

CENTER FOR AMERICAN PROGRESS

THE ADMINISTRATION'S STRATEGY IN AFGHANISTAN AND PAKISTAN

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LAWRENCE KORB: Good afternoon. My name is Larry Korb, and on behalf of our president, John Podesta, and my colleagues here at the Center for American Progress, I'd like to welcome you to this meeting we're having on the administration's strategy in Afghanistan and Pakistan.

Now, this will be conducted in two parts. Our keynote speaker will be Gen. Jones, who is the national security advisor. He will speak, answer questions until he has to go back and take care of all the things that he needs to do. And then we're going to have a panel that will be chaired by my colleague Caroline Wadhams that will follow up. So right now I would ask you, first of all, please turn off your cell phones and Blackberrys and all of those – all of those things, if you would, and I will introduce Gen. Jones.

Now, we all know Gen. Jones has been the commandant and also the NATO commander, but he also has had probably one of the most diverse experiences of anybody to ascend to the highest positions in the military as well as in the national security advisor.

He has commanded at every level, from the platoon to the division. He has held staff positions in Washington with the commandant, the chief of Naval Operations, the secretary of defense, as well as working in Congress, and he's a highly decorated combat veteran, including the Silver Star and the Bronze Star, with a Combat V.

And, getting ready for, you know, introducing him, I was doing a little research and I found out that he is the fifth career military officer to serve as national security advisor. Each of the other services – the Air Force, the Army and the Navy – have had one, but the Marines have had two. So it goes to show you how influential the Marines are.

So Gen. Jones, we welcome you here to the center and we look forward to your comments. (Applause.)

GEN. JAMES L. JONES: Larry, thank you very much. Ladies and gentlemen, good afternoon. It's a pleasure to be here. And I look forward to talking to you about Afghanistan and Pakistan, but before I do that I would like to thank the Center for American Progress for the invitation.

Thank you, Larry, for your kind introduction, but also for your own service to our government and to John Podesta. I don't know if John is here today, but John obviously served as a real leader in the transition team and we managed to hijack a number of people and good ideas from those people, who now serve in the administration and the NSC itself. So thank you for this great contribution to our nation.

It has been a year since the president took office, and we're, as we all know, on the eve of the State of the Union. None other than Larry Korb recently said, in the year since his election,

the president has reversed the decline in American security and his decisions in key areas have put us on the road to recovery.

I take that as a – from someone who is known as a frequent critic of our policies – and I mean that in the constructive way, in the best way. Larry, thank you for that observation. We take it to heart.

My own experience with the president before the election goes back to some discussions we had about the importance of restoring America's role in the global security – on global security issues, how diverse those issues have become, how national security or international security is now so much more diverse than it was just a few short years ago and what it encompasses – things such as climate and energy, economic issues, the status of American competitiveness in the world, cyber security – of course in the traditional panoply of relations between nation states and also the family of asymmetric issues that face us all in this very, very challenging and still young 21st century.

The strategy that we are employing in Afghanistan and Pakistan and in the whole region has to be seen in the context of an overall approach to foreign policy, so with your permission I'll take a few minutes to go over some of those aspects and some of those challenges.

One of the first things that we set about doing after the inauguration was to reorganize the National Security Council so that it would – it could deal with these multiple challenges that face us. After studying the make-up of the Homeland Security Council and the National Security Council, we decided to combine the two into one staff – national security staff.

We've added an economic focus to our deliberations. We've added, as I said before, our focus on terrorist threats. We've added cyber security. We have divided – essentially we look at the globe in regions, much the same way other agencies look at it. So we're trying to have a process by which, for all the major decisions the president has to take, that there is a whole-of-government approach in the sense that, although we have scripted membership of who sits on the National Security Council, we're able to widen or shrink the participation, depending on the issues being discussed, in such a way that these issues are developed from the bottom up. They go through rigorous analysis, a lot of discussion, as they work their way up to the president of the United States for his decision at full meetings of the National Security Council that he chairs.

I think that this process not only reflects the reality of the world as we look at it and as we face it, but also it is able to accommodate the cohesion that is required on behalf of the – within the interagency as we deal with these issues; so organizing the National Security Council to face the world as it is, not so much as we wish it would be, although that's worth thinking about as well, but dealing with strategic issues of the time, teeing them up in such a way that they are handled and discussed by people who have equities, so that the president can make his decision; and then, after the decision is made, to also participate in a process whereby we verify that the implementation of those decisions is actually being carried out.

So at the beginning of the administration, of course, everyone knows that we faced two wars, Iraq and Afghanistan. We knew that we need to do some work with regard to the

relationships, the alliances and the partnerships that we were involved with around the world. We knew that nonproliferation was going to be a big issue and still remains a very big issue, and we're going to have to do a lot of work on that score.

We also knew that there were going to be some transnational threats, such as climate and energy, and we've taken that aboard. We knew that there was an economic crisis, both at home and abroad, and that U.S. leadership in those areas were going to be challenged. That is still work in progress, and it will continue, but it's still very, very much at the center of our focus.

And then overall and, I think, a challenge of restoring the reputation of the United States as a nation of willing to commit to leadership, willing to commit to a new era of engagement based on mutual interests and mutual respect, which probably is the defining feature, as I would state it, the defining feature of our foreign policy.

And by engagement, what we're talking about here is renewing and strengthening alliances and partnerships, as we've done in Europe with NATO and the strategic-concept review that's ongoing and supporting European integration; in the Asia-Pacific region, where we've worked to strengthen alliances with Japan, South Korea, Australia, Thailand, the Philippines, and deepening cooperation with partners such as Indonesia and Malaysia; in the Middle East, reaffirming America's unwavering commitment to the peace process as we pursue the Arab-Israeli efforts to find the common ground to restart the talks and continue to work hard to convince both parties that it is in their strategic interest to do so in the shortest period of time; and then the Americas, in our own hemisphere, especially in our partnerships with Mexico and Colombia and Brazil, Central America.

And I would suggest that our response to the horrific situation in Haiti is further proof that we are indeed a partner that can be counted on and relied on in both good times and bad. And I think that the response that has been garnered in support of Haiti has been very effective and will only get better as time goes on. In Africa, the president's trip to Ghana signaled new opportunity to partner for good governance and development that improves lives, and I think Africa will be a continent and is a continent already that we have to spend much more time thinking about strategically, particularly as we look at the expansion of al-Qaida-like networks throughout at least the northern part of that continent and the potential of it going elsewhere.

Engagement also means deepening cooperation with key centers of power. In Russia, the reset, so-called reset, has elevated relations to the best point in years. In China, we now have a broad-based strategic and economic dialogue; in India, which President Obama calls one of the defining relationships of the 21st century; and obviously in Brazil. These are new realities, new centers of power and influence that are coming on the world scene and that we will have to engage with and will do constructively and effectively.

Engagement also means strengthening the United Nations. We have paid our bills. We've joined the Human Rights Council. And we fully embrace the Millennium Development goals.

Engagement also means supporting international and regional institutions such as the EU, OSCE, ASEAN, OAS, the African Union, the Organization of the Islamic Conference. It also means presidential outreach to the world and to different publics, different audiences, always focusing on our shared interests and common aspirations; speeches, town-hall meetings in Strasbourg and Istanbul, Shanghai, a new beginning with the world's Muslims, beginning with the Cairo speech.

And, yes, engagement means also being willing to conduct principled diplomacy with adversaries, always making it clear that every nation has both rights and responsibilities.

Of course, we're not engaging other nations for the sake of engagement. Engagement is not an end in itself. It is a means to an end, to greater cooperation on common challenges, greater burden-sharing by all, and greater security for the United States and its friends and allies.

So the leadership of the United States and the president's commitment to that leadership has yielded progress; we think tangible, meaningful results across the board.

The global economy – we've helped to pull the world back from economic catastrophe. We've worked with allies and partners at the G-8 and the G-20 to provide stimulus to the global economy and to promote growth that is balanced and sustained and focused on avoiding another such crisis.

With regard to ending the war in Iraq, we are fulfilling our pledge to responsibly end this war. All U.S. combat brigades will be out of Iraq by the end of August of this year, and all troops will be out – all combat troops will be out by the end of next year, even as the U.S. remains a long-term partner in Iraq's recovery, its security and its future prosperity.

We note, though, that there are continuing challenges in Iraq. Witness today's sad and tragic bombing attacks in the capital. But we still believe that we're on the right path and that Iraq will be able to take care of itself and its security needs in the near future.

