector

The *productionist narrative* was held by most of the civil service in the Ministry of Agriculture (MAIL). It was based on an idea that productivity had to increase, in order for Afghanistan to return to its previous state as a food-exporting country. MAIL was primarily responsible for increasing productivity, and direct implementation through extension and technical advice was the key mechanism.

The *developmentalist narrative* placed more emphasis on good governance, private sector led growth, and a focus on rural poverty. Investments in public goods, pro-poor investments and programmes for the poor were seen as drivers to improve well-being. Agricultural growth is an element in this overall developmentalist approach. The role of MAIL is not in direct implementation and technical assistance, but in providing a strong enabling environment and channeling resources into pro-poor programming.

The *market-driven narrative* aims at agricultural growth and focuses support almost exclusively on the private sector's ability to drive development. This narrative is based on a strong free-market ideology and aims to strengthen in particular export-oriented agribusiness and agricultural commercialization. The role of the state in agriculture is practically nil (Pain and Shah 2009).

None of these three narratives were grounded in Afghan realities, perhaps with the exception of the 'productionist' narrative, which was grounded in one particular—rather technocratic—perspective on Afghanistan. The other two narratives were primarily ideologically driven, and based on donors' own perspectives on the role of the state; with the 'developmentalist' narrative primarily supported by European donors and most technical advisors, and the 'market-driven' narrative singularly supported by the USA.

An analysis of the policy process shows the paradoxical finding that no less than eight major national agricultural policies were drafted between 2002 and 2009, but that there has been rather little engagement and deliberative process in seeking to find a common ground among the three policy narratives. Instead, what characterized the policy-making process was opportunistic behaviour by organizations and individuals who sought to push one particular policy story, thereby short-circuiting opportunities for debate. The most inclusive process that took place within the ministry, the consultative process around the agricultural masterplan, culminated in a rushed last-minute take-over of the drafting process by US advisors, who rewrote the masterplan according to the market-driven narrative and used their influence on the minister to push their agenda through (Pain and Shah 2009). This act destroyed what little Afghan ownership that had been forged in a difficult process.

[10] This was the time when the current minister, Rahimi, entered the scene.

Things changed when the new minister arrived in 2007. The developmentalist narrative took firm hold and new donors were brought on board. A stronger consensus between donors and the minister's office was reached. Yet, the tension between the elite in the ministry—which included the top-tier level and the advisors to the minister—and the rest of the civil service—remained. Policy-making and planning was done in small groups and programme implementation units established independent from the pre-existing technical departments. Capacity-building within the technical departments took the form of selling the developmentalist narrative to them, and advisors proposed different—and competing—ways of restructuring the ministry in line with the new roles it was supposed to play. Yet, the civil service staff had not been brought into this narrative at all, and opposed most changes to the organizational structure and used their influence to block these reforms.

I was there at the time, and played my part in these capacity-building attempts. One day I was introduced to a particular director of a division, who was presented to me as 'the hope of the ministry', the one person who really 'gets it' and is 'willing to fight for the necessary reforms'. I sat down and talked to him for a few hours, only to quickly discover that he did not know the meaning of the words 'regulation' and 'enabling environment'—rather important words in the context of the new role of the government—and that he was not at all in agreement with the idea that the government should not provide extension services and technical advice directly. Other civil servants were even more alien to the new ideas. On one occasion one of the most senior directors of the ministry were asked to present the new policies and the new role of the government to the provincial directors, who had been left outside the picture to a large degree. What they explained was almost perpendicular to the message they should have delivered, either because they had not understood or because they simply disagreed and presented their own opinion instead. Against this background, it is hard to imagine how the ten thousand people on MAIL's payroll will ever work towards the execution of these policies and programmes, or monitor and regulate them according to the new sets of rules.

This battle between the narratives exposes a tension between what is socially feasible and what is financially feasible. What is socially acceptable within the ministry is not financially viable, and the other way around. What is then a solution that can work in the Afghan context from a social, technical and financial perspective? One that is more likely to be sustained when foreign money and foreign influence falls away? Really good work is happening with training a cadre of veterinary workers and input suppliers that can provide extension services on a (partial) cost recovery basis. This is a hybrid solution that has been developed over a period of over twenty years and has been adapted to the Afghan context. A real consensus is still not being reached on whether this is the way forward. Innovative work on agricultural production has also been done by a number of NGOs at community level, but the learning derived from this work is hardly taken up in policy-making and programme development, which is more guided by ideological narratives. How can experience, capacities, and resources that are present in the country be better incorporated into decision-making and into the models for agricultural development that get rolled out?

