

**THE ADMINISTRATION'S
STRATEGY IN AFGHANISTAN**

HEARING

BEFORE THE

**COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE**

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THE ADMINISTRATION'S STRATEGY IN AFGHANISTAN

Wednesday, December 16, 2015

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The committee met, pursuant to notice, at 2:33 p.m., in room SD-419, Dirksen Senate Office Building, Hon. Bob Corker, chairman of the committee, presiding.

Present: Senators Corker [presiding], Perdue, Isakson, Barrasso, Cardin, Udall, Murphy, and Kaine.

OPENING STATEMENT OF HON. BOB CORKER, U.S. SENATOR FROM TENNESSEE

The CHAIRMAN. The Foreign Relations Committee will come to order. We want to thank our witnesses for being here and, certainly, all of our committee members.

I think in lieu of reading my normal opening statement, I just want to make a general statement, and that is that yesterday we had a classified briefing. What we hear in classified briefings about the direction and the signals and all of the things that are occurring in Afghanistan directly contradict some of the rosy public statements that are made about what is happening within the country.

I think it is actually alarming to go to a classified session and then to hear reports about those discussions in the Armed Services Committee itself.

So with that backdrop, I just want to say to each of you, all of us obviously want our Nation to be successful in its efforts in Afghanistan. I know there has been a debate about the number of troops on the ground. There have been some arbitrary numbers that have been thrown out. I know today we have 9,800 troops there. Yet, from what I can tell yet, we are continuing to lose territory, lose momentum. The status in Afghanistan is today that we are moving in a very negative direction on the ground.

So obviously, that is concerning. We know that President Ghani has a vast amount of experience, even though he is somewhat of a technocrat. He knows there are issues that need to be dealt with appropriately within the country.

But when you look at all of these security issues that are being dealt with, certainly it takes away from his ability to implement those.

So we are concerned about security. I think we are concerned about any type of reconciliation that is taking place. We under-

stand the concerns that exist relative to Pakistan. And let us face it, it is them, to a degree, hedging their bets. But from the outside, as you watch what is happening there, the Taliban is gaining ground, and that is just a fact.

So I hope this hearing today, which will obviously be the first public hearing we have had in some time on this topic, will help us be illuminated.

We thank both of you very, very much for your service and for being here. And we thank you for your willingness to help us with understanding as to what is actually happening there on the ground.

With that, I will turn to Senator Cardin.

**STATEMENT OF HON. BENJAMIN L. CARDIN,
U.S. SENATOR FROM MARYLAND**

Senator CARDIN. Thank you, Mr. Chairman. Thank you for calling this hearing.

I want to thank our witnesses for being here.

I want to follow the example of the chairman and just lay out some basic concerns that I think came out not just as a result of yesterday's briefing, but as we have seen of late, and that is on how we are doing on the security front in Afghanistan. It seems like we are losing ground.

What happened in Kunduz obviously was a major concern. It showed real shortcomings in the Afghan National Defense and Security Forces to provide security to the region.

What have we learned from that? How are we going forward?

Secondly, the reconciliation process, whether there can be a stable government in Afghanistan, representing all the interests of the country, and the role that Pakistan is playing in that regard. Are they a sincere partner in peace, or are they just trying to protect their interests in its relationship in that region?

Third, the development progress in Afghanistan since 2001, the resources that we put into Afghanistan, there certainly has been a question. Their economy is not performing anywhere near a level that would be acceptable for sustainability and progress.

Then yesterday in the New York Times, there was an article that raised a question as to whether the Taliban is the key to USAID projects, which I would like to get some answers on as to what are the short-term, long-term gains and whether our investments of U.S. taxpayer dollars are really being beneficial in Afghan's future.

Lastly, the anticorruption efforts, we know the President made very strong commitments for anticorruption and yet we see virtually no progress in dealing with the corruption issues in Afghanistan.

So I hope what we will do, we have been there for a while, what has gone right? Build on that.

We have done a lot of good things in Afghanistan. I think we all acknowledge that. This is not the country it was in 2001. That is a positive note.

But things have gone wrong. Have we learned from what has gone wrong, so we can make appropriate adjustments to make sure that we have an effective policy for the Afghans' future and U.S. policy interests?

I look forward to hearing from our witnesses.

The CHAIRMAN. Thank you, sir.

We will now turn to our witnesses on the first panel. We will hear from two administration witnesses representing the State Department and USAID whose portfolios include both Afghanistan and Pakistan. Our second panel includes three informed experts on Afghanistan and the region. We thank them for being here.

So our first witness is the respected Ambassador Richard Olson, the United States Special Representative for Afghanistan and Pakistan, and recently returned as our Ambassador from Islamabad.

We thank you very much for a career in public service and Foreign Service, and for being here today.

Our second witness is Donald L. Sampler Jr., assistant to the administrator for Pakistan and Afghanistan for USAID. We thank you for what you and your cohorts do around the world to further U.S. interests.

So with that, Ambassador Olson, if you would begin, we would appreciate it.

I would just say, as a courtesy to my fellow panelists here, the deadline on a couple of issues is 21 minutes relative to the other thing we are working on. I may step in and out a little bit and miss a little bit, not out of disrespect. Thank you.

STATEMENT OF HON. RICHARD OLSON, SPECIAL REPRESENTATIVE FOR AFGHANISTAN AND PAKISTAN, U.S. DEPARTMENT OF STATE, WASHINGTON, D.C.

Ambassador OLSON. Chairman Corker, Ranking Member Cardin, members of the committee, it is an honor to appear before you today to discuss the U.S.-Afghanistan relationship and our continuing effort to support Afghanistan's progress toward security and self-reliance.

Allow me at the outset to thank the members of this committee and the American people for their generous and steadfast support for our efforts in Afghanistan. In particular, I want to honor the thousands of military personnel, diplomats, and development professionals who have served and continue to serve in Afghanistan.

Mr. Chairman, I recently returned from my first visit in my current position as Special Representative for Afghanistan and Pakistan to Kabul and Islamabad. I can report to you that we are at a critical moment in our work in Afghanistan and the region as we push for the launch of an Afghan-led peace process during the traditional winter lull in fighting between Afghanistan and the Taliban.

The administration remains committed to a stable and secure Afghanistan, and we remain convinced that a negotiated settlement between the Government of Afghanistan and the Taliban is the surest way to end the conflict.

The Government of National Unity, which came to power in the first peaceful and democratic transition of power in Afghanistan's history, embodies the potential that Afghanistan has to strive for. It has weathered tremendous adversity in its first year. It retains its democratic mandate and has demonstrated a commitment to be a partner with us in addressing our common security interests.

It is no secret that the bilateral relationship between Afghanistan and Pakistan has been difficult. President Ghani and Prime Minister Nawaz Sharif have demonstrated true leadership in trying to bridge the divide. Both sides show readiness to engage, to put differences aside, and build on the meeting in Murree, Pakistan, between the Afghan Government and Taliban representatives that took place in July of last year.

Now the Taliban have a choice to join good faith negotiations for peace or to continue to fight a war they cannot win, and face the consequences. A negotiated Afghan-to-Afghan settlement while difficult is possible and can be accomplished while preserving the gains made in education, health, and the rights of women and minorities over the past decade.

Even as we push for progress on peace, the United States has a critical role to play in supporting continued development of Afghanistan's security capabilities. President Obama announced in October that we will maintain 9,800 troops in Afghanistan through the end of 2016 to train, advise, and assist Afghan forces.

I believe we are pursuing the right course in Afghanistan, but I want to be candid that great challenges remain.

While the security in Afghanistan remains volatile, we must give credit to the Afghan National Defense and Security Forces for demonstrating tenacity, ability, and resolve in countering attacks.

While much work on development remains, over the past decade, U.S. assistance has made a significant and tangible difference in the lives of the Afghan people and has been critical to maintaining stability. Per capita GDP has more than quadrupled. For the first time, millions of Afghans have access to reliable electricity, health care, and independent media, and are connected to each other and the world through communications technology.

According to the U.N., we and other donors have helped Afghanistan achieve a greater increase in its standard of living over the last decade than almost any other country on Earth.

The last decade's progress also is contingent upon continued support for Afghanistan. Next year, at the Warsaw NATO summit in July and the Brussels ministerial on Afghan development in October, we will have an opportunity to work with our international partners to lay out a plan for future security and economic assistance.

Of course, our assistance comes with clear conditions, and the concept of mutual accountability remains firmly in place. Advancing the fight against corruption will be of particular importance in that regard.

The peace process track cannot succeed unless it is paired with a strong and credible commitment to Afghanistan's security and to its economic priorities and its political leadership.

Addressing these challenges will not be easy, but I look forward to working with you on them in the weeks and months to come. Thank you very much.

[The prepared statement of Ambassador Olson follows:]

PREPARED STATEMENT OF AMBASSADOR RICHARD G. OLSON

Chairman Corker, Ranking Member Cardin, Members of the Committee, it is an honor to appear before you today to discuss the U.S.-Afghanistan relationship and

our continuing effort to support Afghanistan's progress towards security and self-reliance.

Allow me at the outset to thank the members of this committee and the American people for their generous and steadfast support for our efforts in Afghanistan. In particular, I want to honor the thousands of military personnel, diplomats, and development professionals who have served and continue to serve in Afghanistan.

Mr. Chairman, I recently returned from my first trip in my current position as Special Representative for Afghanistan and Pakistan to Kabul and Islamabad, and I can report to you that we are at a critical moment in our work in Afghanistan and the region as we push for the launch of an Afghan-led peace process during the traditional winter lull in the fighting between Afghanistan and the Taliban. The Administration remains committed to a stable and secure Afghanistan, and we remain convinced that a negotiated settlement between the Government of Afghanistan and the Taliban is the surest way to end the conflict—a conflict that has taken the lives of more than 2,200 brave American servicemen and women and caused immeasurable suffering to the people of Afghanistan.

The Government of National Unity, which came to power in the first peaceful and democratic transition of power in Afghanistan's history, embodies the potential that Afghanistan has to thrive. It has weathered tremendous adversity in its first year, but retains its democratic mandate, and has demonstrated a commitment to be a partner with us in addressing our common security interests.

President Ghani recognizes the tough political choices required to achieve peace in Afghanistan. He traveled to Islamabad for the Heart of Asia Conference, during which he met with Pakistani leaders to promote regional counterterrorism initiatives and to discuss a way forward on a dialogue with the Taliban.