We've taken the fight to al-Qaida worldwide, including refocusing our efforts on Afghanistan and Pakistan, which I'll discuss more fully in a moment.

And we strengthened the global nonproliferation regime. The president has laid out his agenda in Prague, working towards a world without nuclear weapons. With Russia, we're making progress on the follow-on START agreement. Adm. Mike Mullen and I led a team to Moscow these past few days; just returned on Saturday. And we're moving towards good results in the not-too-distant future.

As the first U.S. president to chair a meeting of the U.N. Security Council, the president has won a unanimous resolution on steps to stop proliferation. Hosting a nuclear-security summit this April in Washington to rally other nations to help secure the world's loose nuclear materials within four years is one of our aspirational goals. We have secured new, stronger sanctions against North Korea. And in the context of the six-party talks, we sent Ambassador Bosworth to Pyongyang last month for direct talks, which has not happened in a long time.

And to those who claim that engagement on Iran has not yielded dividends, we should really look at the facts. Engagement – our strategy in Iran has resulted and is resulting in an unprecedented level of international consensus and unity on Iran, making it clear that Tehran must meet its responsibilities or face the consequences.

We've also tried to lead on energy security and climate change at home. The president has made the largest investment in clean and renewable energies in U.S. history, which will reduce our dependence on oil and create clean-energy jobs.

He's staked out a leadership role on climate change at Pittsburgh. The G-20 agreed to phase out fossil-fuel subsidies at Copenhagen. For the first time, all major economies accepted their responsibility to take future action. The president acknowledged that this is not enough and we will continue our efforts to provide the leadership that is required in this important and challenging area.

All of this is, of course, is just a start. Our challenge now is to sustain and build on the start that has been made this year. There are no shortages of challenges to test us: North Korea, Iran, Arab-Israeli peace, al-Qaida and its affiliates in Afghanistan and Pakistan specifically and around the world generally.

And so now let me turn very briefly to the Afghan-Pakistan strategy and exactly where we are today.

In our review of our efforts in Afghanistan and Pakistan this fall, the president asked some very difficult and tough questions, challenged assumptions, heard from every perspective and explored every option. Most importantly, this was a review that never lost sight of those affected most by presidential decisions and that's the men and women who carry out their orders and the impact that it has on their families – both civilian and military alike.

In a speech at West Point, the president made clear that our security is at stake in Afghanistan and Pakistan. This region remains the epicenter of violent extremism practiced by al-Qaida. This is where the 9/11 attacks were planned and this is where extremists who were arrested recently in the U.S. have been trained and this is where attacks are being plotted right now.

With regard to the situation in the ground, al-Qaida retains its safe havens on the border – on the border regions of Afghanistan and Pakistan. The government in Afghanistan, legitimately elected, is still hampered by corruption, a viable drug trade and underdevelopment. And there is – there is insufficient security for the forces that face a growing insurgency. This was the situation as we started the review.

With regard to the risks, there are risks to this strategy. The risk of scaling back our efforts or worse, abandoning the area altogether. The region that slides backwards where al-Qaida could operate once again with impunity is not acceptable. The risk of instability in a nuclear-armed Pakistan at a time when al-Qaida seeks nuclear weapons or weapons of mass

destruction and would use them is not acceptable. In short, an unacceptable risk of additional attacks on our homeland and our allies is also one of the things that we put on the as being something that we had to look at.

We need – we sought clarity about our mission and we achieved that. Starting in the spring of '09 with the initial review of the Riedel study and we came out with a clear statement that applies today as to our mission, which is to disrupt, dismantle and defeat al-Qaida and its extremist allies in Afghanistan and Pakistan and to prevent their return to either country.

We needed to achieve clarity with regard to our objectives and we think we've done that. In Afghanistan, our objective is to deny al-Qaida the safe haven; to reverse the Taliban's momentum and to deny it the ability to overthrow the government; and to strengthen the capacity of Afghanistan's security forces and government so that they can take the lead responsibility for their future and do so in the shortest amount of time possible. And in Pakistan, it is to support the security and prosperity that is the best antidote for the extremism that threatens us all and to eliminate the sanctuaries that exist in that country.

We've achieved clarity about our strategy to meet those objectives and it has three main components to it: a military effort that creates the conditions for security and a transition in Afghanistan; a civilian effort that promotes development and good governance; and finally, because our strategy has to succeed on both sides of the border, an effective partnership with Pakistan. So let me talk briefly about each of those three.

With regard to the military aspect of things and our troops in Afghanistan – including the 30,000 additional troops that will be sent there – they have a clear mission to target, train and transfer: to target the insurgency and protect key Afghan cities and towns; to increase the training of Afghan security forces, currently numbering around 200,000 Afghans fighting for their country and to bring them into the fight; and lastly, to create the conditions on the ground for the transfer of responsibility to Afghan forces.

Our NATO allies have also increased their commitment in a very positive manner. This includes Great Britain, Italy, Spain, Romania, Poland. Together, our allies will be contributing nearly 7,000 more troops and trainers. The sum total of those contributions will continue to grow in the next few weeks as we get closer to the London conference on the 28th of January.

This reflects our allies' recognition that our common security is threatened. And I believe it also reflects our efforts to strengthen our alliances. Having served in NATO, I think that NATO has shown much more cohesion and much more recognition that this is the strategic moment in which all nations – all contributing nations must come together to better harmonize security efforts, governance, rule of law in Afghanistan and also economic development. So as a result, we'll be – we'll accelerate handing over responsibility for Afghan security. By July of 2011, some U.S. troops will begin to come home. This is probably the most discussed and perhaps most misunderstood part of the strategy, so I want to be clear with regard to what this means and what it doesn't mean.

July 2011 is not a withdrawal date. It is the beginning of transition of responsibility to Afghan authorities and forces. As the president said, and I quote, “Just as we’ve done in Iraq, we will execute this transition responsibly, taking into account conditions on the ground. We’ll continue to advise and assist Afghanistan’s security forces to ensure that they can succeed over the long haul,” unquote.

Nor does July 2011 have – in any way encourage our adversaries to buy time or to wait us out. Nothing in its history suggests the Taliban will easily yield terrain. As U.S. and coalition forces move in, we expect the fighting to be fierce. And if for some reason they did choose to wait us out, then while they’re waiting, we’ll be seizing the initiative, securing population centers, training stronger Afghan forces and making it hard for the insurgency to return.

What the July 2011 date does do – and this is why the president feels it’s so important is this: It sends an important signal to the Afghan people that we’re not interested in waging an endless war or occupying their country; that we want to be their partners, not their patron. And it sends a clear and urgent message to the Afghan government they will have to take responsibility for their own security in the shortest delay possible. Even as we pursue those who threaten us, the president has said that we will support efforts by the Afghan government to open the door to those Taliban who abandon violence and respect the human rights of their fellow citizens.

Secondly, on the civilian side, our strategy recognizes that security and prosperity in Afghanistan ultimately rests on good governance and investment in people. As the president said, the days of blank checks are over. From now on, our assistance will support those who combat corruption and improve the lives of ordinary Afghans – especially in areas such as agriculture and tapping the country’s natural resources, which include iron ore, marble, gemstones and the like.

This is not nation building. This is capacity building. We’re helping build the capacity of Afghans to provide for their own security, their own governance and their own prosperity. In short, their own future.

It’s still much too early to judge how our strategy is working. Our troops are – have just started to arrive and won’t be fully in place until the summer. But early signs are encouraging. We’re encouraged by the steps President Karzai has taken to improve the effectiveness and the credibility of his government and we’re committed to working in partnerships to reduce corruption, which along with the insurgency is perhaps the greatest threat to Afghanistan.

And recent polls of Afghan public opinion are also encouraging. Afghans in significant numbers blame the Taliban far more than coalition forces for violence that exists in the country. Most Afghans believe the Taliban is growing weaker and by huge margins, about nine-to-one, clearly prefer the Afghan government that they have to any alternative the Taliban might offer. But our progress on the ground and the attitudes that the Afghan people show that we’re making progress in achieving our objectives and accomplishing our mission in Afghanistan, as articulated by the president.

The third part of our strategy is a stronger partnership with Pakistan. The people of Pakistan have suffered greatly at the hands of terrorism. Pakistanis – civilian, military, police, civilians – have sacrificed their lives fighting terror. And they recognize that their country and their future is also being targeted. Pakistan has shown a new resolve in this fight, launching major offenses against extreme – extremist sanctuaries. In partnership, we’re confronting al-Qaida directly, inflicting significant losses on Taliban and al-Qaida leadership, making it clear that we will tolerate no safe haven.