Comparing the sectors

Comparing these sectors is not a straightforward exercise, as they operate under different stresses and constraints. Nonetheless, in terms of the robustness of the capabilities built up, and the way it has managed to draw on existing resources and capabilities and gain broader support, the health sector has performed relatively well. In particular in relation to which it has dealt with the large challenge of maternal health care, and how it managed to bring

innovative practices into a larger coherent whole is rather impressive. As much as it continues to suffer from human capital shortage, it has drawn in the problem-solving capacity of the society quite well. However, its financial and technical dependency on outside support remains a cause of concern.

Such opportunities for engaging the broader problem-solving capacity seem to have been largely missed by the education sector, which could have collaborated with business actors and communities to seize resources, capacities, and managerial capacity at a local level. The mushrooming of private education in Afghanistan is a testimony to the desire for improved education and the resources available for it, but this motivational resource has not been tapped into.

The agricultural sector has been particularly prone to ideological battles, which has proven a serious impediment to merging the benefits of each towards an approach that can fit the Afghan context and sustainably promote agriculture. Now the ducks are more in a row, and existing resources from both small- and large-scale producers and commercial private sector actors are increasingly being drawn in. However, bringing the large numbers of civil servants on board will continue to be challenging and the regulatory environment likely to remain a weak link in the chain.

3 Dynamics that cause lack of robustness

The above sections show the different ways in which the robustness of the institutions created can be doubted. In all three cases the reliance on a narrow group of people that have the technical capacity to formulate the policies and programmes and execute and manage these is very limited. Particularly in the health sector the reliance on external funding is extremely high, and this raises serious questions regarding the financial sustainability of this system, considering the already large fiscal gap that excludes most of these costs (as these are funded by the development budget rather than the operating budget). Management and implementation capacity is largely outsourced and no credible mechanism has yet been devised in order to sustain the service delivery, either publicly or privately. The education sector is also vulnerable to potential future gaps in revenues to sustain wages and salaries. In addition it is likely to fall into a low-quality trap. In the agricultural sector the battle over narratives was fought opportunistically and won by those with their hands on the purse strings. No genuine consensus-building process has been followed to come up with a model that is rooted in Afghan realities. The likelihood of the agricultural civil service executing the policies made at the top is not particularly high.

All these examples show the fragility of the new institutions and service delivery and poverty reduction models that have been applied. The resilience of these systems in the face of reduced funding and the provision of technical assistance is very low. It is as such a fully open question how these systems will respond to changes in the environment that are about to occur. Yet, it seems unlikely that the systems painstakingly put in place will continue to function as they do now. Institutions need to be maintained by those that function within it, they do not thrive on their own. At the end of the day, it is the people inhibiting a particular system who are shaping its outcome—not the way it was designed. When the external influence wanes, what will these systems start to look like? Will they revert back to the old ways of doing things? Will they collapse and all effort will be lost? Will the capacity that has been built up consolidate around a different way of solving the educational, health care and

agricultural problems? We cannot foresee the answers to these questions, but what we can see—even now—is that the international engagement with Afghanistan has not left a particularly fertile ground for a seamless Afghan take-over.

Of course I am not putting the blame for disappointing results in capacity-building and institutional strengthening entirely in the lap of the international community. Building up institutions takes time, and changing existing institutions is even more difficult than building new ones. Yet, the international community does need to accept responsibility for *its* part in it.

3.1 Factors contributing to the lack of robustness

In Afghanistan four main factors can be singled out that contribute to the lack of robustness of these institutions.

1. Too high expectations on the government and no sequencing or prioritization.
2. Prioritizing results over building institutions.
3. Legitimacy is linked to a limited menu of options for institutional arrangements.
4. Implementation is mandated from the top down.

Too much too soon

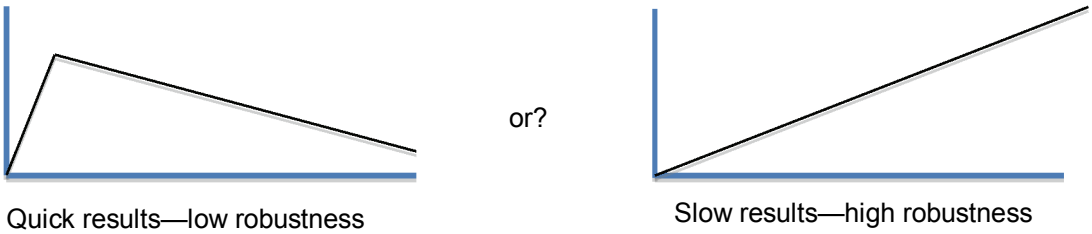
Expectations on the government were very high, right from the beginning. Not just in terms of achieving rapid results, but also in undertaking a complete overturning of all policies, all sectors, all organizations, everything. The Afghanistan National Development Strategy covers everything under the sun as an 'issue' and then adds 'cross-cutting' issues on top of that. There was little prioritization and sequencing of issues. Everything seemed important, everyone's agenda was accommodated and there was no time or space for serious deliberation on what had to happen first and why. Crucial aspects, such as strengthening justice systems, were left unattended. Training of security forces received more funding than all other development efforts put together. This de facto prioritization was a result of donor priorities and not in any way based upon a realistic—and Afghan owned—assessment of what was needed and in which order. Likely political or social resistance to reforms was not taken into consideration, neither was the fact that scarcity of capacity would require choosing between priorities. This scarce capacity was often used to formulate one policy document after the other, and time was spent jumping through donor hoops, rather than conducting a locally rooted problem analysis and a broad search for locally financeable, manageable, and acceptable systems for health care, education, agriculture, policing, and so forth.