It is no secret that the bilateral relationship between Afghanistan and Pakistan has been difficult, but President Ghani and Prime Minister Nawaz Sharif have demonstrated true leadership in trying to bridge the divide.

Both sides show readiness to engage, to put past differences aside, and to build on the meeting in Murree, Pakistan, between Afghan government and Taliban representatives that took place in July of this year.

Now, the Taliban have a choice: to join good-faith negotiations for peace, or to continue to fight a war they cannot win and face the consequences.

A negotiated, Afghan-to-Afghan settlement, while difficult, is possible, and can be accomplished while preserving the gains made in education, health, and rights of women and minorities over the past decade. Afghanistan's constitution can support and integrate a diverse array of political perspectives. The constitution remains the foundation of a pluralistic republic that protects human rights—including women's rights—and provides for the future of all its citizens while ensuring the country never again becomes a safe haven for terrorists.

Even as we push for progress on peace, the United States has a critical role to play in supporting continued development of Afghanistan's security capabilities. President Obama announced in October that we will maintain 9,800 troops in Afghanistan through the end of 2016 to train, advise, and assist Afghan forces. American forces, together with NATO allies and operational partners, will help their Afghan partners become more effective in combatting the insurgency and protecting the Afghan people.

While Afghanistan has assumed responsibility for its own security, including in counter insurgency efforts, U.S. forces will continue to carry out a counterterrorism mission. The goal of this mission is to ensure that terrorists never again take advantage of Afghanistan for safe haven to attack the United States or our allies in the region and beyond. We are working closely with the Afghan government to develop an enduring counter-terrorism partnership.

Mr. Chairman, I believe that we are pursuing the right course in Afghanistan, but I want to be candid about the great challenges that remain.

The security environment in Afghanistan remains volatile. As we expected, the Taliban mounted an aggressive campaign this year in an effort to exploit the draw-down of international forces. This year the Taliban took control of several district centers; launched large-scale attacks in a number of provincial capitals; and struck in the heart of Kabul.

We must, however, give credit to the Afghan National Defense and Security Forces for demonstrating tenacity, ability, and resolve in countering these attacks. When the Taliban made gains during the year, as in Kunduz City, Afghan forces pushed them back. U.S. forces provided some in extremis enabling support, but Afghan forces were—and remain—at the fore of the tactical fight.

At the same time, we must also recognize that Afghanistan cannot yet realize its full potential without the continued support of its international friends and allies—foremost the United States.

Despite tremendous development gains over the last decade, Afghanistan remains one of the poorest nations in the world, and the drawdown of international forces has further stressed what was already a weak economy.

We need to maintain our development assistance as we work to enable Afghanistan's young population to step forward and replace its artificial war economy.

It is important both for Afghanistan's economic and security prospects that we help the Afghan government restore public confidence in a brighter future.

We are already seeing large numbers of Afghans departing the country in hopes of finding opportunity in Europe and elsewhere. With them goes a wealth of human capital which Afghanistan's fledgling economy sorely needs. It is in our interest to help Afghanistan reverse this trend.

Over the past decade, U.S. assistance has made a significant and tangible difference in the lives of the Afghan people and has been critical to maintaining its stability. Per capita GDP has more than quadrupled. For the first time, millions of Afghans have access to reliable electricity, health care, and independent media, and are connected to each other and the world through communications technology. According to the UN, we and other donors have helped Afghanistan achieve a greater increase in its standard of living over the last decade than almost any country on earth. These gains have created a foundation for a more stable future in Afghanistan that will not only benefit the Afghan people, but will advance U.S. national security interests in a more peaceful region.

Mr. Chairman, with the continued support of Congress, we will build on this foundation and we will work to help Afghans address their challenges. We have a strong and enduring partnership with Afghanistan and it is in our interest to ensure that Afghanistan succeeds in addressing the economic needs and aspirations of its people.

President Ghani shares our goal of making Afghanistan self-reliant.

As we work with President Ghani and his team on their economic agenda, we will not be working alone. We have a strong international network of partners who fully share our goals and are prepared to continue our common efforts in Afghanistan.

Next year, at the Warsaw NATO Summit in July and the Brussels Ministerial on Afghan Development in October we will have an opportunity to work with our international partners to lay out a plan for future security and economic assistance.

Our assistance does, however, come with clear conditions, and the concept of mutual accountability remains firmly in place. To justify our continued support, the government must deliver on the economic and governance reforms it committed to in the Self Reliance Through Mutual Accountability Framework that was adopted in Kabul in September. We will use the upcoming donor conferences coupled with the incentives under our New Development Partnership as action-forcing events to encourage Afghan progress on reform priorities including countering corruption; improving fiscal sustainability; and empowering Afghan women.

Advancing the fight against corruption will be of particular importance. Some positive steps have occurred: President Ghani, with the full support of CEO Abdullah, has adopted improved anti-money laundering regulations, charged corrupt judges, established a National Procurement Commission, and fired corrupt government officials. This momentum must be maintained and more must be done.

Let me conclude by stressing again that our approach in Afghanistan involves hard work on several tracks. The peace process track cannot succeed unless it is paired with a strong and credible commitment to Afghanistan's security and to its economic priorities and to its political leadership. It will also require continued concerted engagement with our friends and partners in the region and beyond.

It will not be easy, but I look forward to working on these challenges with you and I am confident that with your continued support we have the ingredients in place to succeed.

Thank you for your attention. I look forward to your questions.

The CHAIRMAN. Thank you.
Mr. Sampler.

**STATEMENT OF DONALD L. SAMPLER, JR., ASSISTANT TO THE
ADMINISTRATOR FOR PAKISTAN AND AFGHANISTAN, U.S.
AGENCY FOR INTERNATIONAL DEVELOPMENT, WASH-
INGTON, D.C.**

Mr. SAMPLER. Chairman Corker, Ranking Member Cardin, members of the committee, thank you for the opportunity to testify be-

fore you today to discuss USAID's civilian assistance activities in Afghanistan.

Let me also begin by thanking the individuals present today who have served in Afghanistan, as well as their families. And I am proud to include among those brave Americans diplomats of the U.S. Department of State, aid workers from USAID, and the thousands of men and women working shoulder to shoulder with us as partners in Afghanistan over the past decade.

I would also like to recognize the Afghans who continue to work and to sacrifice to make their country a place that is safe, secure, and a good neighbor in the region.

The thousand of Afghans working both in and out of government to secure a bright future for themselves and their families matter. Any strategy we discuss here today is predicated upon their continued dedication and our resolute support.

Our work in Afghanistan reflects USAID's mission. We partner to end extreme poverty and promote resilient democratic societies while advancing America's own security and prosperity. USAID civilian assistance programs in Afghanistan are a critical component of our core U.S. national security objective of a stable Afghanistan that Al Qaeda and other terrorists cannot use as a base to threaten the United States, our interests, and our persons abroad.

We remain committed to assistance programs in Afghanistan that are effective, accountable, and sustainable.

In my written testimony submitted for the record, I detail some of the rigorous oversight and monitoring methods that USAID has implemented to prevent waste, fraud, and abuse and to ensure that American investments in Afghanistan are making a lasting impact.

USAID's central goal in Afghanistan is to promote a stable, inclusive, and increasingly prosperous country. During the past decade, Afghanistan has made remarkable development gains across multiple sectors, thanks to the whole-of-government efforts of the United States along with our international partners, the Afghan Government and the Afghan people.

The key elements of USAID's Afghanistan strategy call for making durable the significant achievements in health, education, and the gains of women; focusing on economic growth and fiscal sustainability of the Government of Afghanistan; and supporting legitimate and effective Afghan Governance and, in turn, promoting stability.

USAID's strategy going forward will be founded on our successes, informed by our failures, and shaped by our consultations with the Government of Afghanistan, other donors, and the U.S. inter-agency.

The successes have been, in some cases, remarkable. Specific examples include: life expectancy has increased in Afghanistan from 42 years to over 62 years, maternal mortality rate has declined by 75 percent, and child mortality has decreased by 62 percent.

In 2002, there were less than 1 million Afghans in school anywhere. Now there are millions of children in school and over a third of them are girls.

In 2002, there were virtually no telephones in Afghanistan. Any call internationally had to be made over a handheld satellite phone. Today, the combined phone company coverage is 88 percent of the

Afghan population. The telecommunications industry is Afghanistan's greatest source of foreign direct investment. It is the largest remitter of taxes to the Government of Afghanistan, and it is the biggest employer in Afghanistan, employing over 138,000 Afghans.

In 2002, when I first arrived in Afghanistan, only 6 percent of Afghans had access to electricity. Today, more than 30 percent of the Afghan population is connected to the grid. The Afghan Government, with the support of USAID, established Afghanistan's electrical utility DABS just about 6 years ago. Today, DABS no longer receives a subsidy from the Afghan Government and has turned a profit each year since 2011.

While it is never comfortable to talk about failures, in an engagement as complicated and difficult as Afghanistan, failures are inevitable. What is important is that the failures are recognized as quickly as possible and that remedies are put in place to correct the failure and prevent its recurrence.

USAID works hard all around the world to be an agile, adaptive, and learning organization. Since 2002 in Afghanistan, in virtually every sector of our portfolio, we have had to make adjustments based on our own monitoring and evaluation or on the observations of various auditors or the media. Examples of the kinds of modifications: In education, we designed and launched a community-based education program that was going to be implemented by the Ministry of Education. But we quickly discovered the ministry was not yet capable of executing this program, so no funds were dispersed. Instead, we redesigned a different mechanism. The award was made to UNICEF, an international organization, and it has resulted in over 800 community-based schools and over 700 accelerating learning centers for out-of-school youth.

Finally, our strategy going forward will be shaped by consultations with the Government of Afghanistan, our interagency partners, and other donors.

In 2012, the Tokyo conference established a mutual account accountability framework that held Afghans accountable to us and held us accountable to that Afghans.

In 2014, the London ministerial revisited those commitments and pointed the way toward a conference next year in Brussels where we will again revisit our mutual accountability.

Finally, in conclusion, USAID knows well the risks and sacrifices that Americans, our troops, our diplomats, and their families, face every day to serve in Afghanistan. Since 2001, 451 civilians working for USAID partners have been killed and close to 1,000 have been wounded. I have attended at the funerals for U.S. civilian employees in Afghanistan who were killed.