For our part, rather than relying so heavily on a single leader, we’re now investing more broadly in the Pakistani people. This includes a major commitment of \$1.5 billion a year for five years to strengthen development and democracy in that country, investing in energy and water and health, and supporting reforms that create jobs and economic growth, all of which undermine the appeal for extremism.

So that’s the strategy that we’re pursuing in both Afghanistan and Pakistan. Both are critical. The efforts in Pakistan will directly – our success in Pakistan will directly affect the speed with which we achieve our objectives in Afghanistan: A military effort to deny safe havens and accelerate the transition to Afghan forces; the civilian effort to foster good governance in improved Afghan lives; better rule of law; and a partnership with Pakistan that both targets extremists and addresses the underlying conditions that fuel extremism.

In other words, we’re attempting to make it clear that we will neither maintain a permanent military force in Afghanistan, nor abandon the region to extremism. We’re making it clear that the people of Afghanistan and Pakistan have a reliable, long-term partner in the United States. But as the president has also made clear at West Point, and I quote, “The struggle against violent extremism will not be finished quickly, and it extends well beyond Afghanistan and Pakistan,” unquote. It will involve disorderly regions, failed state, and diffuse enemies.

After years of U.S. counterterrorism operation, and in cooperation with our partners, the core of al-Qaida has been seriously damaged. Nevertheless, al-Qaida has proven to be adaptive and highly resilient. As we’ve seen recently in the failed attack on Christmas Day, we face a dynamic and evolving threat, not only from the core of al-Qaida, but from its affiliates around the world:

In Iraq, American and Iraqi efforts have succeeded in greatly reducing the capabilities of al-Qaida. The number of suicide bombings has been greatly reduced – notwithstanding the current violence we saw today, but still, recent lethal attacks, including in the heart of Baghdad, underscore the need for vigilance.

On the Arabian Peninsula, Saudi Arabia’s aggressive counterterrorism, coupled with long-term counter-radicalization, has found some success. But next door in Yemen, the civil war increases the risks of recruitment, training and additional attacks. Indeed, it was al-Qaida in the Arabian Peninsula that was responsible for the attempt attack over – the attempted attack over Detroit.

Likewise, in East Africa, with a long-running civil war in Somalia the fighting and instability makes it easier for al-Qaida's East Africa network to train and plot. Terrorist group al-Shabaab is controlling more territory and launching more attacks. Warlordism has attracted recruits among Somalis living in the United States.

In North Africa, the al-Qaida affiliate, al-Qaida in the Lands of the Islamic Maghreb, remains the most active terrorist organization in the region and will continue to pose a significant threat to American interests throughout the region and the Sahel, as well as to the continent of Europe itself.

In Southeast Asia, close cooperation with partners in the region, especially with Indonesia, has resulted in the arrests or deaths of hundreds of operatives and leaders from Jemaah Islamiyah. And while its capabilities have been badly damaged, this summer's deadly attacks on hotels in Jakarta underscore this continuing threat.

There is also the challenge of people being radicalized right here in the United States – homegrown terrorism, as well as lone wolves who self radicalize. Al Qaida has made no secret of its desire for American recruits that would defy conventional notions of a terrorist, and more that one American has ended up in the ranks of al-Qaida in Afghanistan and Pakistan.

But while the threat from al-Qaida-inspired terrorism extends far beyond Afghanistan and Pakistan, our mission remains the same: to disrupt, and to dismantle and to defeat al-Qaida and its allies. And in our war against al-Qaida, we're going to – we're using every tool at our disposal: We will keep the pressure on al-Qaida and its affiliates whenever they plot – wherever they plot and train, and we'll be relentless in our efforts. We will strengthen intelligence to ensure that we have the timely and accurate intelligence that prevents terrorist attacks.

And as the president directed after the Christmas Day incident, there are a series of reforms that we'll be putting into place to do a better job at analyzing the intelligence that we have in a timely fashion: We will pursue aggressive law enforcement to disrupt and deter attacks at home, and with allies and partners. We will share intelligence and build the capacity of partner-nations to deny al-Qaida safe havens in East Africa and the Trans-Sahel region.

We will prevent nuclear weapons – and we'll dedicate ourselves to this perhaps above all else, from falling into the hands of terrorists through the president's efforts to strengthen the global nonproliferation regime and securing the world's vulnerable nuclear materials – all this in a period, within a period of four years. Then we will secure the homeland at every level – local, state and federal, including, as the president directed after the Christmas attack, improving aviation security.

So it's been a year of great challenges, but also a year of progress on many fronts, but much more remains to be done. If you had asked me a year ago how long it would have taken for America to restore its standing in the world, I would have said several years, and yet that's just what – that's just what has happened in one year. We see it in public opinion polls around the world. I see it in my own travels and in my meetings with counterparts around the world.

The United States is globally engaged once again. Other countries have seen that we want to be – partner with them on the basis of mutual respect and mutual interests. And, most importantly, other countries want to partner with us on a range of common challenges. That serves our interests and that makes our country more secure.

Of course, it's just the start. And as Larry wrote in his assessment, getting off to a good start is not enough. Our challenge now is to sustain and build on the progress we've made, and that's exactly what we intend to do in the days, months and years ahead. Thank you very much for your attention. (Applause.)

MR. KORB: (Off mike) – Gen. Jones can take a few questions, but please focus them on Afghanistan and Pakistan, and when I call on you, if you would please identify yourself.

Q: Trudy Rubin from the Philadelphia Inquirer.

Gen. Jones, you spoke of the importance of Pakistan, and awhile back you said there were only 100 al-Qaida in Afghanistan. Given those two facts, how is our strategy affected by the response that Secretary Gates got in Pakistan this last week when he was told that Pakistan would not expand its fight against the safe havens for a minimum of six to 12 months, and gave the impression that it might be longer than that, if ever?

GEN. JONES: It is, I think, beyond question that – as I mentioned, I think, in my remarks, that the speed with which we are able to achieve our goals in Afghanistan has a relationship to the willingness of Pakistan to take on the fact that safe havens exist in the border region. We are going to be working with, and have been working with the Pakistani authorities to make sure that we do everything we can to not only convince them of the urgency of the moment, not just for Afghanistan, but for Pakistan and the region itself.

And we are entering on a new relationship, a new strategic partnership with the Pakistanis in order to signal to them that we're not just interested in a short-term relationship where we solve the problem and leave, but a long-term relationship that will affect beneficially the future of Pakistan as a democracy in areas far beyond security. We have to establish a good security in the region, and then turn to economic development and other ways in which we can help Pakistan and Afghanistan become the nations we hope that they will become – as stable partners, economically secure, and working towards a brighter future for all of their, for their citizens.

But this is a work in progress and we are working diligently to achieve that goal. We have a number of high-level engagements with the Pakistani authorities going back several months now, and these will continue in the months ahead. It is without question one of the most important things that we're taking on, in order to be successful in the region, and it's critical that we be successful there. And part of that is making sure that they understand how genuine we are about it, and how we view this as a long-term commitment.

MR. KORB: We've got time for one more.

James?

Q: General, there were reports about the speed with which troops are getting into Afghanistan for this surge. As we learned in Iraq, there's a sort of "virtual cycle" that you can – if you reach a tipping point; but there's also concerns that troops won't be there in the numbers that we're going to need to reach that virtual cycle. Can you talk about that for a moment?

GEN. JONES: Getting troops to – deployed to a country like Afghanistan is much more difficult than going to Iraq. The logistics of it – the fact that it's a land-locked nation, make it much more difficult, so it takes a little bit more time.

But I think we have good estimates from Adm. Mullen and Secretary Gates on when the majority of the force will close. They're obviously working overtime to make that happen. It's important that it – that it happen within the timelines that the president was briefed on in our Strategic Review, and I think we will achieve that.

MR. KORB: We could keep the general here all day, but he's got to go. So thank you very much –

GEN. JONES: Thank you.

MR. KORB: – for coming. And please join me in thanking the general for his comments. (Applause.)

GEN. JONES: Thank you very much.

MR. KORB: If I could ask our next panel to please come up. (Pause.) Our next panel is going to be chaired by my colleague, Caroline Wadhams, who is a national security senior policy analyst here, and she brings to this position terrific background. She has worked over on the Hill for Sen. Feingold. She's been at the Council on Foreign Relations, and she's been in Pakistan to observe the elections back in 2008 and she really has taken the lead in a lot of our work here on Afghanistan and Pakistan.