The state was expected to do everything at once. Although implementation was largely outsourced, the government was supposed to prepare policy documents (to international standards), design programmes, execute and monitor these. In addition it was supposed to entirely restructure its administration, instate new financial management and accountability systems, and change its legislation in almost every field. On top of this, it had to co-ordinate highly divergent donor perspectives and keep the battle over narratives under control. In doing so, so-called development partners often added to the pressures rather than helping the ministries contain them. Only a very small proportion of the national and international advisors had no other agenda whispered in their ear by the donor agency that seconded them, and were fully and singularly loyal to helping a ministry cope.

Results over institutions

The end of the Taliban era and the immediate inflow of resources and foreign attention paid to Afghanistan led to very high expectations within Afghanistan on the speed and degree of reconstruction. Pressure to achieve the Millennium Development Goals was high globally, and Afghanistan was far from achieving these. The desire to rapidly increase access to education, health care, and food security was understandable, but led to a prioritization of results over building up sustainable systems.
There may be a trade-off between short-term results and long-term results. The option chosen at the moment is one of achieving short-term results quickly, partially due to severe humanitarian needs and partially due to the need to restore confidence in the state. Yet, the question is how this strategy affects the ability of the country to maintain these results over time. If the systems to achieve these results collapse, due to their lack of resilience, results will fall rapidly. What if systems were established that were able to achieve results more slowly but more sustained over time? Could it be down to a choice between the two graphs presented below in Figure 1?

Figure 1: A trade-off between speed and robustness of results



Limited menu of legitimate options

As we saw clearly in the case of the Ministry of Agriculture, the competing narratives concerning the underlying problems within the agricultural sector and the divergent ideas about solutions where highly ideologically driven and very weakly based on the Afghan reality. Policies are thus still largely based on international best practice, rather than on a best-fit solution that fits the context. In spite of a lot of rhetoric in development discourse on how 'context matters', it is hard to see how the current ways of operating can possibly lead to the development of such 'best-fit approaches'.

In a context as aid dependent as Afghanistan is, money conveys legitimacy. Donors place high standards on the development of policies and programmes, and these have to fully match their values and fit exactly into the current development discourse, in order for money to keep flowing. Since donors hold the strings of the purse, they limit the menu of institutional models that can be applied, and as a result these tend to look a lot like the institutional models applied in their own country. It is not hard to see in the case of agriculture how the USA and Europe were pushing for models similar to those operating in their own countries. An even more pressing example exists in the reform of the justice sector.

The application of technical consultants complements the financial influence held by internationals and further reduces the chances of best-fit models emerging. They tend to be schooled in 'international best practice', which effectively refers to an 'average approach' that can work in an 'average country'. But the average country obviously does not exist, and even if it did Afghanistan would not be it. Experience gained internationally is very worthwhile, and should most definitely be used, but it can become dangerous when it limits the menu of options that is open to a country to explore. Why was it not possible to explore a

version of the approach to which the MAIL civil service was more committed? Why was it not possible to look at a more decentralized, community-based, or private education delivery model that built more on existing motivations and incentives?

Box 3: An analysis of the reform of the justice sector

The Italian government had taken the lead responsibility among Western donors for assistance to the justice sector and in 2003 assigned an Italian legal professional to draft a new criminal procedure code. The Italian expert, who drafted a law closely patterned on the Italian code, failed to consult with Afghan officials, who strongly resented the exclusion; they asked President Hamid Karzai not to sign the draft. The Italian government nevertheless stood by its expert and threatened to withdraw funding for related projects unless the draft was approved.

The incident was symptomatic of a broader problem. Western approaches to the substance of law were narrowly focused on western legal traditions and did not engage with Islamic law. This negatively impacts the acceptance of these programmes by the Afghan society.' The extreme dependence of the Afghan state on western powers has reduced the element of choice in the reforms and limited the possibility for developing a syncretic (uniting what is different or opposing) and inclusive system (Surkhe and Borchgrevink 2009).