We take very seriously the investment in blood and treasure made in Afghanistan, and we work hard to be good stewards of the resources provided to us.

As USAID looks to 2016 and beyond, the agency is committed to making every effort to safeguard taxpayer funds and ensure that development progress in Afghanistan is maintained and made durable in order to secure our overall national security objectives.

It is an honor to be able to share with you today a small glimpse of what AID is doing in that regard, and I look forward to your questions.

[THE PREPARED STATEMENT OF MR. SAMPLER FOLLOWS:]

PREPARED STATEMENT DONALD L. SAMPLER

Chairman Corker, Ranking Member Cardin and Members of the Committees, thank you for the opportunity to testify before you to discuss the U.S. Agency for International Development (USAID)'s civilian assistance activities in Afghanistan. It is an honor to appear before you with the Department of State's Special Representative for Afghanistan and Pakistan, Ambassador Richard Olson.

Mr. Chairman and distinguished members of the subcommittee, thank you for the opportunity to appear before you to discuss USAID's past and future work in Afghanistan. My name is Larry Sampler and I am the Assistant to the Administrator for the Office of Afghanistan & Pakistan Affairs at USAID. I have worked in and on Afghanistan since 2002, in senior positions supporting the U.S. military commander and the Department of State; as the Chief of Staff of the U.N. Mission in Afghanistan; and as the Vice-President for a U.S. corporation working there and in a dozen other countries emerging from conflict.

Let me begin by thanking the individuals who have served in Afghanistan, as well as their families. And I am proud to include among those brave Americans, diplomats of the U.S. Department of State, aid workers from the U.S. Agency for International Development, and the thousands of men and women working shoulder to shoulder with us as contractors in Afghanistan over the past decade.

I would also like to recognize the Afghans who continue to work—and sacrifice—to make their country a place that is safe, secure, and a good neighbor in the region. The thousands of Afghans working both in and out of government to secure a bright future for themselves and their families matter. And any strategy we discuss here today is predicated upon their continued dedication and our resolute support.

Our work in Afghanistan reflects USAID's mission: We partner to end extreme poverty and promote resilient, democratic societies while advancing our security and prosperity. USAID's civilian assistance programs in Afghanistan are a critical component of our core U.S. national security objective of a stable Afghanistan that al-Qaeda and other terrorists cannot use as a base to threaten the United States, our interests, or U.S. persons overseas. Afghanistan, and consequently the region as a whole, presents both enormous opportunities and enormous challenges. This region, wracked with conflict for much of the last three decades, remains one of the least economically integrated in the world, with the majority of its human and economic potential untapped.

As we have noted before, this does not have to be the case, but sustainable economic development will require the region's leaders to make fundamental changes. Our U.S. civilian assistance programs can be a catalyst and incentive for change, and our efforts in Afghanistan today are delivering tangible, measurable results that contribute to this potential transformation. Our efforts to spur investment in small Afghan enterprises and expand trade ties in the region all contribute to our effort to defeat al-Qaeda and stabilize the region.

We remain committed to an assistance program in Afghanistan that is effective, accountable, and sustainable. We also remain committed to ensuring accountability for U.S. taxpayer dollars and program results. Later in my testimony, I will detail the rigorous oversight and monitoring methods that USAID has implemented to safeguard from waste, fraud, and abuse, and ensure that American investments in Afghanistan are making a lasting impact.

This past September, I joined representatives from 41 countries and 11 international organizations at the Senior Officials Meeting in Kabul, where President Ghani and other leaders from the Afghan National Unity Government reiterated their broad strategy for the future, a plan for how to get the highest return on the investments made during these past thirteen years. The U.S. and our donor partners reaffirmed our partnership and recognition of the need for mutual accountability to achieve these returns.

The stability of Afghanistan, amidst the drawdown of U.S. and other Resolute Support combat forces, will require sustained effort to cement the important development gains that have been made over the past thirteen years and mitigate the economic consequences of the reduction in military presence. We have seen the dire consequences of neglect and disengagement play out in this region before, and USAID is in solidarity with our colleagues at the State Department and Department of Defense—all of us remain committed to a self-reliant Afghanistan.

USAID's central goal in Afghanistan is to promote a stable, inclusive and increasingly prosperous country. During the past decade, Afghanistan has made remarkable development gains across multiple sectors, thanks to the whole-of-government

efforts of the United States, along with our international partners, the Afghan government and the Afghan people. The key elements of USAID's Afghanistan strategy going forward call for making durable the significant achievements in health, education, and for women; focusing on economic growth and fiscal sustainability to mitigate the economic impact of the troop drawdown and declining levels of civilian assistance; and supporting legitimate and effective Afghan governance, and in turn promoting stability.

With regard to the issues facing the new Afghan government and the implications of the U.S. troop drawdown, I know from personal experience that the progress made in Afghanistan is remarkable, yet fragile. USAID has been planning and adjusting its programming in anticipation of the transition, to maximize sustainability and ensure oversight and accountability of the resources the American people have provided in support of Afghanistan.

Weaning Afghanistan from unsustainable levels of assistance is necessary for us, and essential for them. To achieve this goal without triggering instability, we believe it is essential to continue to provide assistance in areas critical to Afghan development and stability. To do this with fewer resources, we are making tough decisions and prioritizing investments that have the greatest potential for long term sustainability.

USAID CONTRIBUTIONS

In Afghanistan, USAID, along with other donors, has helped Afghans achieve extraordinary gains for a country that in 2002 had virtually no access to reliable electricity, roads or modern telecommunications, and disadvantaged almost half of its population—women and girls—by prohibiting them from contributing fully to Afghan society. Specific examples include:

- Health: Life expectancy has increased from 42 years to over 62 years between 2002 and 2012; the maternal mortality rate has declined by 75 percent; and child mortality decreased by 62 percent.
- Education: In 2002, there were approximately 900,000 Afghan children in school, and virtually no girls. Today, millions of children are enrolled in school and more than one-third of them are girls.
- Mobile Technology: In 2002, there were few fixed telephone lines and making calls outside of Afghanistan required a satellite phone. Today, the combined phone network covers 88 percent of the Afghan population. The telecommunications sector is Afghanistan's greatest source of foreign direct investment, largest remitter of taxes to the government, and biggest licit employer, providing jobs for over 138,500 Afghans.
- Energy: In 2002, only 6 percent of Afghans had access to reliable electricity. Today, more than 30 percent are connected to the electricity grid. The Afghan government, with support from USAID, established Afghanistan's electrical utility, DABS, just six years ago. Today, DABS no longer receives a subsidy from the Afghan government and has posted a profit each year since 2011. USAID is supporting DABS to complete the third turbine at Kajaki and to handle the procurement of construction contracts to build more than 500 kilometers of transmission lines and seven substations to connect power from Kabul to Kandahar. When complete, the transmission line will provide sustainable power to roughly 1.1 million Afghans in Kandahar and areas along the Highway 1 economic corridor.

SUPPORTING WOMEN AND GIRLS

Women and girls in Afghanistan are integral to ensuring the country's future stability and economic prosperity. USAID is implementing gender-focused programming and ensuring that gender is a cross-cutting priority across all program areas.

In Afghanistan, USAID is implementing the Agency's largest gender program in the world, known as "Promote." A five-year program, Promote builds on the achievements women and girls have made since 2001 by developing a cadre of 75,000 educated Afghan women between the ages of 18 and 30, empowering them to fully participate in the economic, political, and civil society sectors of Afghan society. It will help women establish or expand small-to medium-sized businesses; help civil society organizations increase their knowledge and skills so they can better support women's rights, outreach and advocacy campaigns; facilitate fellowships with relevant Afghan government ministries and agencies with a goal of achieving a critical mass of women in the civil service; and train women in the public, private and civil service sectors in management and leadership.

AFGHANISTAN PROGRAMMING MOVING FORWARD

In Afghanistan over the past three years, USAID has shifted the focus of its programs from a focus on stabilization and infrastructure to a focus on creating the basis for sustainable, long-term development. As noted above, USAID's strategy in Afghanistan is threefold:

- Maintaining and making durable the gains made in health, education, and for women;
- Supporting continued economic growth and employment through a focus on agriculture and private sector development, operations and maintenance of infrastructure investments, and responsibly developing the extractives industry, all key to ensuring future fiscal sustainability; and
- Fostering legitimate and effective Afghan governance, the rule of law, and a robust civil society.

Operationally, USAID has adjusted its implementation model to improve sustainability and meet the challenges presented by the transition. Key adjustments include:

- Developing a multi-tiered monitoring approach to address reduced mobility and decreased field staff that, along with other monitoring and evaluation efforts, will continue to ensure appropriate oversight of projects;
- Transforming USAID's approach in Afghanistan to one of mutual accountability that incentivizes government performance by conditioning assistance on the Afghan Government's achievement of policy reforms and service delivery that improves government involvement and ownership of development results; and
- Focusing on long-term sustainability through implementing three key principles: (1) increasing Afghan ownership and capacity; (2) contributing to community stability and public confidence in the Government of Afghanistan; and (3) implementing effective and cost-efficient programming.

THE UNITED STATES' ENDURING PARTNERSHIP WITH AFGHANISTAN

The United States is committed to strengthening its partnership with Afghanistan over the coming years to ensure that development assistance from the United States continues to support Afghanistan's path to self-reliance.

During President Ghani's first official visit to the U.S. this past March, President Obama announced the establishment of USAID's New Development Partnership with the National Unity Government. This four-year initiative reinforces our commitment to results and accountability by linking up to \$800 million of our development assistance to specific benchmark reforms focused on ensuring fiscal sustainability, governance and anti-corruption, reducing poverty and enhancing inclusive growth.

The U.S. Government committed at the 2010 London Conference on Afghanistan, and reaffirmed in subsequent international conferences, to provide 50% of civilian assistance on-budget in return for progress on measurable reform benchmarks in various areas including elections, sub-national governance, public finance, human rights, and economic growth. USAID provides on-budget funding through multi-donor trusts funds like the World Bank-administered Afghanistan Reconstruction Trust Fund (ARTF) and through direct government-to-government assistance.