So Caroline, I'll turn it over to you.

CAROLINE WADHAMS: Thank you, Larry. We have an excellent panel here today to discuss the administration's civilian strategy in Pakistan and Afghanistan that Gen. Jones just discussed, and also that – we want to talk about the State Department's recently released stabilization report that spells it out in much more detail.

I'm sure we're going to discuss some of the details of this strategy, whether it's improving in governance or reintegration and reconciliation with the Taliban, but I want to raise a number of big-picture questions that are sparked for me when I read the strategy or listen to Gen. Jones's remarks, and I hope that as you are giving your remarks you will think and potentially address some of these big-picture questions.

The first is, does the U.S. government, with its international partners, have the capacity to undertake this strategy, given the weaknesses in our own civilian agencies, and all of the other national security priorities that Gen. Jones referred to? I mean, that is a huge list. Can we do everything such as rebuilding Afghanistan's agricultural center, reducing their drug trade, building an economic foundation for Afghanistan's future?

Secretary Clinton and Gen. Jones talked about that this is not nation-building. This is far from nation-building, but if you look at this document you'll see it actually looks quite a bit like nation-building. Now, maybe that doesn't have to be a bad word, but can we undertake such an ambitious agenda?

The second question that comes to my mind is can we do it? The strategy looks excellent – there are so many important components – but can we do it with our current partner in the Karzai government? The cabinet is incomplete. The parliament has pushed back a little bit, but we all know about the weaknesses there.

And then the final question that comes to me is – and Trudy mentioned this – if Pakistan refuses to go along with cracking down on the insurgents within their own borders, can we do – do we have the enabling environment to be able to undertake these initiatives? If there is not a regional agreement about an agreed end state for Afghanistan, is any of this possible? So I'll just leave it there and I hope you will tackle some of these.

Let me quickly introduce the panelists and then we'll have them speak.

Alex Thier is the director for Afghanistan and Pakistan at the U.S. Institute of Peace. He has lived and worked in Afghanistan and Pakistan on and off since 1993. One of his major achievements at USIP has been to build their rule of law programming in Afghanistan, including its work on establishing relations between Afghanistan's state and non-state justice systems.

Before joining USIP, Alex was the director of the Project on Failed States at Stanford University Center on Democracy Development and the rule of law. He was also a legal advisor from 2002 to 2004 to Afghanistan's Constitutional and Judicial Reform Commissions in Kabul, where he assisted in the development of a new constitution and judicial system.

He has also worked for the International Crisis Group. He has worked for the British Department for International Development, and as an advisor to the Constitutional Commission of Southern Sudan. And he worked for the – he has a lot of experience – he has worked as a U.N. and NGO official in Afghanistan. He was there during the Civil War from '93 to '96.

Paul O'Brien is the vice president of Policy and Advocacy at Oxfam America. He was previously the director of their Aid Effectiveness Team. He came to Oxfam after spending five years in Afghanistan where he advised the senior economic advisor to the president and two ministers of finance on aid coordination, development planning and policy reform.

He was the senior international advisor to the Afghan government and the creation of the Afghanistan National Development Strategy and the Afghanistan Compact, and prior to that he

worked for CARE International. He was also the president of Echoing Green, and a litigator in New York for Cravath, Swaine & Moore. And he was the founder of the Human Rights Research and Advocacy Consortium in Afghanistan.

James Bever currently serves as director of the Afghanistan-Pakistan Task Force for USAID, and he is – (audio break) – counselor in the Senior Foreign Service and has extensive experience in international development in the Middle East, North Africa, South Asia and East Asia and East Asia. He served as the senior deputy assistant administrator for the Middle East.

He also served as the deputy assistant administrator for Asia and the Near East, leading Iraq reconstruction efforts, and he has held a number of other important jobs in India, Islamabad, and was a director of USAID's Office of South Asian Affairs from 2000 to 2003.

I'm going to now turn it over to Jim to talk about USAID's efforts, and then we will follow it with Alex and then Paul. Jim, thank you.

JAMES BEVER: Thank you very much, and thank you for the Center for American Progress in inviting us, and especially USAID, here today. Gen. Jones did, I think, an excellent job of laying out the strategic and policy imperatives of the Obama administration and I would not pretend to elaborate on that.

I will just take one quote from President Obama's speech at West Point in early December, what he said – he called for a dramatic increase in civilian presence on the ground in the region, particularly Afghanistan. "Our efforts will fail if we short-change the civilian effort. Our efforts will fail in Afghanistan if we don't invest in their future," quote, unquote.

We expect to be involved in Afghanistan and Pakistan for quite a long time on the civilian side. We're committed to building lasting partnerships – and you heard Gen. Jones talk about that.

As far as the civilian uplift, as some have called the, again, surge – but we look at it as an uplift – to raise our levels to a higher level of civilian cooperation and assistance and hold them there as long as Congress and our host governments are willing.

Our numbers are over 330 American officers. That is our target in Afghanistan. This is basically more than tripling our numbers where we were just a year ago, and we're well on our way towards that. I expect by this early spring we will have hit those numbers.

But it's not just our own American officers. We're also going to be hiring a lot more Afghan staff directly working for USAID. For those of you who know how we operate, these are a lot of our professional brains that allow us to function all over the country in a various depth of society and the economy.

But this is not all. We obviously have many implementing partners for our people's money, for the assistance programs, both U.S. contractors, U.S. NGOs – some of you are

represented here today – as well as Afghan partners and Afghan contractors and associations, and the Afghan government itself, and I'll get to that in just a moment.

As far as civilian military coordination, my own view is that it's improving significantly, and the longer we work at this effort so far – again, that's my own view – the better we are getting. I see in the case of the CERP funds – Commanders Emergency Response Program Funds – and USAID funds, and funds and support that are coming even from the National Guard, for example, agriculture, development teams that serve from a number of states and National Guard units in Afghanistan, the coordination is getting better every day.

What we have come to conclude is that each of us is necessary but not sufficient for success in terms of assistance for the Afghans as well, as ultimately in other areas for Pakistan. AID has officers serving at almost every one of the PRTs, the provincial reconstruction teams, and, as a matter of fact, we have, since I served there as the American AID director under Ambassador Khalilzad back in 2003 and 2004. I expect we will be going deeper, beyond the PRTs. We will be going into more district support teams or their equivalent as time goes on.

The London conference that Gen. Jones mentioned just a few minutes ago, your U.S. foreign assistance agency, AID, will be at the London conference. I leave there to go there tomorrow evening. We will also be at what's called the Afghan Reconstruction Trust Fund board meeting.

This is a special fund that's been set up over the years by multiple donors, run by the government of Afghanistan but quality control in terms of accountability implementation is shared by the World Bank as an implementing unit.

The United States is a major contributor to the Afghan Reconstruction Trust Fund. For those of you who have complained or been concerned about donor effectiveness, I would suggest you look to the Afghan Reconstruction Trust Fund as an example of one that has shown some donor collaboration cooperation and effectiveness as a good instrument.

I'll just skip to what's new. As mentioned, up until now we have been responsible for about \$7 billion of execution of development assistance programs in Afghanistan since early – since January of 2002. We were there literally just a few weeks after Taliban were dispersed at the end of 2001. We now have in our budget another \$2 billion for this year. I expect it will go higher if Congress is willing.

One of the things we will be focusing very heavily on is job creation – jobs, jobs, jobs and a key element of that, as Ambassador Holbrooke would say if he was here, is agriculture. We agree on that completely. We shared a briefing for the press just a few weeks ago before Secretary Vilsack's trip to the region.

So it's a partnership with USAID, State Department and U.S. Department of Agriculture, along with the National Guard units that are doing the agriculture development teams, in this case in Afghanistan.

In the case of Afghanistan also, we are moving towards to support a policy called Afghan First or Afghanistan First, which is wherever we can buy services or products from the Afghan people and from their private enterprise, we will.

To date we've contributed maybe 10 percent of our assistance programs directly to Afghanistan. We expect to be doubling or more than doubling that in the coming year. We're trying to achieve the right balance between what we do in the east and the south – which is where a lot of the instability is – with what's happening in the north and the west.

We do not expect to have any diminution in the absolute amount of our assistance in Afghanistan in the north or west, but the percentage of the total will get larger for the east and the south, if you can follow that arithmetic. At the field level, we will be pushing deeper, faster, more flexible in terms of the way we deliver assistance to the local levels.