A best-fit approach does not fall from the trees. It requires an appreciation of a variety of potential models, and it hinges on a process of learning and consensus-building. Yet, learning is very limited in Afghanistan. There is a very high turnover of staff in donor agencies and a very low institutional memory. Most learning is done by individual organizations, who report back to their respective headquarters, rather then feeding these lessons learnt into local best practice. Ideological biases further hamper learning. Local think tanks or policy research institutes struggle for funding. Capacity-building is a way of 'selling solutions' rather then helping a search for a best-fit model. Capacity-building consists to a large degree of on-the-job training in the new policies, and is thus aimed at convincing people of the rightness of these policies. Its tendency to focus on generic training in English, computer skills, and project management skills show that it is geared towards satisfying donor demands. Capacity-building is thus designed in a way that it supports preconceived policy and institutional reforms, rather than building the capacity to devise such reforms in a more contextually fit manner.

Implementation is mandated from the top down

As we have seen, all policy-making and programme development takes place at the central level, and the involvement of national and subnational civil service staff is limited. It is assumed that implementation by edict will work, and that those lower in the hierarchy will follow the orders diligently. This approach may work when narrow upstream capability is all that is required. For instance in the telecommunications sector, all that was required from the government was a transparent auctioning process, which was skillfully handled by the Ministry of Finance—which was lucky to have a highly capable minister. Once the licenses were issued, forces in the private sector took over and established well-functioning and sustainable—because profit-driven—communication technology systems.

Yet, this approach is not likely to work when stronger and more hands-on downstream capability is required, such as in health care and education systems. It will not work when the people supposed to implement or monitor the policy have not at all bought into the policy. And it will not work when the local rules of the game—or the 'folk way of doing things' matter more than the formal ways of doing things. It is not without reason that it is exactly in these types of fields where more community-based solutions are increasingly being promoted; community-based policing, community-based justice and conflict resolution mechanisms, participatory farm schools, parent-teacher associations, and so forth. This is an explicit recognition that a top-down approach to implementation does not bring local actors along, and can therefore not by itself improve performance. Yet, in state-building these lessons do not seem to get applied too often yet.

When implementation is mandated from the top down, the space for local adaptation is often curtailed. Yet, a country like Afghanistan varies quite significantly among its regions in terms of citizen perceptions of the state, the presence of private sector actors, and the degree of self-organization and collective action. National programmes tend to leave little space for adaptation to the local context, as the same approach is used in all parts of the country, due to reasons of equity and universality. An interesting case here is the National Solidarity Programme, a programme that strove to combine a more local level problem identification and solution seeking with a nationally executed programme. To do so, it channeled village budgets to communities and gave the communities a large say in how this money was used. This was a good attempt at embedding space for local adaption into a national strategy while maintaining equity and universality of service delivery. Yet, the menu of options was still quite restricted as the operational manual was rather detailed and prescriptive, and the degree of variety in solutions therefore remained limited.

3.2 The result: reality gets driven underground

These four main factors of demanding too much too soon, a focus on quick results over long-term building up of capability to deliver these results in the long-term, the force with which particular institutional models are pushed, and the assumption that policies designed at the top will automatically get implemented further downstream, lead to a situation where reality gets driven underground.

On the surface a semblance of legitimacy is maintained, which is necessary to keep the resources flowing. Policy documents are being written, capacity-building workshops are being held and the staff shows up, programmes are being designed, organograms get restructured, perhaps new legislation even gets drafted—although probably not passed by the Ministry of Justice and the Parliament—and the money continues to flow. Outward legitimacy or isomorphic mimicry keeps resources coming. The formulation of the Afghanistan National Development Strategy is a clear example of an upward-oriented document; meant to provide the donors with what they need rather than providing the Afghans with a strategy that can work for them. Before every major donor conference new policy documents were drawn up, often on glossy paper.

However, underneath this smooth surface business tends to go on as usual. What looks western on the outside looks quite distinctly Afghan on the inside. This situation of reality being driven underground manifests itself in three main ways:

1. Formal rules get interpreted in old ways and lead to suboptimal outcomes.
2. Development support becomes a process of ticking boxes.
3. Many policy reforms remain on paper and never get implemented.

Formal rules get interpreted in old ways and lead to suboptimal outcomes

Formal procedures put in place are meant to replace the old way of doing things. As Lister (2009: 3) stated in her article on state-building and local government in Afghanistan.

> While policy makers may see state-building as creating a rule-based system, in fact it may be more helpful to think of state-building initiatives as attempting to replace one type of rules with another, so that formal bureaucratic rules of a Weberian type take precedence over informal rules rooted in patronage and clientalism.