Direct assistance to the Afghan government is used to build the Afghan government's ability to sustain the investments and gains made over the last decade and to reduce its dependence on donors. Afghanistan must continue to build its their capacity to govern and provide services to its people. Providing direct assistance is an important mechanism for accomplishing this goal.

At the same time, USAID has put in place stringent measures to safeguard taxpayer funds, and only partners with ministries that responsibly mitigate risk. This is in keeping with commitments made by both the previous and current U.S. Administrations to increase our work through local governments and organizations. Such work is crucial for fulfilling the ultimate goal of assistance, namely helping Afghanistan become self-sufficient. While the process of providing direct assistance needs to be done in accordance with strict oversight and accountability that can often slow implementation of programs, the results promise to create a more sustainable development outcome.

CENTRAL AND SOUTH ASIA REGIONAL CONNECTIVITY PROGRAMMING

USAID is also working in coordination with the Department of State to encourage regional connectivity and to develop Afghanistan as a trading and energy hub for the region. By doing this, we can play an important role in bringing greater prosperity and stability to one of the least economically integrated regions in the world.

I just returned over the weekend from Islamabad, where I attended the Heart of Asia conference with Deputy Secretary of State Tony Blinken and SRAP Olson. President Ghani attended, alongside foreign ministers from Pakistan, China, India and regional neighbors, and renewed his commitment to investing in regional partnership and collaboration.

USAID is playing our part. Our Afghanistan Trade and Revenue (ATAR) project has been instrumental in providing the technical assistance essential to Afghanistan's accession into the World Trade Organization, which we anticipate will be approved at the ministerial in Kenya this week. WTO membership will further connect Afghanistan with the international economy and expand opportunities for business.

USAID is also laying the groundwork for a more economically connected region by facilitating trade and providing technical assistance for regional energy projects, such as the World Bank's Central Asia and South Asia Electricity Transmission and Trade (CASA-1000) project, which sees Tajikistan and the Kyrgyz Republic exporting surplus hydropower to Afghanistan. This will help alleviate the country's chronic power shortages which are a powerful brake of economic development and affect the poorest worst of all. We are promoting business-to-business networking and helping to address cross-border trade barriers, so that it is easier for Afghanistan to do business with its neighbors.

We are working with millers in Kazakhstan to ensure that flour exported to Afghanistan is fortified in an effort to tackle the appalling rates of malnutrition and stunting that affect children under five in Afghanistan and in the wider region. And in a region that is already facing water shortages and is forecast to be badly affected by climate change, we are helping Central Asian countries, including Afghanistan, to better manage trans-boundary water resources so that future needs can be better managed. These interventions are already having an impact. In 2002, only six percent of Afghans had access to electricity. Today, over 30 percent have access. Our efforts to help the Afghan government reform its customs systems and mitigate corruption resulted in a pilot program for custom duties introduced earlier this year in Kabul and is being expanded to additional locations in the north this month. So, while many challenges remain, it is important to remember that progress is being made.

Afghanistan will continue to depend on the international community for support. USAID will continue to work with other donors to help the Government grow its economy so that it meets key reform targets and becomes less dependent on external assistance over time.

OVERSIGHT AND ACCOUNTABILITY

USAID has learned important lessons over the course of its engagement in Afghanistan, and has drawn on experiences in other challenging environments—including Iraq, Pakistan, Yemen, Sudan, and Colombia—to put in place strong oversight of U.S. assistance funds.

In addition to standard USAID oversight measures implemented worldwide, in Afghanistan USAID has implemented additional measures designed to prevent funds from being diverted from the development purpose to malign actors. For example, the USAID Mission established a Vetting Support Unit in February 2011. The unit conducts checks on non-U.S. companies and non-U.S. key individuals for prime contractors, sub-contractors, grant recipients and sub-grantees to determine whether or not they are associated with known malign entities or individuals. USAID has kept approximately \$650 million from being awarded to those who did not meet our vetting requirements.

To ensure our projects are being implemented properly, USAID is implementing a multi-tiered monitoring approach that allows us to triangulate monitoring data from multiple sources, validate findings, and make better programmatic decisions. The levels of monitoring include: (1) direct observation by USG personnel; (2) implementing partner reporting; (3) feedback from Afghan government officials and other donors; (4) local civil society organizations and beneficiaries; and (5) the use of independent monitoring agents in the field.

Building on past monitoring experience in Afghanistan, USAID recently awarded the new Monitoring Support Project. This project utilizes a variety of monitoring methods to verify project data, including site visits, GPS and time/date stamped photos, interviews, and crowdsourcing. Independent monitoring, however, is not the only source of monitoring data. Rather, it is one of the five tiers in the multi-tiered monitoring approach that USAID uses to validate monitoring data from multiple sources.

Although there are inherent risks in doing business in a country like Afghanistan, USAID prioritizes the effective and accountable use of taxpayer dollars and does not

assume that there is any level of acceptable fraud, waste, or abuse in our programs. This means that oversight must be a process of continual re-examination of ongoing efforts, and that there must be flexibility to adjust to new security and operational environments as they arise.

CONCLUSION

USAID knows well the risks and the sacrifices that Americans, our troops, diplomats, and their families take every day to serve in Afghanistan, whether in a military capacity, as a government civilian, or as an implementing partner. Since 2001, 451 people working for USAID partner organizations in Afghanistan have been killed and another 809 wounded.

As USAID looks to 2016 and beyond, the agency is committed to making every effort to safeguard taxpayer funds and ensure that development progress in Afghanistan is maintained and made durable, in order to secure our overall national security objectives. It is an honor to be able to share with you today a small glimpse of what USAID is doing in that regard. I look forward to answering any questions that you may have.

The CHAIRMAN. Thank you very much for that testimony. I am going to do some interaction along the way and turn at present to Senator Cardin for questions.

Senator CARDIN. Once again, thank you both for the role that you have played in the development and Afghanistan. It is, certainly, a much different country than it was in 2001. A lot of progress has been made.

But there is reason for concern about its future, so let me ask a couple questions.

Ambassador Olson, first, let me ask, what are the lessons learned from Kunduz? Have we made strategic changes in the security arrangements in order to prevent a similar episode from occurring in the future?

Ambassador OLSON. Thank you, Senator.

The attack on Kunduz was representative of a real challenge that the Government of Afghanistan faces. The Taliban had been waging a particularly aggressive campaign in 2015 throughout the fighting season. As you know, the Afghan National Defense and Security Forces were forced to temporarily cede territory in parts of Helmand, as well as in the city center of Kunduz. Over the course of 2 weeks, the Taliban occupied Kunduz. As General Campbell has acknowledged, this was a public relations victory for the Taliban.

It is important to note, however, that the Afghan National Security Forces did retake Kunduz and has government forces have maintained control of Kunduz since that time.

The Government of Afghanistan is in the process of looking at lessons learned from that experience, and there has been a report that has been prepared with the Government of Afghanistan, and they are considering the responses that they are going to make. My understanding is it includes greater lash-up between provincial authorities and central authorities, which is perhaps one of the contributing factors to the weakness in Kunduz.

I would, of course, have to defer to my colleagues from the Defense Department on any specific responses in terms of military developments and the train-and-assist program.

Senator CARDIN. Mr. Sampler, let me turn to the question I raised during my opening comments, the troubling article that I read in the New York Times that indicates USAID programs are maybe dependent upon Taliban support and, therefore, Taliban get-

ting more support as a result of USAID, perhaps strengthening their hold, contrary to our objective in the tribal areas.

There are short-term gains to try to help in regard to our military objectives. There are long-term development goals that we are trying to achieve in Afghanistan. When we confuse the two, sometimes we get into trouble.

Are we getting our dollar's value? And is there any truth to the report that the Taliban is taking credit for the aid coming into tribal areas?

Mr. SAMPLER. Senator, thank you for the question.

Headlines like the one you cited are not how I like to start my mornings when I wake up each day and look through the paper.

Jim Risen's work is good and the New York Times stories are typically fact-based. This one has some issues that I will challenge. There was a study done, which this report was based on, on measuring the impact of stabilization activities in Afghanistan. This was requested by USAID. It was our own attempt to make sure there were not gaps or problems, and that we could identify them, if there were.

They studied over 5,000 villages. They conducted 100,000 interviews. Of the 5,000 villages they studied, either five or 13, depending on how you run the math, they found a correlation, not causality, but they found correlation between our programs and an increase in Taliban support.

So the story focused unnaturally, in my opinion, on what is basically one-tenth of 1 percent of the work that we did in Afghanistan where, in fact, we discovered ourselves that there may have been a correlation between our work and support for the Taliban.

What is not mentioned in this story is the other 99.9 percent, literally, of the programs that either showed no change or showed an actual improvement in support for the government.

In Afghanistan, as is the case everywhere, all politics are local. So these local projects are important to give Afghans in these villages a sense that they are part of a community and part of Afghanistan.

With respect to the second half of your question about short term versus long term, part of the challenge of being a development professional in a place like Afghanistan is making sure that the important initiatives that are done to achieve short-term gains correspond with and support long-term development objectives. That is not always easy. In some cases, it is actually problematic.

But the other part of my job, of which I am quite proud, is that the team that I have in Afghanistan that works for Ambassador Olson and Ambassador McKinley does an excellent job in making sure we to get a return on our investment. When we do not, we stop the program to find why we are not.

Senator CARDIN. Thank you.

Ambassador Olson, I do not think we are going to make progress in Afghanistan unless we really have changes in anticorruption activities. I know the President has made pretty strong statements about fighting corruption, but we have not seen much action in fighting corruption. A later witness will give us some specific recommendations, such as a confirmed Attorney General or providing

a strong monitoring and evaluation committee, passing laws that provide stronger penalties, and implementing the EITI.

Do you have a game plan for holding Afghanistan to accountability on their anticorruption efforts and not just the statement of the President, which I think is sincere but has not been backed by any action?

Ambassador OLSON. Thank you very much for the question, Senator.

We are indeed intent on holding the Government of Afghanistan to its promises to address the question of endemic corruption in Afghanistan.

Just to review a little bit what has happened so far, we were encouraged by President Ghani's decision to reopen the investigation into the Kabul Bank scandal and the effort of the Government of Afghanistan to recover assets.

We were then, I must say, discouraged by the fact that one of the main co-conspirators was released from prison and started working on Kabul housing development projects.

At this point, we understand that Mr. Frozi is back in jail and the deal has been invalidated. We will continue to watch that.