And, finally, oversight and monitoring. This is all our people's money, and we take that responsibility very seriously, even though it's at a highly dangerous area. We have lost quite a lot of civilians' lives, both killed as well as grievous injuries and some kidnappings as we've carried out our assistance programs. Many of these are by very, very courageous Afghan partners, and we could not do this job without them.

But we will continue to try to press deeper for better oversight and monitoring of our program, and we rely very heavily on the special inspector general for Afghan reconstruction, the Gen. Accounting Office, and the inspector general of USAID. At any one time, on this program, we have between 15 and 18 ongoing audits of how our program is being run. That has exceeded the number of audits that we had at the height of the Iraq engagement.

And I'll close by just saying that there is no substitute for leadership among the Afghan people or the Pakistani people. And I did not speak much yet about Pakistan, but I can take questions on that.

I've served in both places for over five years of my life, and there are bold, courageous, reform-oriented leaders in both countries, in the government, the private sector and the NGO civil society, and our work will be catalytic only as good as they are and as good as we can support them. Thank you very much.

MS. WADHAMS: Thank you so much.

Alex, could you go now and talk about – give us a sense of your assessment of the civilian strategy and more? Thanks.

J. ALEXANDER THIER: Thanks, Caroline and the Center for American Progress, for having me here. And, on behalf of my panelists, thank you all for not leaving with Gen. Jones.

For me the last 12 months, starting with the 60-day review process, has been like watching the U.S. government awake from a semi-catatonic state as regards Afghanistan. Our

soldiers, our diplomats, our aid workers were all able to watch the unfolding tragedy, particularly I think since 2004, but we all, I think, felt fairly powerless to act.

And so the good news is that the government, I do believe, has woken up. If there is a story of the last year on Afghanistan with our government, it is of seriousness of purpose and engagement, but the bad news is that they have woken up to some very difficult realities. Chief among them I think is the level of the crisis of confidence and credibility that we and our Afghan partners face at the moment, not only in Afghanistan but within our own publics.

We squandered an amazing degree of goodwill among the Afghan people that we had in 2001 and we have been slowly losing the Afghan population due to our actions and those of our partner. On the U.S. and NATO side, obviously we focused far too much on killing insurgents and not on securing the population. We had the wrong strategy and too few resources to do the right thing.

On the Afghan government side, principally we have allowed bad governance to metastasize so badly that I think it became the primary mover for the insurgency as opposed to the insurgency itself, and we have fundamentally lacked – again, I’m talking about until this year – the political will to even acknowledge, let alone to deal with this problem. Aid ineffectiveness has been an enormous issue. I’ll leave that to Paul.

We fundamentally failed to recognize that Afghanistan is a highly atomized and decentralized society and that the local realities at the political and social and economic level are critical to success there, and yet our programs were not geared towards that.

And on this issue of agriculture, it is the lifeblood of the economy and of livelihoods and employment, and during many of the previous years we spent more to punish growers than we did to help them. And that’s obviously focusing on poppy, not to say that growing poppy is a good thing, but unfortunately our emphasis was really misplaced.

So the new strategy, which I assume you’ve all seen Afghanistan and Pakistan regional stabilization strategy, it’s worth a read because I think it’s very good. It’s filled with a lot of good things, a lot of things that I and many other people have been advocating for the last several years, precisely the things that we should do.

It has four primary objectives. It says, building the capacity of Afghan institutions to, one, withstand and diminish the threat posed by extremism, two, to create jobs, three, to reduce the funding that Taliban received from the opium trade, and fourth, draw insurgents off the battlefield.

It makes these four objectives clear and lays out eight initiatives to deal with that. And the strategy doesn’t do that, but I would subdivide these initiatives into enablers and sectors. So you have enablers, which are overhauling our assistance, a civilian surge and improving Afghan governance, and then you have sectors, primarily agriculture, rule of law, reintegration, poppy, and building economic foundations, which is sort of catch-all for everything else that we want to do.

So the big questions that I have when I read this strategy are many of the things that Caroline outlined in the beginning: Are these the right things to be doing? Are they appropriately prioritized? Are they appropriately resourced? Can they be accomplished, and in what timeframe, and, ultimately, what does it all amount to? Will these things, if done right or some of them done right, will they in fact turn the tide?

I want to talk about two things before going to this last question, just as examples. I've been trying to think of sort of a matrix of how to evaluate this, on one hand on the potential for success of efforts. So we may have efforts that are going to have – and the potential for impact.

So you could have efforts that would have a lot of likelihood of success but would have limited impact, or an effort that would have tremendous impact, limited likelihood of success, or hopefully both of those things.

And in this regard I want to comment briefly on two aspects. One is the reintegration strategy. A lot of you heard, and particularly in recent days, about the R&R strategy, not the U.N. R&R strategy where people spend half the time out of the country and half the time in the country, but the reconciliation and reintegration strategy.

Reintegration basically refers to giving jobs to low-level Taliban and providing them with security that they'll stop fighting, and reconciliation is the big picture, trying to do a political reconciliation.

We've placed almost all of our emphasis on reintegration. I think that the impact of large numbers of insurgents stepping off the battlefield, which would obviously involve groups and not just individuals, could be tremendous. I think that this is something that would have enormous psychological impact and could have real practical impact on the ground in terms of our ability to deliver aid and get our message out more effectively.

And I've been a great advocate of this sort of approach. If you look at the map of Afghanistan over the last several years and the sort of creeping red tide of insecurity, a lot of those areas that are today insecure are areas that a few years ago were relatively or even strongly pro-government.

So I think that there is a lot of opportunity in this regard, but I want to say that I think that the likelihood of near-term success is low to moderate. And the reason for that is that the success of this initiative depends on so many other things: policy coherence, which is one of the things that the London conference hopefully is going to focus on; effective coordination; good program design; rapid and effective implementation; overcoming insurgent countermeasures, i.e. beheadings; and time.

This is not the type of thing, particularly given how it's been designed so far as an elaborate up to a billion-dollar Afghan-led, Afghan government program that's going to be rolled out throughout the country. I'm not saying it's a bad program but I'm saying that I don't think that we're looking for a very quick impact, and there is a lot of elements that need to succeed.

When you add in a second factor, which is that I think large-scale reintegration is going to depend on a meaningful reconciliation strategy, a meaningful political strategy, then it becomes even more complicated because that's a higher-risk strategy with less potential for yield in the mid-term, as many of our policymakers have said in the last couple days.

The second primary initiative, something that I've focused on a lot, is the rule of law. Again, I think the potential for success in the rule-of-law sector is quite high. In fact, I think that only second to security, rule of law is the most important thing to shore up Afghan support for its own government and for our initiatives.

That said, many of our initiatives are not near-term success initiatives, and I think that the most important – and one of the things I was most pleased to see in the strategy because I've been working on it for a long time, is emphasis on looking at the capacity and potential within the non-state sector to deal with dispute resolution and to deal with the rule of law.

One of the problems that we've had in Afghanistan – and I think this cuts across other sectors – is that there actually is a lot of existing capacity in Afghanistan, but it resides at the village level; it resides with people.

You look at something like the National Solidarity Program. That relies much more on local governance mechanisms and not on great success at the provincial or at the national level, which is important but is not the only piece of it. And so, as an overall approach, relying more on these local-level strategies where there is existing capacity I think is fundamental.

So just a final two minutes on the big question of will it turn the tide or what is the tipping point? I think the good news is that the insurgent forces are more widespread than they are entrenched. In other words, I think that positive change on several of these fronts can have a real impact.

The second piece of good news is that I don't think that we need a centralized powerful bureaucratic state for stability in Afghanistan. In other words, the more modest expectations that we have in Afghanistan actually can jive with the strategy of success there.

The bad news is that the problems on our side of the ledger are much more entrenched: bad governance, lack of rule of law, lack of elite consensus, remnants from the Afghan civil war, a fairly bad record on both sides of the hard work of implementation, and negative regional dynamics are all factors that are working against us and are much more entrenched things that are going to be much more difficult to deal with.

And so I'll just close with – I think points that have been made is that what worries me in part about this civilian strategy is what is missing. The first thing is Afghan leadership. I am and continue to be very worried about not only the impact of what happened this fall with the elections, but what it suggests about the likelihood of the Afghan government dealing in a deep way with its rule of law and corruption problems.

The second is the question that Trudy Rubin highlighted, the sanctuary and Pakistan issue. You don't really find it here. The messages have been very negative from recent trips, and it's absolutely fundamental.