This is quite clear in regard to the appointment of subnational administrators, which is a source of constant tension in Afghanistan. Since the installation of the post-Taliban government there have been several attempts to make the appointment of governors and district administrators more transparent, accountable and merit-based, but none of these have been very successful. All these attempts came up in different ways against a history of political patronage relations. The newly instated procedures did little to sustainably increase the use of meritocratic principles in the appointment of subnational administrators. The institutional reform process—guided by the Civil Service Commission—managed to instate new policies and practices, but in reality power continued to be exercised in a personal and patronage-based manner, now within these new bureaucratic structures. Another approach, utilized by the Independent Directorate of Local Governance, chose a different tack and often traded in its meritocratic principles for a more pragmatic approach. Meritocracy is only applied in just under half of its appointments. In principle, it should be possible to forge one common strategy that unites the strengths of each. To close the gap between a Weberian bureaucratic culture and relational politics, analysts have recommended using a more iterative and pragmatic approach; through pursuing a more locally relevant definition of 'merit', defineing 'minimum governing standards' in a way that hold local legitimacy, and placing greater emphasis on actual performance (van Bijlert 2009).[11]

A study on the reform of the Afghan army by the Crisis States Research Centre shows a similar dynamic.

Box 4: Reform of the Afghan army

After 2001, Afghanistan was the scene of several efforts to reform the security sector and bring it in line with the 'western' model: civilian supervision, subordination of the armed forces, professionalization, bureaucratization, and institutionalization.

The formation of the new Afghan National Army began in 2002. A range of procedures was put in place by the western trainers to vet appointments and to maintain an ethnic balance within the army. These measures had an impact, but key figures within the ministry managed to maintain influence over appointments and establish factional networks within

[11] This echoes with suggestions of the abovementioned authors of the Building Capable States research stream to adopt a Problem-Driven Iterative Adaptation (PDIA) approach.

the army. The chain of command and control was severely disrupted and meritocratic considerations only applied up to a certain point in promotions and appointments.

The worst aspect of this mix of externally imposed standards and local manipulations was that soon nobody was aware of what the real capabilities of the National Army were, of how institutionalized it was and of how effective civilian supervision would turn out to be in the absence of foreign armies protecting the ruling elite (Giustozzi 2011).

This case shows clearly how reforms only get half implemented and deviations from the official course are pushed underground. It also shows that this dynamic hides reality from view, and makes it very difficult to see the actual capability build-up, let alone judge it for its robustness. This is one of the great dangers of this dynamic of driving reality underground. At the same time, it is what makes it possible to continue deceiving oneself and the other.

Development support becomes a process of ticking boxes

Both parties in an aid relationship are caught in this dynamic. A process of isomorphic mimicry occurs, in which both parties do what needs to happen to appear legitimate and seem to meet performance indicators. In many cases both parties know very well that the reality is very different, but the incentives are not structured in such a way that it would serve them to speak up. A recent article in *Newsweek* magazine sums this up shockingly clearly.

Box 5: Training the Afghan police: a number's game

The USA has spent more than US$6 billion since 2002 in an effort to create an effective Afghan police force, buying weapons, building police academies, and hiring defense contractors to train the recruits. Initially the training programme lasted three years, and the performance of the trained police officers was considered high, but there were too few of them. The Americans then advocated shortening the training programme to eight weeks in order to boost numbers.[12]

A senior executive of the contractor hired to conduct the training for the USA, acknowledged that it is practically impossible to produce competent police officers in a programme of only eight weeks but that was the time frame state and defense set for the course. 'They were not going to be trained police officers. We knew that. They knew that. It was a numbers game'. Whether or not recruits mastered their subjects, almost everyone graduates. Even if they fail the firearms test, they're issued a weapon and put out on the street.

The Lieutenant General put in charge of the American police training programme in November 2009, briefed president Obama in 2009 with the following words: 'It's inconceivable, but in fact for eight years we weren't training the police. All we did was give them a uniform'.

Source: Newsweek Magazine 2010; Ulrich and Weinzier 2010.

Reforms never get implemented

12 This complementary background information is taken from Ulrich and Weinzier (2010).

As reforms are driven more by external pressure than by an internal demand for change, many reforms only take place on paper and don't get implemented at all or very half-heartedly. We already discussed the reluctance within the Ministry of Agriculture to follow the policy direction that had been set. One of the key reforms was a privatization of the veterinary service delivery mechanisms, which the ministry had in principle agreed with. Medicines and vaccines would be delivered by well-trained para-veterinarians on a fee basis to farmers, and these service providers would be paid by the government to perform certain vaccinations necessary for public health. A quality control system was established to ensure that only high-quality vaccines and drugs were imported. Yet, in reality, senior civil service staff continued to import vaccines directly and offered these to farmers free of charge. If any programme—as the US army often did—offered free medicines to hand out to the farmers, they would immediately accept the proposition. All these actions undermined the efforts to establish a profitable and self-sustainable private service delivery model. The formal policy thus had little traction on the way things were done.

Another—more political—example can be found in the stalled action on transitional justice. In the early years after 2001, the assumption was that Afghans preferred peace over justice and that transitional justice—holding those responsible for large crimes and human rights violations to account—was more of an external agenda. This changed when a survey conducted by the Afghan Independent Human Rights Commission showed that there was a broad indigenous demand for justice. A number of donors picked up on it, and this culminated in the drafting of an Action Plan for Transitional Justice. This Action Plan was approved by the Cabinet in 2005, and formally launched by the president in December 2006. Yet, ever since its implementation seems to have stalled, or even regressed. Even though the Action Plan rejected amnesty, a new Amnesty Law was passed by the parliament in 2007 and officially gazetted in 2009. The Action Plan seemed to have fallen by the wayside (Surkhe and Borchgrevink 2009).