But more generally, the Government of Afghanistan under President Ghani, and with the full support of CEO Abdullah, has adopted improved anti-money-laundering regulations, prosecuted judges complicit in the release of a drug trafficker, and established a national procurement commission, which halted a series of illegal procurements in the Ministries of Defense and Interior.

Going forward, I think we really need to continue to condition our assistance to the updated mutual accountability framework that was decided at Tokyo. That will be an important part of our discussions with the Government of Afghanistan as we prepare for the big conferences coming up this summer, first in Warsaw dealing with security assistance, and then in Brussels in October dealing with development assistance. I think we need to update the mutual accountability framework and come up with very specific conditions for future assistance.

Senator CARDIN. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Perdue?

Senator PERDUE. Thank you, Mr. Chairman.

I thank both of you for your service. But I want to focus on a couple reports that are just coming out.

I was there in April, and I was honored to meet with General Campbell, President Ghani, CEO Abdullah, and our Ambassador, Ambassador McKinney. I have to tell you, just some 7 or 8 months later, it is shocking to see the difference in taking two Polaroid shots of the situation.

They were just getting ready to go into the fighting season. Of course, now, General Campbell, just last month or in October, said, and this was in testimony to Congress: There was no winter lull this year in fighting. Since February, the fighting has been almost continuous. The violence has moved beyond traditional insurgent strongholds such that today over half of the 398 districts are under high or extreme Taliban threat today.

I am coming to a quick question, but Kunduz, we know about. Then the Pentagon today just released its report to Congress. I know we do not have a DOD rep here, but I want to get from the State Department your perspective on that only that report, but the situation as it stands right now.

Their report says that Taliban attacks, we have higher casualties of Afghan forces. The Afghan-Pakistani border region is a haven for various groups. I was shocked at the number of groups it talks about in that report.

Then Dr. Fred Kagan recently in an AEI report testified that he is not real sure, and I quote, "not confident that there will actually be an Afghanistan when our next President takes office." That is a severe description of the picture.

But given the situation right now, and the fact that the military in Afghanistan has some 180,000 troops. We still have 9,800. General Campbell won the argument. But we are moving to a situation where we are about to have 5,000 or so U.S. troops there.

My question is, what does next year look like? What does this fighting season look like? How deep is this threat?

ISIS has grown dramatically, as we see in the reports, just since April. In April, it was not even a major conversation. Now it is a primary part of any dialogue you have with people in Afghanistan.

So from the State Department perspective, what is our strategy right now in Afghanistan?

Ambassador OLSON. Thank you very much, Senator, for that question.

I would say, looking back at the past few months, and, of course, I am not really in a position to describe the military response, which is the responsibility of my colleague and friend General Campbell, but I will say that it strikes me at a political level that part of the reason we saw such a strong Taliban offensive over the course of the past few months was in part a reaction to the revelation of the death of Mullah Omar. I think that there was intense competition amongst the various Taliban commanders, which played itself out in part in increased violence.

I was just in Kabul last week. I met twice with President Ghani. He is absolutely determined that 2016 cannot be a repetition of 2015. In particular, the question of reduction of violence is hugely important to him.

In that regard, I think this raises the question of a reconciliation process, an Afghan-led and Afghan-owned reconciliation process.

At the Heart of Asia conference in Islamabad last week, we held a trilateral meeting between the United States, Pakistan, and Afghanistan, at which we recommitted ourselves to an Afghan-led and Afghan-owned peace process during the remaining lull in the fighting season. That included, for the first time, commitment language that all parties who refuse to come to the table will be dealt with by all means available.

So I think that we have to use the remaining time and the lull to work on getting an Afghan-led and Afghan-owned reconciliation process going. I think there was much more of a meeting of the minds between President Ghani and the Pakistani leadership on this issue than there has been in some time.

Senator PERDUE. So we are moving toward a negotiation? So there really is not a strategy being talked about, about how to defeat the Taliban? Is that what I hear?

Ambassador OLSON. To be very clear, I would not say that there is no strategy for fighting against the Taliban. I am just saying that that is not my particular piece of this puzzle.

I think that a political settlement is an important element, and working toward a political settlement is an important element of our multidimensional approach to Afghanistan. It has been for some time. It has been at least since President Obama's Bagram speech of May 2012, and even before that. The reconciliation led by the Afghans is an important element of what we are trying to do.

Senator PERDUE. Can I ask you briefly, with the time remaining? The Iranian influence with the Taliban has grown this year, according to several reports. Can you speak to that? And what is the Afghan Government doing? And as a corollary to that, we know there has been outreach from Kabul to Moscow.

From a State Department perspective, can you speak to both of those, Iranian support for the Taliban, the growth of ISIS, and then the third piece, the overtures that Afghanistan is making to Moscow?

Ambassador OLSON. Well, we have seen the reports with regard to the Iranian actions, of course. We do not understand why the Iranians would be involved with the Taliban. We do not think it is productive. And we think that all of Afghanistan's neighbors should commit to noninterference and respecting Afghanistan's territorial integrity.

With regard to Russia, this is also a topic we have discussed with the Afghans. I met last week with my Russian counterpart in Islamabad. It was a preliminary meeting, but he pledged that Russia would engage constructively and continue to cooperate with us. I think we have to test that proposition, as we do all such propositions. But we will intend to work with the Russians where we can, consistent with our overall Russia policy.

Senator PERDUE. Thank you.

Senator CARDIN. Thank you, Senator.

Senator Murphy?

Senator MURPHY. Thank you very much, Mr. Chairman.

If you believe in the limits of American power as a catalyst for change abroad absent a local commitment to do so, the last 15 years in Afghanistan are, certainly, proof of that concept. You guys have really hard jobs, and I am glad that you are here briefing us.

But, Ambassador Olson, you talked about this idea that we are prepared to hold Afghans accountable for their lack of progress on anticorruption efforts. With all due respect, I do not think there is any evidence to suggest that is actually true. I do not think, over the last 15 years, there is any evidence to suggest that the United States is willing to do things and send messages to the Afghans to telegraph that we are serious in any way, shape, or form about them getting serious about anticorruption efforts.

We seem to have made an independent decision that we have national security interests at stake in Afghanistan, that we are going to commit the amount of resources necessary to stop Afghanistan from becoming a safe haven again for terrorists, and that we are

going to prioritize that, which involves a significant amount of American resources there, with or without a commitment from the Afghan Government to sort their own mess out.

So it seems to me, having gone to Afghanistan four times, five times, having heard the same story over and over again about how we were pressuring them to take on corruption, and how little progress we have seen, that we should just admit that our priority is actually not to encourage local political change. Our priority is to commit just enough resources to stop Afghanistan from once again becoming a safe haven for terrorists and admit that that is ultimately our number one priority. And it means that it often forces the secondary goal of local political change to become subverted to that first priority.

I am sure you think I am wrong. But tell me why, for those of us have heard people tell us that we are going to start holding Afghans accountable for lack of progress on corruption, why any of us should believe that we are actually ever prepared to send the tough message to them necessary to get them to change.

Ambassador OLSON. Well, thank you, Senator. First of all, let me thank you for your kind words at the outset. We do have hard jobs, but they are important ones, and we are committed to following through on them.

I think that one thing that is worth noting is the Tokyo conference in the summer of 2012 did establish this framework for mutual accountability between the donors and the Government of Afghanistan. I think from that movement forward, there has been greater conditionality on the part of not just American assistance but international community assistance.

This is a recognition that in order for the government to have the legitimacy that it needs to carry out counterterrorism operations and establish security throughout the country, that it needs to address the perception of corruption. So I do not see the goal quite as much in contrast, perhaps, as you do.

The other point is that I think there is a great willingness under this government, in particular under President Ghani, to actually address the issue of corruption. He recognizes the challenge that it represents for his administration.

So I think in the overall interests of good governance, which is a hugely important part of counterinsurgency, that it is essential that we continue to apply conditionality on these issues.

I would like to ask, if you agree, if my colleague, Mr. Sampler, has anything to add on this.

Senator MURPHY. Well, let me ask another question. You can maybe answer this one as well.

Then I would be interested for you to articulate what you think has given the Taliban this political space in which to operate. If you read through the litany of progress that we absolutely have made on the number of Afghans who have access to schooling, to the number of homes that now have access to electricity, that should suggest a level of economic stability and economic opportunity that would give local populations faith in aligning themselves with local, regional, or federal governance. They are not doing that, which suggests that the political space is being created

perhaps by a lack of faith in the legitimacy of government because of corruption.

So it is sort of hard, again, from your perspective, from USAID's perspective, to hear all this progress we have made, but then to have no evidence that it is actually resulting in less support for the Taliban when you look at the breadth of their operations over the course of the year.

So I guess I would be interested from your perspective in terms of what you think is giving the Taliban the political space, if you accept the notion that there has been a lot of progress made in terms of the programming that we have delivered.

Ambassador OLSON. Well, I have to say one of the challenges here is attempting to peer in from the outside and figure out what the Taliban motivations actually are and what the Taliban grievances are. I think our knowledge on this is, frankly, imperfect. I do think it is one of the reasons why it is important to have an Afghan-led and Afghan-owned reconciliation process going forward, so that these issues can be identified, and we can attempt to identify what some of the grievances may be.

I would defer to Larry on questions of assistance.

Mr. SAMPLER. Senator, thank you for the question.

With respect to corruption, two observations, and then if you do not mind, I will answer the second question.

The first is how personally President Ghani takes the corruption issue. Anecdotally, I have sat in the procurement commission meetings, which he personally chairs every Saturday night, and they are incredibly painful because President Ghani, based on his World Bank experience and has personal experience in Afghanistan, understands how pernicious corruption is, how hard it is to eradicate, and how it has to be, as the Ambassador said, a priority for his government. So at the macro level, he is personally and aggressively involved.

At the micro level, he has been looking for technical solutions that will help him get a jumpstart on fighting corruption and generating revenue. The one example I will cite is USAID has been helping President Ghani with his customs collections. Much of the corruption at the customs border positions is face-to-face corruption where a truck driver is approached and extorted for money, not once or twice but, in some cases, as many as six times, by individuals saying that they represent the government and taking money. By allowing them to do their customs payments electronically, the face-to-face engagements are no longer necessary.