The third, related to that, is a serious plan for reconciliation. Everybody seems to acknowledge that we need to be thinking about longer-term political solutions but nobody seems to be able to articulate a clear path of how to get there.

And then the fourth is this broader question of regional initiatives. Afghanistan survives or fails to thrive in a region that is with neighbors that are much more powerful than it, and without a meaningful regional strategy that creates interdependence and addresses some of the problems that its neighbors see in a stable Afghanistan, then Afghanistan is not going to thrive, and I think we need to see a lot more of that in the strategy as well.

MS. WADHAMS: Thank you, Alex.

Paul?

PAUL O'BRIEN: Thanks, Caroline, and thanks to you all for staying and for the discussion. It's been great so far. I'm going to try and focus us a little bit on some of the details of the report, which I think are interesting, and make an argument from Oxfam's perspective, which obviously cares about what people are thinking about on the ground – Afghans most of all.

You can't help but read this and think, this is a serious document and it's a serious effort, and we may be – Afghanistan has had so many points at which we've said, this may be the last time we are going to be able to ante up and do it. This really may be the last time that we sit down seriously and say, what do Afghans really need and how do we help them get it?

You know, as Alex says, there's a lot of good fodder for the aid-effectiveness mistakes we've made in Afghanistan over the last few years. I'm not going to go into them, but this document tries to tackle some of them, and I'm going to talk to you about some of those and then talk to you about some of my worries.

We take very seriously Secretary Clinton's commitment right at the start of this that this is our attempt to elevate diplomacy and development alongside defense in the national security interests. The question is, what does that sentence mean, and can you do all the things you want to do in that sentence at the same time?

There are some really good things in the report that may move that forward, and I'll talk to you about them. In our documentation – I know Archie (sp) is here and Shannon (sp) is here – we have done some reports on Afghanistan where we found recently – we surveyed I think 700 people – the biggest concern is the economic development problem.

This puts \$2.5 billion towards basic economic development. It actually is fairly specific, and we think they're the right areas. It's about getting back to a serious discussion on

infrastructure. It's about basic education and health services, which is what ordinary Afghans want to see coming from their government. It's about making markets work. They're saying the right things in terms of actual commitments and they're talking about big numbers, so that's a good thing.

And when we did this survey – it's called Costs of War – the second thing we found, and you've heard it a number of times, is Afghans think their government is weak and corrupt. For too long we were sitting in Kabul trying to say, we've got to give these people some money. If we want them to lead responsibly, we've got to actually give them a chance to lead.

And it was really difficult for USAID to put any money into the hands of the Afghan government because of concerns about wastage and did we have the ability to actually make sure it wasn't going to get stolen?

Well, in this document we've actually decided to take the risk. We're going to put 40 percent of our monies under this strategy through local entities. That's a huge risk for the American government to take in Afghanistan, but that's the right way to do it.

There are ministries there that are capable, that have good accountability measures, and that are delivering real goods and services to the Afghan people. We've got to empower the technically competent, the moderates who aren't corrupt. We've got to make it costly for somebody who actually all they care about is corruption. They've got to say, oh, wow, the U.S. government can see the difference between us and is investing in good guys. That's how you build a more responsible government.

Three, we're pleased to see that there is a real commitment to stop spending money through contractors. We documented in our smart development and practice report that we were spending over 50 percent of our aid through six contractors. It is not the contractors that are at fault in themselves. They have many great professionals. It is the way that they are challenged to succeed.

We are channeling hundreds of millions of dollars in basically check-the-box exercise with people who are security-constrained. I am not saying the answer is NGOs. The answer in the end of the day is funneling it through local systems that allow Afghans to learn by doing – its National Solidarity Programme, it is investing more through ministries, et cetera. So the commitment to tackle too much reliance on contractors and underinvestment in USAID is great.

I want to reiterate what Jim talked about. The fact that we are putting more USAID people on the ground means that they are no longer just going to be compliance officers who are going to be overwhelmed by what is coming at them. They are actually going to be able to do what they are trained to do, which is development if there is enough of them there. So the commitment to triple USAID is great.

It is a little worrying that we are talking USAID to 300. But the civilians that are going there are going to be 1,000. What I want to know is if development is the real challenge, who are the other 700? And I am going to come back to that.

Okay, the last thing and probably the most important thing from my perspective that you are seeing the commitment to here is that the U.S. government wants to align its whole government approach to development in Afghanistan. And this is the same thing, by the way, they are trying to do globally through the Presidential Study Directive, which is to be released any day now. And we could take a huge step forward for poor people around the world if the U.S. government in its Presidential Study Directive – by the way, Gen. Jones is the co-chair of that, along with Larry Summers – if that document and this effort in Afghanistan genuinely commit to whole-of-government approaches.

And I will tell you why that is important and this is where I get to the worrying stuff. It really matters who is driving the car. When I was in Afghanistan, I met a lot of U.S. government implementers, many of them in the fields. And I am going to talk to you about the worrying side of this strategy now. A lot of the investment in this strategy is going to go through these provincial reconstruction teams. They are going to be out in communities, particularly in the South and the East.

I met a lot of those PRTs. They are very – they are very smart people. They are soldiers for the most part in the lead, quick studies, trained for something else, but they get a clear mission given to them. You have got to help extend the influence of the Afghan government in Kabul. But they are challenged in a number of ways. And here is the metaphor I would like to give you. That car that is going into those villages to deliver development is pretty much always a Humvee, okay? The person in the driver's seat is a commander.

The person now – and this is a big new thing in this strategy. The person in the passenger seat is somebody from the State Department. They are a foreign service professional. What they have been trained in is how to ask how will whatever issues in front of me going to protect the United States of America? That is what foreign service officers do. They are not trained in fighting poverty necessarily or development for the most part. Let's put rule of law to the side. They are there to protect U.S. interests. They are now the co-leads of these PRTs that are going to be spending a lot of the money in this strategy.

In the backseat of this Humvee, you have got three people. You have got a USAID officer who is trying to be heard as an equal with these two who run the show. So he is backseat driving, but trying to make sure that this is the 3D speaking in tandem. Beside her or him is a USDA official who knows a lot about agriculture, but for the most part knows a lot about U.S. agriculture and less so generally about overseas agriculture – certainly not as much in terms of overseas development as the USAID professional who has been doing it most of her or his life.

And the third person is a National Guardsman or guardswoman who has been trained and is part of these – they are called ADTs, agribusiness development teams. They are soldiers, by definition, mostly farmers that have been working over here that have decided to commit themselves to helping over there. Now, here is the challenge. That Humvee is driving around Afghanistan trying to meet Afghan agricultural needs. And as we all know, there is never enough time. There is never enough money. And there is always too many needs. So when the Humvee pulls up into a village, the USAID professional who has been trained to do this all her

life wants to go talk to the poor and find out what do they really need to lift themselves out over time.

And she comes back and she hears, okay, we can do some small basic stuff here, maybe some pest control or maintenance. That is in the strategy. We can do some extension work. That is in the strategy. But it is going to be seasonal and it is going to take three or 4 years to really get hold. And the success is going to be measured not by what we do for them, but by what we can convince them to do for themselves. When we gain enough of their trust and we give them enough of the skills and we transfer that capacity genuinely, we may start to see agricultural production pick up here.

At the same time, the two people in the front of the car, the commander and the diplomat, have gone to talk to the mullah or the khan because they are the person with power. And they have asked, so what do you need? And the khan says, well, I need some cold storage right beside this land where I have happen to own because we can get some product to markets if we have that cold storage right there.

Now, that might not be a bad idea. That might be a great thing to have that cold storage. But it isn't necessarily been driven by an economic analysis of can we get the stuff from the poor farmers into cold storage and then onto Kabul. It has been driven by the fact that this khan is really important for our national security. Or this mullah is really important to win over the religious agenda.

So when the five of them get back into the car and say, okay, so what agricultural work are we going to do in Afghanistan, here is my concern. I want that development officer in the front seat of the Humvee having a seriously co-equal discussion because the structure we have now is that the commander and the diplomat both report up into the regional command structures in the South or in the East and they report up to the ambassador or to Gen. McChrystal in Kabul and they report back to Washington. And I am really worried that the voice of the backseat drivers is going to get lost.

So if we are serious about development in this strategy, if we are serious that we see Afghan agriculture, Afghan economic development, the long, hard, dirty challenge of lifting people out of poverty as essential to U.S. national security, if Sec. Clinton is serious that there is three Ds as part of this national security strategy, the real question will be how are they going to listen to each other and how are they going to make sure that the debate understands the deep issues in all of those three D's.