4 How to escape the capability trap?

It is not easy to escape these capability traps, as they have developed in response to some very real pressures. I also do not mean to imply that if we simply managed to avoid capability traps, that Afghanistan would have been saved, and that fully robust institutions would have been established by now. Yet, the international community does need to better understand how it contributes to capability traps, and how it can mitigate these risks. This requires a shift in thinking in what development is, from a focus on 'modernizing institutions' to 'facilitating a struggle and building consensus', and a rethink of the constructive role external actors can play in this regard.

4.1 Shifting from 'modernizing institutions' to 'building consensus'

What underpins sustainable change is human agency, a desire for change, and an ability to bring others along in the change process. A process of institutional transformation is not about redesigning policies and organizational structures; rather, it is about changing the rules of the game. This may require a very different way of thinking about state-building than is currently the case.

Ultimately, the reason reforms and institutional changes are proposed is because they aim to solve a problem. Yet, the way the problem is defined differs depending on who you ask, as the case of the policy narratives in the Ministry of Agriculture makes clear. Different people

will have different ideas on what the causes for a particular problem are, and therefore what the solutions are. They are likely to all hold pieces of the puzzle. Frontline workers understand the realities on the ground, and are more likely to feel internally motivated to solve a problem. Community members understand what local capacities exist and can be brought to bear to the problem. Politicians aim to solve problems for their constituencies. And even those who are mostly in the game for personal rent-seeking still have supporters to please and may want to act as spoilers for one particular model whereas they are more likely to support another.

Historically, new ways of doing things tend to emerge informally, and only get institutionalized later on. The process of institutional transformation is therefore initially one of problem solving. The process of naming a problem, working through its underlying causes, fighting the battles over narratives, and testing out different solutions is part of the institutionalization process. Development is essentially about this struggle.[13]

The key to development must lie in a country somehow managing to have this struggle take place, while holding tensions within acceptable (non-violent) limits. Subnational governance is a sector where such battles are clearly being played out, and which can serve as a good example of what such a struggle can look like.

Box 6: The struggle of subnational governance

The National Solidarity Programme (NSP) established community development councils, with the explicit aim to over time turn these into a foundation for local governance. A development-oriented ministry, the Ministry of Rural Rehabilitation and Development (MRRD), had every intention of using this programme to start a process of citizen empowerment from the bottom up. Its aim of forging a system of local governance based on democratically elected local councils, in which the poor and the women could participate, was hampered in some areas by local customs that rejected these principles. In others it caused some resistance but was accepted, whereas in others still it was embraced. This programme was in many ways a best-fit solution, which will no doubt have contributed to its much heralded success in rural reconstruction. Nonetheless its objective of becoming the foundation of a system of local governance has not yet come true, as it hit a political, institutional, and legal barrier. Article 140 of the Afghan constitution describes local government bodies, but it is not yet certain whether the NSP-created development councils will serve this purpose. A more recently established International Directorate for Local Governance (IDLG), had its own ideas about these local bodies, and the 2010 Subnational governance policy developed by IDLG calls for elections in 2011 for village councils. The IDLG and the MRRD are seen as being at different ends of the political spectrum, so the question has become a political one as much as a legal one. With time, this struggle will come to a conclusion and will then hopefully finally lead to a strong foundation for local governance.

State-actors need to somehow facilitate this struggle between contending narratives, perspectives, and interests, which is not easy in a fragmented society. It depends on the country's specific history, social cohesion and institutional structures how much 'constructive debate' it can handle. There may at times be good reasons for a more executive-dominated top-down approach that has proven relatively successful in countries like Rwanda. Yet, even

13 Adler, Sage, and Woolcock (2009) refer to the 'good struggle': 'development policy, at least in the realm of governance and institution building, is thus a task of ensuring 'good struggles'.

if a more top-down model is used, it needs to build on existing resources and capacities to the highest degree possible and adopt models that are socially, technically, and financially viable in that context.

The influence external actors—voluntarily and involuntary—have on this struggle may be much deeper than expected in some aspects and much less profound than we think in others. How external actors can enhance this struggle and increase the changes that it is a constructive and non-violent one is very much an open-ended question. What is certain is that a deeper understanding of the way external action influences this internal struggle is necessary.

Looking at state-building in this manner has another important implication for external engagement. Locally feasible models, which will arise through such a process, may not be like we know them, nor how we would like to see them. They may not meet our minimum values and may therefore not be palatable to the general public, who may not understand the iterative and locally-rooted nature of state-building processes.