President Ghani expects both to reduce corruption at the customs houses and increase revenues. We have early indications on the three customs border positions where they have instituted electronic transfers that they have, in fact, increased the customs collections at those three border crossings.

So the problem has not gone away by any stretch of the imagination. But with the election of President Ghani and CEO of Abdullah, there is a new commitment, I would argue, and they have demonstrated that to us it to me.

To your point about political space, with all due respect, I would describe it differently. The Asia Foundation has done a survey of the Afghan population that does not show any increase in the pop-

ularity of the Taliban at all. In fact, they are less popular than ever before.

But by use of force, the Taliban forces themselves physically into spaces where they are not welcome. The Afghan population at the individual family level has learned over decades of combat how to survive. It may be that it is in their best interests, or they perceive it to be in their best interests at the moment, to acquiesce to the Taliban control of their area.

But I am fairly confident, and I will actually yield to Ali Jalali. It is good you have an actual Afghan here today to talk about how Afghans see these problems.

I do not necessarily think they have taken advantage of political space. They have taken advantage of the government's inability to project force effectively to every corner of the country at the same time.

Senator MURPHY. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Barrasso?

Senator BARRASSO. Thank you, Mr. Chairman.

Ambassador Olson, I want to talk a little bit about what is happening with ISIS. You were just in Afghanistan last week. I was there for Thanksgiving, up in northern Afghanistan, and hearing more and more about the spread of ISIS across the Middle East. It is obviously a serious concern to us in regard to national security.

Yesterday, the Department of Defense warned about the growth of ISIS in Afghanistan. The report from the Department of Defense stated that ISIS "has progressed from its initial exploratory phase to a point where they are openly fighting the Taliban for establishment of a safe haven and are becoming more operationally active."

It went on to say that ISIS has claimed responsibility for the IED attacks against United Nations vehicles, attacks against 10 checkpoints. In September when I was in Kabul, as you know, they are not taking vehicles back and forth to the Embassy. Things are now by helicopter, because of this increased concern.

Can you talk about the best estimates on the number of ISIS fighters in Afghanistan?

Ambassador OLSON. Thank you, Senator.

I will have to get back to you on a number on our estimate. I do not have that with me today.

We are aware of the emergence of Daesh in Nangarhar province, in particular. This is something that we have had as a part of our ongoing dialogue, not just with Afghanistan but also with Pakistan. We take very seriously the potential emergence of Daesh in Afghanistan and Pakistan.

That said, our understanding of the dynamic right now is that, in fact, these are disaffected Taliban factions and commanders who have switched allegiance to Daesh. That is not to underestimate the danger that this represents, but it is also to suggest that there is not necessarily a direct linkage and flow of material or fighters from the Middle East to the Afghanistan-Pakistan region.

So far, Daesh has been confined to the southern districts of Nangarhar. We will continue to work with Afghanistan and Pakistan, to the extent that we can work with them jointly, to ensure that they are responding to this emerging threat.

Senator BARRASSO. I wonder if you can help us because I heard the same thing when I was there, and I asked some of these questions. It was the same thing, that some of these are disaffected Taliban members heading over to ISIS.

The issue of pay came up. Can you talk a little bit about how different people are paid differently in Afghanistan? The pecking order seemed to be that ISIS was getting the most money, the people who were willing to fight for ISIS. Then the next level down from there was the Taliban. The level below that was the Afghan army. The level below that were the Afghan police.

So for people who are focused on the monetary aspects of this, there was actually a pecking order of which side you were on and how much you got paid.

Ambassador OLSON. I have heard these stories as well about the relative pay. These are questions that I think need to be seriously addressed.

One of the questions, of course, that we will be addressing at the international level in Warsaw in July is continuing sustainment of the Afghan National Defense and Security Forces. I also think it highlights the continued importance of dealing with the financing of these organizations.

Senator BARRASSO. Do you see any evidence that either Taliban or ISIS is interested in actually governing Afghanistan? Or do they simply want to be left alone in their own safe havens? Or create more problems?

Ambassador OLSON. The Taliban?

Senator BARRASSO. Yes.

Ambassador OLSON. Their rhetoric certainly suggests that they intend to try to once again rule Afghanistan as they did during the 1990s. Of course, they call themselves the Islamic Emirate of Afghanistan.

So we have seen, including in the preliminary talks that took place in Murree in July, that the Taliban does, indeed, assert national aspirations. But perhaps it is not surprising that they would do so.

Senator BARRASSO. In terms of troop level, and Senator Perdue asked specifically about the troop level of the 9,800 troops currently in until the end of 2016. Originally, it was only about 1,000 troops by the end of 2016.

Given the current security situation and increased violence, does the State Department believe that the United States should go down to 5,500 troops after 2016 or 1,000? What are your thoughts on the numbers?

Ambassador OLSON. Well, as the President has announced, we will have 9,800 troops through most of 2016, through the bulk of the fighting season. We believe that the commitment of the 5,500 for the period beyond is important for the continued train-and-assist missions, the continuing CT mission in Afghanistan. I think it also sends an important regional signal, a signal that the United States remains engaged and committed in the region.

I think it also sends an important signal to the Taliban, which will be helpful as part of a reconciliation process.

Senator BARRASSO. And just a final question. Can you just give me your assessment of the Afghan National Security Forces?

Ambassador OLSON. The Afghan National Security Forces, the National Defense and Security Forces, have faced great challenges over the course of last year. They have, however, shown a marked willingness to fight.

They continue to need support in logistics, sustainment, all of the enablers that actually make an army able to fight. In other words, they need some of the Ministry of Defense functions. In that regard, it would be helpful to have a Minister of Defense.

Senator BARRASSO. Thank you, Mr. Ambassador.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Kaine?

Senator KAINE. Thank you, Mr. Chairman.

And thank you to the witnesses. It is a very, very challenging service.

And I appreciated, Mr. Sampler, your going into some of the metrics of improved quality of life in Afghanistan that have been achieved with a tremendous amount of work by Americans and coalition partners.

I especially appreciated that you acknowledged the service of our troops but also of all the civilians, USAID, NGOs. I mean, it has been a comprehensive effort. Things like the life expectancy expansion are nearly revolutionary, if you look at what that has meant to Afghanistan.

But I know we all want that progress to not be a temporary phenomenon and to continue. That is why we are here.

One of the things that troubles me, I think the chairman in his opening comments talked about the divergence between what we often hear about Afghanistan in classified and unclassified settings. I had an opportunity yesterday to be with others in a classified setting on Afghanistan.

I was struck by the divergence between different classified settings I go to, and, in particular, the divergence between classified information conveyed by folks in the intel community versus classified information conveyed by folks in the armed services community. I am on the Armed Services Committee, too.

I think a little bit of tension between the intel community approach and the armed services approach is not that unusual. But I will say, and I have only been here 3 years, but in 3 years here, I have never heard as broad of a divergence. And I do not even really think I can say the issues without jeopardizing what may be classified. But I do not think I have heard as broad of a divergence between classified accounts between the intel community and the armed services community in any other instance except current status of a number of issues, really important, really fundamental, really critical issues, about the state of affairs in Afghanistan. It is very, very troubling.

Let me ask you a couple questions. You each have joint billets with Afghanistan and Pakistan. I am really interested in your thoughts about the current Afghanistan and Pakistan relationship. It does not have to be from a classified briefing. We know from public accounting of Taliban activity in Pakistan that Taliban have used Pakistan as a safe haven over time, and there is a very important degree to which Pakistan's cooperation with Afghanistan and vice versa is critical to stability in Afghanistan.

What is your current perception, from each of your respective roles, about the degree of cooperation between the Afghan and Pakistan governments, especially when it comes to these issues of security and the counterterrorism effort?

Ambassador OLSON. Thank you, Senator Kaine.

I am just coming out of 3 years in Pakistan. I can assure you that this has been at the center of our dialogue with Pakistanis. I think it is safe to say there was no conversation that I had with the security establishment in Pakistan that did not include a very direct, very frank discussion about specifically the Haqqani network, but the Taliban in general. We will continue to have those very frank discussions.

The Pakistanis have taken action against the TTP. They launched Operation Zarb-e-Azb in June 2014 and have largely cleared North Waziristan Agency, which was a longstanding objective for us to get their sovereign authority reestablished over all of their territory.

But they have focused more on the TTP, the Pakistani Taliban, than they have on external terrorist actors, that is to say, actors that threaten their neighbors, whether Afghanistan or India.

So we will have to continue to push them on these particular points.

That said, I think there is a recognition in Pakistan that there has been bleed over between the Pakistani Taliban and the Afghan Taliban. It is not so clear that even if they wanted to distinguish between good and bad anymore that they can. I think that creates an opportunity that we will want to pursue as much as possible.

Moving just quickly to the state of Afghanistan-Pakistan relations, we feel that last week was actually fairly significant. President Ghani went to the Heart of Asia conference. Prime Minister Sharif committed to respecting Afghanistan's sovereignty, territorial integrity, respect for the government and its constitution, which was important language for the Afghans.

In the trilateral session that we conducted, they committed to resuming a peace process as soon as possible and to using all available means against those members of the Taliban who do not join the peace process.

So I think although there is a long history of tension between Afghanistan and Pakistan, I think that, after last week, we feel that relations are at least somewhat improved.

Senator KAINE. Please, Mr. Sampler. Then I have one more question.

Mr. SAMPLER. Senator, thank you. With respect to demonstrated collaboration and cooperation between Afghanistan and Pakistan, and I would add the other nations in the region, recently, CASA 1000 was signed. That is an energy corridor running from Central Asia all the way down through Afghanistan and Pakistan. That has enormous consequences, positive consequences for all the member countries.

They also just this past week have broken ground on TAPI, which is a Turkmenistan, Afghanistan, Pakistan, India energy corridor, which will also have connective resonance for countries in the region.

I think this is one of those places where the security focus and the commerce focus are going to overlap. To the degree that we can get the countries in this part of the region working together on economic growth, they have skin in the game to provide stability and vice versa. They have to provide stability in order to see the economic growth.

There has also been an increase in cross-border trade with respect to things as simple as fruits and nuts. Afghanistan is expecting in 2015 to see \$36 million worth of their produce being shipped abroad largely to Pakistan. So it is there.

I would like to add, I very much appreciate your observations about the divergent opinions of the different communities with respect to observing places like Afghanistan. I will share what I was told as a young soldier when I was first exposed to classified information. I was told information is not classified because it is more correct than other information and other perceptions. It is classified because of how it was collected.