If they get that right, this strategy could transform the debate in Afghanistan. If they get it wrong, it will be another huge promise and a lack of delivery. So that is it.

MS. WADHAMS: Thank you very much. Because of the limited time we have, I am going to just immediately open it up to the floor and I am going to take a couple of questions at the same time. Trudy and then the woman in the back?

Q: Trudy Rubin, the Philadelphia Inquirer. As you all know, when you talk to Afghan ministers, what they say, especially the good ones, is please can you train our staff because if we can get our people trained up to go out to the provinces and the districts and sub-districts, then they can do the work that you can't do for security reasons.

When I was in Afghanistan just before Thanksgiving, the minister of agriculture who everybody talks about had had exactly one U.S. staff person on quality control come to his ministry, nobody out on the line. It seems a long ways from what we say we want to do. Are we going to train up their people?

And just one more, the minister of rural reconstruction and development, MRRD, Americans are always talking about MRRD and yet, Minister Zia, who was one of the good ministers, was bumped. Nobody seems to have said boo. And the person who finally is now the head of that ministry seems rather obscure and in there because he has some connections. That was the ministry through which we were supposedly pumping funds to community development councils. Does anyone care?

MS. WADHAMS: One more question in the fifth row. Right here, this woman.

Q: Thank you. Hi – (inaudible) – from Oxfam America. Thank you all for your comments today. In light of the situation that is going on in Haiti and the civil military coordination challenge there, what are the lessons from Afghanistan that can be applied?

MS. WADHAMS: Sorry, Emma. One more, right here.

Q: Oh, hi. Jim Traub from the New York Times Magazine. Not totally clear if you guys are agreeing on what the core of this is because Paul's point was that the core of this is rural development. And everything insofar as it goes to that, it will succeed. I think Alex's point was that the core of this is creating legitimate governance.

So I wonder, for example, if we cannot do anything to make central government – governance more legitimate and feel that way to the Afghan people, does that mean that we can do all the wonderful things that Paul thinks we should do in terms of rural development and in the end, it is all going to just be based on quicksand because what matters at bottom is some sense of faith that people have in the state itself?

MS. WADHAMS: Great, thank you. Alex, do you want to start and then just quick comments down the line?

MR. THIER: Sure. To start with Trudy's questions about civilians in particular, I mean, I have literally been arguing for 8 years that we need to have a crash program for Afghan civilian civil service and capacity development. It is never too late to start. There have been some starts and some work has been done. It has been a lot of false starts.

I do think that it is important to have international civilians as enablers there. But the real civilian surge should be an Afghan civilian surge. The cost of an American civilian in

Afghanistan is between 750 and 1,000 and \$1 million according to my information, which pays for a lot of Afghans and a lot of Afghans to be trained. Again, it doesn't have to be an either/or when you look at the overall numbers and the military costs. But it is absolutely essential.

We have put so much – we are paying \$7.5 billion this year to train the Afghan National Security Forces. I wonder what miniscule fraction of that amount of money is being paid to train Afghan civil servants.

And let me address Jim's question very briefly. I mean, I think you are right to pick up on attention because it is attention that I feel in my own assessment of what we need to do in Afghanistan. We are on a timeline at the moment where I fear as things have been slipping away from us, all the good that we have done and the good projects that have been delivered, the infrastructure that has been built, the schools, all of the new children that are being educated. All of that stuff is essential for Afghans' long-term development and prosperity and a return to civil war will destroy it all in a flash.

And so I obviously strongly agree with Paul about aid effectiveness and good development practice and believe we should be supporting those things. But I think that the big game over the next 12 months is the stability of the project as a whole. And if we don't keep that in sight, then I fear that we lose all together.

MS. WADHAMS: Jim?

MR. BEVER: I would just say in terms of the agriculture ministry or even others who need more of their staff trained, we are certainly stepping up to that plate. Minister Zakhilwal, finance minister, laid out a very large program where he wanted hundreds and hundreds of Afghan government officers trained and advisors – not just from the United States, but from friends of Afghanistan around the world.

One of our mechanisms we are proceeding with subject to continued concurrence by Congress will be to allow the finance ministry itself to work out within the Cabinet, you know, who will get what advisors from where. And to the extent U.S. funds are used, they have to meet U.S. requirements. But they will make the choice.

But it is not just training. Obviously, in any government, it is also, what are the salaries? What are the benefits? What do you have to pay people who have been used to living in Kabul, maybe they come from Helmand, to go back there and be a district governor right now? So it is more than just training.

In terms of minister of rural development, MRRD, time will tell. Afghanistan is a sovereign government. If they decided to change one minister out and bring another minister in, we will have to look at it. In the end, what we are accountable for is our people's money and how well is it used.

And so I know that there are very many good deputies to Zia and it goes all the way down the system all the way out. You can go as far out as Faryab Province. And things work pretty well in the ministry of rural development. So we need to give it a little time on that.

On Haiti, lessons applied. There was a question on that. I would just say – and I am not the spokesperson for Haiti – but I would just say one thing. I am very pleased to see within our government is that as we are working with the Haitian government and the international community to help deal with the trauma that currently applies there, we are at the same time in parallel starting to plan out with them the longer-term reconstruction requirements and systems that have to be in place. So if you ask, are there lessons learned from Iraq or from Afghanistan, I would say that is one of them.

And finally on New York Times, I would say it is all about governance. Ultimately, it comes down to governance and leadership and political will.

MS. WADHAMS: Paul?

MR. O'BRIEN: I actually don't disagree with that. But I have a slightly different take. And this is both, Jim, your comment, and the MRRD and ministry of ag comment. If we are going to be serious about governance in Afghanistan, at some level, we have to understand the differences between doing something in Kabul and the sub-national challenge.

I actually felt – and the reason I didn't dwell on it too much – this document makes huge progress on the Kabul front in the main meaning that it is starting to identify the technically competent ministries. It is starting to talk about actually providing them some resources that they could actually take decisions over, so that they can be held accountable to the Afghan people.

Adib (ph) and I struggled for years as I was trying to be helpful to him in actually allocating resources to where Afghans were saying they needed it, while all the donors with all of their generosity had their own agenda. So we are finally taking that risk.

The reason I dwelled so long on the development challenge in the sub-national area is also a governance question. We operate in Daikundi. Five hundred thousand people in the Daikundi area need agriculture. The sub-national department of the ministry of agriculture in Daikundi has \$2,400 in its budget to meet the needs of 500,000 people. We are not serious about it. And if we are ever going to get to a point where a development professional who is competent is able to go into that ministry office and say, you know, this person isn't corrupt and they ready to do more in terms of development. They are going to need some real development experience.

And if the person who is walking in there is really a diplomat who wants a win this year, they are not going to know the difference between a good sub-national administrator who actually understands what the agricultural needs are and somebody who just knows how to play power games. So it is about deep governance is the question. We have got to explain to Afghan

people living all over Afghanistan that this project is in their best interests. And they won't be fooled easily is the point of my comments.

Quick comment on Haiti. I love the question. And it is really good to have seen the way that USAID stepped up and said there is going to be a whole-of-government strategy. It needs to be led by civilians. And although some of our generals want to do an awful lot of stuff very quickly, one of the things we have learned from places like Afghanistan is that you need civilian leadership. So that was great to see in Haiti and we hope that that remains the case as we move forward – not to say that the military doesn't have an important role to play there.

MS. WADHAMS: I just want to take one more round of questions. If you need to leave, please do. But because we had – we were given such a short amount of time, I do want to do one round. But I hope that is okay with you.

MR. BEVER: I just want to make a comment.

MS. WADHAMS: Yes?

MR. BEVER: A couple of things that weren't picked up earlier in terms of the strategy. If you look carefully at Afghanistan, there are those who believe Afghanistan is a country without natural resources, but actually quite the contrary. It is a mother lode of mineral resources. And the Chinese certainly recognize this. The Soviets knew it earlier when they invaded. And if you look at a longer-term solution on the development end of the equation and revenue generation from royalties, job creation, infrastructure development, multiplier effects, I think we need to pay ever-increasing attention to the mineral sector in the country. So we look 7 or 8 or 10 years down the line from now, how will they get the revenues and the royalties and the other income effects to pay for their better governance and their security forces? First thing.

Second, cross-border transit trade. I didn't see anyone mention this in our comments. Afghanistan will only get so far in its agricultural growth if it cannot get across the Pakistan border and get its product out to market in a timely fashion and vice versa.