4.2 Shifts required in thinking and practice of external actors

One of the first steps that needs to be taken to reduce the chance of non-robust institutions being formed is to create more space for the development of best-fit institutional models. It means a mental shift towards understanding that state-building is about changing the rules of the game, which touches deeply on the deep structures of society. The menu of legitimate options needs to be broadened considerably and a process of learning needs to be put in place, which are the two key prerequisites to slowly uncovering a model that can function within the Afghan context; technically, financially, and socially.

Gaining a critical mass of people who support a reform or change in the way of doing things is never straightforward. But in current practice, domestic actors are often too quickly named 'spoilers' when they are reluctant to support a certain reform. Indeed, this reluctance *may* stem from a desire to hold on to power or to maintain a certain set of elite privileges in a 'limited access order' (North et al. 2009). However, it may also stem from the very legitimate reluctance of local actors to adopt a model that is not socially, financially, or technically feasible, or doesn't have the necessary backing to make it succeed.

In policy discourse, development is increasingly being seen as political and not purely technical, but this still varies across sectors. Questions surrounding political systems are seen as political and international actors tend to be more sensitive to the importance of local ownership and sovereignty in such cases. Yet, a large number of sectors are still considered as being 'technical', where it seems to be assumed that policies that are drawn up by outsiders and implemented from above can function, of which the justice sector is a good example. Yet, justice systems are deeply rooted in societal values and already have a history based in battles over narratives. It is exactly in a sector like that where a reform needs to be deeply rooted in society, and the process needs to be a struggle. Even sectors such as health care, education, and even agriculture are not purely technical, as this paper has clearly shown.

So how do socially, technically, and financially sustainable models come about? Such best-fit solutions do not grow on trees. There is often a trade-off between technical, financial, and social acceptability, and a tension between the perspectives of different constituencies within the country, not least between the political and technocratic elite and that of the people.

Currently, these hard questions are often ignored and it is simply assumed that the solutions devised by the narrow group of 'reform-oriented' leaders in the country and the international community are the correct and singularly feasible ones.

Understanding the politics is a necessary first step. However, understanding the politics means going beyond doing a political economy analysis. It means using the understanding of the politics in order to help devise a process that can lead to the emergence of best fit-solutions, even if we external actors don't like them.
The appreciation of variety is key. Variety can help identify different models that can work in practice, build on distributed resources and capacities and lead to a more bottom-up mode of policy development. Yet, at the same time a collection of micro-initiatives that are not in any way linked to the state will not lead to the build-up of a capable state either, as such micro-initiatives cannot lead to the scope and scale of institutional transformation which is necessary. It is necessary to find ways to tie together local space for variety and innovation, while establishing mechanisms for knowledge sharing and learning, so that these can serve as inputs into an iterative process of the formation of institutions.

Furthermore, distributed problem-solving capacity must be utilized more fully. Existing capacities and resources, including working governance arrangements, need to be engaged. So the key to the solution must lie in finding new ways to bring variety, local ways of doing things and local capacities and resources, into a connected whole that has the potential to—over time, in an iterative manner—lead to the institutional transformation that is necessary for a country like Afghanistan to embark on a road to more prosperity.

5 Conclusion

The current approaches to state-building lead to a dynamic in which reforms get initiated at the top of institutions, but do not filter far down into them. As a result, it looks on the surface as if reforms take place, organizational structures are redesigned, new functionality is created, and the new policies are being executed. In reality, however, business goes on as usual to a large degree, and the old way of doing things continues to interfere with the new ways. This would not be so bad if it was simply a process of time. Building institutions does take a long time—we know and accept this now. However, it would be a bad thing if it turned out that we are actually reducing the chances for a genuine process of institutional transformation to take place and that the current forms of international engagement may destroy capability rather than build it.

This paper has showcased the genuine risk that the reformed or newly established institutions may lack the robustness which will allow them to maintain and advance the progress made. Afghanistan may have fallen into a situation in which de facto state capability does not improve or only very marginally, in spite of a lot of effort being pumped into it. In other words, it has fallen into a capability trap.

There are a number of reasons to fear that this may be the case. First, the example of the Afghan National Army showed clearly how certain practices go underground and thus escape from our view. We therefore no longer have a clear perspective on what capability has actually been built up. The case of training the police shows a similar dynamic, where numbers mattered more than quality and it was only in 2009 that this was recognized at the highest level. This means that—in spite of numerous assessments by different agencies with

different agendas—we really don't know what the actual robustness of the capability built in the security sector is. One cannot control what one cannot see, and this risks widening the gap rather than narrowing it. This is not typical to the security sector alone, given that the same dynamic is also seen in other sectors.