What I get from my implementing partners on the ground in Afghanistan is that the Afghanistan they see and touch and live in every day differs depending on which province and which district they are in. In some provinces, they would absolutely agree with the intelligence community's fairly dire estimates. But in others, they are actually making progress on value chains, on exports, on being able to educate sons and daughters.

So it is not, in my humble opinion, as simple as it is sometimes portrayed. But I very much appreciate you defining that.

Senator KAINE. Thank you.

The CHAIRMAN. Thank you.

Senator Udall?

Senator UDALL. Thank you, Mr. Chairman.

And thank you both for your service to the country. We really appreciate all the hard work in what are very, very difficult circumstances.

Ambassador Olson, you mention in your opening statement that the administration remains committed to a stable and secure Afghanistan, and we remain convinced that a negotiated settlement between the Government of Afghanistan and the Taliban is the surest way to end the conflict.

I have the same impression that Senator Kaine does, I am not on the Armed Services Committee, but that there is a very stark difference here between some of the intelligence.

But that aside, let me ask, if we are wanting to get them to the peace table in this Afghan-led peace process, does the Taliban not have to be at a point in their situation in the conflict where they feel there is a reason for them to come to the table? Looking at it, from my perspective, your testimony and others here, they are resurgent. They are doing better. They are capturing cities. They are releasing people from prisons. They are making major gains. And we are drawing down our forces.

Convince me that they really want, in good faith, to come to the table. The question is addressed to both of you.

Ambassador OLSON. Senator Udall, thank you so much. That is a very thoughtful question.

It strikes me that there are a couple things that give us some leverage in this situation.

First of all, the Taliban do seem to desire some degree of international political legitimacy. They recognize, apparently, and I will say at the outset that I think we have to be cautious about what we know about the Taliban and what we presume, but it does appear that, as result of their historical experience when they were governing in the 1990s and were isolated and cut off from the outside world, and Afghanistan is a country that has always been reliant to some extent on external assistance, I think that they look to international legitimacy as an important objective.

The only way that that could be achieved is through some kind of political settlement.

The second element is what I alluded to before, which is the question of pressure. I think it is significant in this regard that we have the language coming out of the trilateral statement last week in Islamabad talking about the use of all available means against those who are not prepared to reconcile.

Senator UDALL. Mr. Sampler, do you have any comment on the sides of this from your perspective, from AID, that indicate to you that there is a real sincere effort on the part of the Taliban to be a part of a peace process?

Mr. SAMPLER. The only observation I would be able to make is that in order to be a player in the economic growth that we hope will occur in that part of the world, as the Ambassador said, they would have to be a legitimate partner and a legitimate player. They are in no way considered legitimate at this point.

That is a very indirect measure, but that is the only input I would have.

Senator UDALL. As you talk about economic development, security has affected Afghanistan's economic—I am trying to probe now on their economic outlook. What is the status of some of the major mining, energy, and other capital projects that investors such as China and India have subscribed to? What projects are underway in producing revenue, if any? Which projects are stalled? And why are they stalled?

You talked about the exports to Pakistan. I am talking about these bigger projects that you are aware of, I am sure.

Mr. SAMPLER. Certainly. One of the things that encourages me about President Ghani's cabinet is that he has brought in typically younger, very technocratic ministers.

Since you asked about mining, I will use the Minister of Mines and Petroleum as an example. The Minister Saba showed up at that ministry and told me he had 390 vacant civil service positions. I said, how many of you filled? He said there are about 20 that are filled but 390 are vacated.

So the ministry was very much a Potemkin ministry. It had strength at the top, but there was nothing behind it.

With this ministry, he was expected to pursue fair, open, and transparent procurements for mineral rights, for gas rights, and for exports of the same.

What he has done is he has filled about half the vacancies at this point in time. He has moved forward on a gas pipeline in the north of Afghanistan that for 12 years prior had not been moved on. He

has identified some very low-hanging fruit in not the most lucrative mining sectors, to be honest.

Talc powder is not considered sexy or lucrative, but it is an area where he believes the state will be able to exercise a monopoly and collect taxes and tariffs on the mining of talc.

Another is lapis lazuli, which are the precious minerals found only in Afghanistan.

So they are focused on finding ways to achieve quick results, but these are not things that are typically done quickly. The U.S. interest has been the ministry build capacity to do it equitably and transparently. I think President Ghani's ministers are focused on doing that.

Senator UDALL. Thank you.

Please, Ambassador?

Ambassador OLSON. Senator, I would just add to what my colleague Larry had mentioned before, which is the forward movement on both TAPI, the pipeline, Turkmenistan, Afghanistan, Pakistan and India pipeline, which is a project that has been in fruition for something like nearly 30 years and is now much closer to actually moving forward. That is quite significant.

The other is CASA 1000, which does not have as quite a venerable history but has been around for a while. The power purchasing agreement was just signed within the last week, so I think those are positive indicators.

Senator UDALL. Our India or China involved in either one of those?

Ambassador OLSON. The ultimate concept for TAPI is that it would go on to Pakistan and India. I believe that the latest agreement is between Turkmenistan and Afghanistan, so there are still some negotiations to be done, but the indication is very positive.

Mr. SAMPLER. A non sequitur, but I would be remiss if I did not note that tomorrow in Nairobi, Afghanistan will be accepted into the World Trade Organization. It is in and of itself an accomplishment, and it has been several years in the making. But it begins a very difficult journey for Afghanistan to make the kinds of procedural and legal adjustments that they have to make in order for the kinds of programs you are describing to be both productive in the short run and sustainable.

Senator UDALL. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Senator Isakson?

Senator ISAKSON. Thank you, Mr. Chairman. I apologize. I had to go in and out, so I missed some of the questions. I may be redundant, and I apologize for that.

Mr. Sampler, did you serve at USAID when we were in Iraq?

Mr. SAMPLER. Yes, sir, I did.

Senator ISAKSON. Were you ever part of the Provincial Reconstruction Teams or that effort that took place?

Mr. SAMPLER. Was I ever what?

Senator ISAKSON. Were you ever part of the Provincial Reconstruction Teams?

Mr. SAMPLER. No, sir. I served in Baghdad.

Senator ISAKSON. You served in Baghdad.

Mr. Olson, were you involved when we were involved in Iraq?

Ambassador OLSON. Yes, Senator. I served in Iraq from December 2003 to March 2004 in a government team in Najaf, Iraq, which was a predecessor to the PRTs.

Senator ISAKSON. Correct me if I am wrong, but my recollection of our—and the title of this hearing is “The Administration Strategy in Afghanistan,” but I want to reflect back to Iraq for a second and my experience there.

Our strategy in Iraq obviously was to stabilize the country through the use of soft power and things like USAID and Provincial Reconstruction Teams to win the people over, leave enough of a residual force to have security in the country, hopefully win them over to be an independent, free democracy in a very dangerous part of the world.

Was that about right to describe our strategy?

Ambassador OLSON. Yes. I do not have responsibility for Iraq right now.

Senator ISAKSON. It is not a trick question. Feel free to correct me, if I am wrong. I am trying to get to a point.

Ambassador OLSON. Yes.

Senator ISAKSON. What worries me, I read General Campbell’s statements about the growth of ISIL, and the growth and strength of the Taliban, and reflected back to Iraq. I walked in the streets of Gazaria with a U.S. rifle company that was handing out microloans, and we are helping small businesses grow through the PRTs. We really were winning the country over, and then we left. Our military presence left, and ISIL came in.

Now I know the President has decided to leave 5,000, I believe that is the right number, troops in Afghanistan. Is that not correct? Is that enough to prevent what happened in Iraq from happening again in Afghanistan, where there is so little protection that we cannot let the soft power we want to use to win the people over actually take hold in terms of our strategy? That is the question I am getting to.

Ambassador OLSON. Thank you, Senator.

I think there are some important differences between Afghanistan and Iraq. I would highlight a couple of them.

One is that we do have a bilateral security agreement with Afghanistan, and that is what allowed the President to make the decision he did to allow troops to stay longer in Afghanistan. Of course, we did not have that in Iraq.

I think it is also fair to say, for all the challenges that the Government of National Unity faces in Afghanistan, it is a more inclusive government and brings together more elements of the population.

So I do not think you have the situation where there is one particular ethnic group in Afghanistan that is feeling marginalized as a group. Obviously, it is a complex ethnic situation, but the political differences tend to cleave across sectarian lines rather than in alignment with sectarian lines.

I think that is probably the most important point I would make. This is, of course, a very soft subject, and it is probably more impressionistic than anything you can reduce to a metric. But there is a very definite sense of Afghan nationalism that all Afghans or most Afghans subscribe to.

The country does not have a tradition—let me not overstate this. There is not as much of a tradition of sectarianism, ethnic and religious sectarianism, in the country. And there is a very strong sense of national identity and history, which helps to bring people together.

That means the conflict is more about who is going to run the place than whether the place is going to fall apart.

Senator ISAKSON. I really appreciate that answer. This is an observation I will make where I maybe also will be very wrong.

But the reason Afghanistan has been at war for 300 years is because of that strong sense of national unity. They want to be in control of their own destiny and fought whoever tried to control them. Is that correct?

Ambassador OLSON. Yes, Afghan history is a complex subject.

Senator ISAKSON. National unity is one of the contributing factors, is it not?

Ambassador OLSON. Well, there is a very strong sense of nationalism, which has been mobilized against foreigners at various times.

I think it is worth noting in that regard that over the past 14 years, the Afghan people have been remarkably welcoming of our forces. I think they are more welcome than any predecessor foreign forces in Afghanistan's history, and that is a remarkable achievement, with credit to our Armed Forces, by the way.

Senator ISAKSON. Thanks to both of you for your service, and thank you for answering the questions.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much.

I know we are about to close out and we have another panel.

Just out of curiosity, to follow up a little bit on Senator Kaine's comments about the diverging views, I will say, for what it is worth—I had a private meeting with you, Ambassador Olson. We had the classified briefing. For what it is worth, while you obviously speak in a more statesmanlike manner, the views of what is happening in Afghanistan were very aligned. I mean, the meeting we had in our office, the classified briefing yesterday, was very much aligned. I mean, we have some issues we need to deal with.