Third, quality of police and the accountability of the police to the people. The police symbolize the embodiment of the government at the local level in a very visible, tangible way. That needs additional attention.

Finally, local governance. The government of Afghanistan does not yet have a fully confirmed policy on local governance, local leadership, the financial flows to the local level and what the authorities are – the provincial governor, provincial council, district governor, district council sort of levels and the revenue sharing that comes from that. And those are heavy lifting for all the other things we have been talking about. And this will take time.

MR. O'BRIEN: Can I make a quick –

MS. WADHAMS: Yes.

MR. O'BRIEN: Sorry, one issue that isn't in the report that we haven't talked about that much – mentioned, but I think Brian Katulis is going to write up something on the parliament at some point – the lack of mention of the parliament in this report. It is a key point. The reason that Isan (ph) Zia didn't get nominated to stay was because the parliament rejected him. That is a bad decision, in my view.

But the fact is it is the one entity that is actually able to not give Karzai what he wants. That is a very serious thing. It should be held accountable, strengthened and guided to hopefully make the best decisions on behalf of the people there that voted them in.

MS. WADHAMS: Great, thank you. Let's take two more questions. This gentleman and then Emma, sorry, I am going to – and then we will wrap it up.

Q: I am Mohammed Kassim, retired World Banker – (inaudible) – with Jim Bever at AID a long time ago. We are both tubbier since then. I did the first World Bank-U.N. – well, I was involved with the first Bank-U.N. anti-opium project in Afghanistan in 1970. I spent a year there. And on and off I went there. I am now advisor to my former World Bank colleague – (inaudible) – who is a Syrian minister. And we give advice, which goes as far as the viceroy's office, the viceroy being – (inaudible).

But one of the things, you know, I find – (inaudible) – Afghanistan and Pakistan are foe states. You know, they are bordered on one side by Brits, a couple of Brits – (inaudible) – and Durand and then I think there is another Russian involved in the North. And I don't hear Pashtun, Hazara, Uzbek, Punjabi. If you don't handle it from that perspective, there is no Afghanistan.

Let me give you one example. I live with the Hazaras. I am sort – (inaudible) – Hazara. The family I stayed with of khans and, you know, the daughter went to a convent in Pakistan and he went every year to – (inaudible) – wherever it is, Geneva or Paris. They were all wiped out. They were all wiped out. You saw the film, "Kite Runner." Who was the boy who was raped? He was a Hazara. When I heard the Hazaras talk about Pashtuns, they wanted revenge. So if you are going to talk about a national army, a national police, forget it.

MS. WADHAMS: Thank you. And sorry, one more. This gentleman right here and then we will wrap up.

Q: Hi, Ken Dilanian with U.S. Today. Jim, you were nodding your head when Paul was making his point about the USAID guy in the backseat. And I am wondering how you – I mean, that goes to the heart of the future of USAID and its role in this government. And I wonder if you could talk about how you think that is going to work and what you are doing to advocate for your agency in this process?

MS. WADHAMS: Okay, Jim, let's start with you. But if you also could just give your concluding remarks, that would be great. Thank you.

MR. BEVER: Ken, you always ask tough questions. I think, you know, we have a new Senate-confirmed leader, Dr. Rajiv Shah, sworn in by Sec. Clinton at our headquarters a few weeks ago. He is preoccupied right now at the request of the president on Haiti. And I look – we all look to Dr. Shah, who is the appropriate one to point the policy directives in terms of leadership to sort of address the question that you gave.

From the point of view of the rank and file – and I am a senior foreign service officer, career foreign service officer, I look to him to represent the development part of the three Ds. And so that is about as far as I should go on that one at this point and this audience.

My only wrap-up comment is ministry of health. Now, there again, you have a case where the parliament did not go along with continuing the minister of health, Dr. Fatemi. But I mention the ministry of health in my wrap-up remarks here just to say that if you look hard and you know Afghanistan – and again, we talked most about Afghanistan today – here is an example of where there has been aid effectiveness, not perfect, still a work in progress. But if we are actually honest with ourselves, we should give the Afghan leaders some credit. This is something they have gotten more or less right over the years.

They have divided the donors up to cover different regions of the country. So we cover seven or eight provinces. The World Bank covers a few others. The Brits, U.N., a few others. They have come out with a technical package of service delivery for the people that makes sense, a certain amount of inoculations, certain kind of access to local maternal child health care, et cetera. So it is called the basic package of health services. It is tangible. You can measure it. You can touch it. You can get out there and see what is going on.

Everybody adheres to that commonly agreed basic package of health service delivery to the common man and woman. They have reached out to their neighbors in Pakistan and India to see what they could do to work cross border on polio eradication. Four of the countries in the world that still have polio – I am not talking about wild strains – are India, Pakistan and Afghanistan. So they have reached out to the international regional community.

So I only close on this to say there are the seeds of success within the Afghan leadership and government themselves and their people. If we can just keep finding the right ones to support, the right ones to work with, and replicate those successes. And that is why we have gone now the next step with the government of Afghanistan to provide what we call host country contracts that is direct funding of them to take responsibility and accountability, shared responsibility with friends of Afghanistan to deliver goods to their people, which is also, by the way, a secret of their success – at least ad interim – is that they share the delivery responsibility with the local guess what? Local NGOs and international PVO – NGO partners to deliver the services at the local level. It is a private-public partnership.

So there are some models there that are working that have been audited that we think we can expand to other sectors.

MS. WADHAMS: Paul?

MR. O'BRIEN: Well, I can be real quick then because I agree with what Jim said. And that is the perspective of a development professional. Development professionals go into a context and ask what do people actually need from us and where is their leadership and how do we cultivate it? Diplomats ask a different question. They ask, what is in the United States' interest? Defense people ask a different question. They are all legitimate questions. But you have got to have all three at some level equals at the table if you want to work out the gnarly debates that will inevitably come up in a complex place like Afghanistan.

Thank you for having us. It was great to have the opportunity. And kudos to CAP for bringing out Gen. Jones to talk about where they are going. It was great to hear his comments. So well done.

MS. WADHAMS: Thank you, Paul. And Alex?

MR. THIER: I wanted to address this one issue that had been raised by the questioner about the ethnic issues. Afghanistan has still not overcome fully its trauma from a civil war in the 1990s. That said, I think that this tends to get overplayed often. I was thrilled, I think, to the extent – if there was one good thing that came out of this last round of elections, it is that no serious candidate was playing ethnic cards in the campaign.

I don't agree with the statement about the impossibility of creating an Afghan National Army. It has been one of the few, I think, successful highlights and the ability of different ethnicities to work effectively together when properly resourced and trained and given a good mission.

But I think it leads to a larger point. One of the good things about the place that we are in in Afghanistan is that there is – you know, we have been down so long, it looks like up from here sort of factor. There is a tremendous amount of potential in Afghanistan. There is a tremendous amount of potential in its resources, in its people. After 8 years, the fact that Afghans are still so supportive of this international intervention does not speak to how well we have been doing, unfortunately. It speaks to how desperate the Afghan people are to create a new beginning for themselves. And that is one that ultimately the Afghan people will have to lead.

The same applies to the region. One of the reasons that the Taliban was created in 1994 was because of the hunger of people, particularly in Pakistan, to reopen the lost dream of land trade to Middle East and Europe through Central Asia. And that was one of the first things that the Taliban were supposed to have done. And that is a promise that is, as yet, still unrealized. There are enormous potential positive impacts of regional interdependence on energy, trade, as well as other issues. And those are so unexplored at the moment that there is, I think, an enormous amount of potential.

The final thing I will say because it hasn't come up, but something to look out for that was, I think, supposed to be highlighted more at the London conference than probably will be due to some problems is the question of international civilian leadership. This has been a problem in Afghanistan. And it looks as though frankly, that it may continue to be. We have

had people bow out of the contest to become special representative – the secretary general for the United Nations.

We had an announcement that there will be a new NATO senior civilian representative, but apparently not bringing together the different hats of international senior civilian representation. It is a lot for the Afghans to deal with all of us. And unless we are more effective and coherent in our efforts, then we are unlikely to convince the Afghans to do the same. And so we need to be a more effective interlocutor. And I think that we need to very seriously rethink this issue of how the international community not only channels its assistance to the Afghan government, but how we represent ourselves and how we create policy coherence within our own community.

MS. WADHAMS: Thank you so much, Alex, Jim and Paul for your excellent remarks. And thanks so much to everyone.

(END)