Second, the space for best-fit models to be developed over time is limited. This leads to a reliance on models that can produce results in the short-term, but which are likely not to be maintained in the long-run, as they do not have a sufficient number of people technically able to manage them. Nor do these models have a critical mass of people committed to supporting them as they have little ownership over them, and they may not meet their expectations or feel as socially acceptable to them. Ways to facilitate the 'struggle' and the seeking of best-fit models have not yet emerged, and in a number of ways external actors make this process harder rather than easier.

In the introduction I gave three theoretical possibilities why outcomes did not meet expectations in Afghanistan. The first one was that expectations were set to high, that no conceivable plan could deliver and hence that failure was foreordained simply by overambitious expectations. The second one surmised that the theories of state-building on which tactics were based were right but that the flaw was in implementation. The third one challenged the underlying theories of state-building that guided the strategies, tactics, plans, and implementation of the external actors in Afghanistan more fundamentally, and would lead to the logical conclusion that more resources and a longer timeframe would not have changed things for the better.

It may be clear from the above analysis that implementation failed in many aspects, and particularly in the sense of building the capacity and strengthening the institutions of the state to provide their core functions (and more) effectively and sustainably. Were time frames too ambitious and unrealistic? Yes, most definitely, at least for the range and depth of functions the nascent administration was meant to achieve. With a much longer timeframe of similar support levels, assuming this was realistic, would continuing on the same path have yielded better results in terms of building a capable state? On this question the jury is still out. Yet, the road we are on has a number of characteristics that could lead one to have strong doubts. These include the high financial and technical dependency on foreigners, a narrow and ideologically driven menu of institutional models that need to be adopted, and the fact that no distinction is made between resistance to reform due to a difference in perspective on what solutions are appropriate and a resistance to reform that is borne out of pure self-interest and corruption. Technocratic approaches are preferred to the messiness and uncontrollability of the struggle. Yet, there is no development without the struggle, and outsiders can never devise the solutions.

I am optimistic about Afghanistan, always have been and hopefully always will be. I don't believe that it will descend into civil war, as some have predicted. I also believe that the twelve years without Taliban has given a new generation of people an exposure to different ways of organizing things, and a new perspective on what role the state can and should play. Some of these people may be able to initiate a true debate on the really tough questions of what can realistically be expected from a government with little financial and technical resources, in a country where perspectives on the right solutions differ widely, and in a world where every country is connected to both the opportunities and the risks of the global system. This is the real struggle, and it's Afghanistan's own, but I can see a new generation of people willing to take these questions on.

We, the international community, must also take stock. Afghanistan has taught us that change doesn't come about as easily as we may have wanted to believe and requires changing the rules of the game at a deep societal level. Our ability to 'build capacity' is very weak. Of course, there has been an exchange of knowledge, an exposure to different ways of working, to new systems and technologies, and this will not go to waste. Yet, it has not led to capable and effective institutions that are able to find Afghan solutions to Afghan problems. We have proven ourselves unable to help facilitate a process in which we lend expertize without taking over, nor to distinguish between legitimate (well-intentioned) and illegitimate (self-interested) perspectives. We have failed to deepen our understanding of how our own actions interact with local dynamics and what this means for the struggle. Afghanistan has shown us that it is time for us to step outside of the shoes of the all-knowing experts who can 'fix' the institutions, and seriously rethink how our actions build or undermine capacity, and how they impact 'the struggle'.

I do not claim to have *the* approach, nor the solution to what would have 'fixed' Afghanistan, but I can see the importance of some key elements and we have to think hard about how to incorporate them. First, understanding the political economy is key but we have to move beyond the current practice of using the analysis to identify and neutralize spoilers to those reforms we presciently claim to know will work. We have to let go of the deeply entrenched idea that external experts have the solutions and can roll these out. Instead, we have to start thinking about how to help structure or guide a process through which the problem-solving capacity of a broad range of actors can be brought to the fore. At the same time we have to understand the degree of consensus that can be reached and could realistically be aimed for at different stages of the transition, and take a conflict-sensitive approach to this. Insights from the field of mediation can perhaps be helpful in this undertaking. The principles of problem driven iterative adaptation, as laid out by Andrews, Pritchett, and Woolcock (2012) can provide guidance on how to go about this in practice.

Furthermore, we have to allow a broader range of potential models to be explored, and in particular search for those that can better utilize distributed capacity, resources, and motivations and that are less reliant on high-level technical expertize. Variety is important. Variety can help identify different models that can work in practice, build on distributed resources and capacities, lead to a more bottom-up mode of policy development, and allow for more local space to build on what works locally. Yet, currently there is no shortage of variety, with the current fragmentation in aid efforts. The shortage lies in mechanisms for knowledge sharing and learning, so that these can serve as input into an iterative process of the formation of institutions.

So the key must lie in finding new ways to bring variety, local ways of doing things and local capacities and resources, into a connected whole that has the potential to—over time, in an iterative manner—lead to the institutional transformation that is necessary for a country like Afghanistan to embark on a road to more prosperity.

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