Why do you think there is that divergent view on the other side that takes place? I know that you work closely with our armed services. How could it be, as involved as you are there, both of you, that we have an alignment over here at the State Department with our intelligence, but a disalignment, if you will, over on the other sectors?

Ambassador OLSON. All I can say, Senator, is that we really do try, particularly in the AfPak arena, where I have been working for the last 4 years, to bring about a whole-of-government approach, not just in terms of our operations and what we are trying to do, but also in our assessments.

It is evident to me from your comments today that we have some work to do in that regard. We probably owe you some better alignment on how we are thinking.

The CHAIRMAN. I actually found alignments we had yesterday to be very good.

The Taliban issue, now obviously we came into Afghanistan in 2001. The issue was to end the Taliban's existence and dominion over government at the time. Now they are changing the facts on the ground. Is that fair?

Ambassador OLSON. To some extent. I do not think we know yet how much those facts on the ground have actually been changed.

The CHAIRMAN. And there are discussions about, over time, we have made some accommodating comments publicly, our government has, relative to their potential involvement in the government down the road. Is that fair to say?

Ambassador OLSON. We have committed to an Afghan-led, Afghan-owned reconciliation process. But the terms of the kind of political settlement that you are talking about would have to be something that is led by the Afghans. That is not for us to determine and not to determine in advance.

The CHAIRMAN. And I know that I was stepping in and out, and I greatly apologize for that. My understanding is a statement was made that, at present, they are not exhibiting the characteristics that would be appropriate for them to be a part of that. Is that correct?

Ambassador OLSON. I believe my colleague, Larry Sampler, made that comment, with which I would fully agree. The point was, I think the Taliban does seek a degree of international legitimacy. This may be one of the reasons that they have been willing to come to the table, at least at Murree in July of last year.

But they have a long way to go before they would in any way be considered legitimate.

I think for us, we have been careful not to establish preconditions for negotiations. But we support the Afghan end conditions, which are renunciation of violence; acceptance of the constitution, including its provisions related to women and minorities; and a complete break with international terrorism, especially Al Qaeda. Those are the end conditions of the negotiating process.

The CHAIRMAN. So that is the end state that the Afghan Government is working toward. I think it is good that we have not established preconditions ourselves.

What would be, though, the characteristics, the Taliban would need to exhibit from your standpoint to be a legitimate entity for the Afghan Government to begin negotiations with?

Ambassador OLSON. I think we would not want to establish preconditions for—

The CHAIRMAN. Yes. Your observation would be?

Ambassador OLSON. I think what is important is that, at the end of the negotiating process, those three outcomes are guaranteed. That is what we seek, a process that generates those three outcomes.

The CHAIRMAN. And do you think, based on what you know, the Taliban has the capacity to reject terrorism and violence?

Ambassador OLSON. It is always very difficult, and I am always very cautious, about what we think the Taliban is thinking. It is a very fraught subject. It is one of the reasons that a negotiating process would help to bring some of this out.

But there have been some indications in some of the statements that were issued in Mullah Omar's name it turns out—we thought,

at the time, they may have been issued by Mullah Omar—that suggest some movement on some of these issues. But whether that is actually something they would be prepared to do only can be determined through a negotiating process.

The CHAIRMAN. A couple more just brief questions.

We had a decent meeting with the Prime Minister of Pakistan and their military leadership. They gave us strongly worded statements about the ISI involvement and how 1,000 percent they are committed to dealing with the Taliban, dealing with other groups that are housed in the FATA region and, certainly, ensuring that they did everything they could to make sure that Afghanistan was stabilized.

On the other hand, I get a strong sense that is maybe not 100 percent accurate. They are watching what is happening on the ground. They want to have the proper relationship, if you will, with the ultimate leadership group that exists in Afghanistan. What they are seeing right now is a situation where they are not sure what that outcome is going to be.

My sense is that instead of them actually carrying out what they said here in our presence, that they are hedging their bets. They are trying to calculate, if you will, what Afghanistan is going to be over time.

Right now, we have 9,800 troops ourselves in Afghanistan. There has been a sort of arbitrary date of numbers of troops that will be there over the course of this next year, I think dropping down to about 5,000.

But it seems to me that we have our hands full as is, that it is incredibly difficult for us to keep violence down and stability in place at present.

Just out of curiosity, does that raise questions to you as to when we need to be deciding ultimately what our security force totals are going to be in Afghanistan?

Ambassador OLSON. If I could start, Senator, with the first piece on Pakistan, first of all, Pakistan has moved in a significant way on its own terrorism threat. It has largely cleaned out North Waziristan Agency, something we had long desired. It has reestablished control over most of North Waziristan.

I think there is increasingly a recognition on the part of the Government of Pakistan that there is significant bleed-over between the Pakistani Taliban and the Afghan Taliban, and that it is no longer so simple for them as it may have been in the past, even if they in principle agree to distinguish between good and bad Taliban.

The other important point is I think they recognize the outreach that President Ghani has made to Pakistan and recognize that this is a historic opportunity. They would like to seize on that. That is why we think that there is, among several reasons, that there is a possibility for moving forward on a reconciliation process now, because there is a greater degree of alignment on these issues between Afghanistan and Pakistan than there has been for some time in the past.

The CHAIRMAN. What about the second part of the question?

Ambassador OLSON. Well, the second part, sir, the President's decision is to go to the 5,500 troops after the end of 2016. I think

it will be for the next administration to determine what troop levels it wants to—

The CHAIRMAN. I have no desire, out of respect to you—you and I may have traveled together to the Waziristans, if I remember correctly.

Ambassador OLSON. We did, sir.

The CHAIRMAN. I do not want in any way try to create a divergence between you and the administration. But let us just say at present, things could change, certainly, between now and the end of the year.

Our security forces have their hands full in working with the Afghan military to try to create a secure environment. Is that correct?

Ambassador OLSON. Yes, they have a challenging assignment. But I have talked to my colleague and friend, General Campbell, and he is confident that he has what he needs at the moment.

The CHAIRMAN. At the moment.

Listen, I certainly appreciate your service. I appreciated your candor yesterday in our office. I appreciate the service you provided in multiple settings.

Certainly, you all have been helpful to us today. I do think that it would be fair to say, based on the entirety of yesterday, today, just other interactions we have, we should all be very concerned about outcomes in Afghanistan and understand that tremendous diligence and effort is still necessary, and leadership on their part, to cause a successful outcome to occur.

Would you agree?

Ambassador OLSON. I think we all face a lot of challenges, sir, absolutely.

The CHAIRMAN. Thank you, both. I appreciate it.

We will now ask the second panel to take their place. We thank all of you for being here.

Our first witness today will be the former U.S. Ambassador to Afghanistan, James Cunningham, someone we all know well, now a senior fellow and the Khalilzad Chair on Afghanistan at the South Asia Center of the Atlantic Council.

We thank you for being here.

The second witness will be former Afghan Minister Mr. Ali Jalali.

Thank you so much for being here. We all know you also.

He is now a distinguished professor at the Near East and South Asia Center for Strategic Studies at the National Defense University.

Our third witness will be Jodi Vittori, a senior policy adviser at Global Witness, who has also served in the U.S. military in Afghanistan—we thank you for that service—and in countering corruption in the defense and security sector, which I know there is a big job.

So we thank you all for being here. We think this is a very distinguished panel. If you could keep your comments to around 5 minutes, without objection, your written testimony will be entered into the record.

If we could, we can go in the order of introduction, starting with you, Ambassador Cunningham.

STATEMENT OF JAMES CUNNINGHAM, SENIOR FELLOW, THE SOUTH ASIA CENTER, KHALILZAD CHAIR ON AFGHANISTAN, ATLANTIC COUNCIL, WASHINGTON, D.C.

Ambassador CUNNINGHAM. Thank you very much, Mr. Chairman. It is good to see you again. Senator Cardin, members of the committee, I am honored to testify today on U.S. strategy in Afghanistan. I appreciate this opportunity to address why continued U.S. engagement in Afghanistan is so important, and to place our efforts there in the context of the challenge we face from the extreme distorted Islamic ideology, which threatens our citizens, our values, and our way of life.

Rather than submit a statement for the record, I would refer the committee to the recent Atlantic Council paper on Afghanistan and U.S. Security, of which I was the principal author. Cosigned by 28 former senior U.S. Government officials of both parties and prominent policy experts, and with Senators McCain and Jack Reed as honorary cosponsors, the paper registers bipartisan agreement that Afghanistan matters to America's security, has a way forward to success despite all the challenges, merits the continued U.S. engagement required to protect American interests, and should be seen in the context of the broader terrorist threat.

[The document referred to above can be found at the end of this hearing, beginning on page 64.]

Inter alia, we argue to maintain U.S. coalition military forces and intelligence assets at close to current levels and to leave options open for the next American President.

Twenty-fourteen and 2015 were years of great political, security, and economic transition and uncertainty for Afghanistan. With clarity about long-term U.S. engagement, there is now the opportunity to turn that around. I applaud President Obama's decision to maintain the U.S. military presence in Afghanistan through 2016 and beyond.

This is a critically important strategic indicator of U.S. commitment to Afghanistan's security and success. It provides clarity for Afghans, the Taliban, and the region that there will be a significant U.S. military role in the future with no deadline. I wish such clarity had been provided several years ago.

It is critical to the confidence of Afghans that they can succeed and to demonstrating to the Taliban that they cannot. Clarity that the Afghan project will not fail, that Afghanistan will not collapse under Taliban pressure and terror, will be crucial to the prospects for Afghan confidence, continued success, and ultimately for peace.

Preserving that clarity is, in fact, the priority strategic goal. It must be clear that there is in no space in Afghanistan for Al Qaeda and Daesh to flourish, nor a place for the Taliban, absent a political settlement.

With today's increased levels of violence and the evolution of new threats, the administration should revisit whether the U.S. security strategy formulated several years ago is adequate to today's task. The Afghan security forces are doing the fighting. They will continue to improve. Any further reduction in international forces must be commensurate with ANSF capabilities. And critical gaps in the close air support, intelligence, and logistics must continue to

close and not widen. The development of Afghanistan's own air capabilities, including the sustainment of their own helicopters, must be a priority.

In this new context of clarity of U.S. commitment, we should explore a genuine regional effort to strengthen Afghanistan and promote peace. There were hopeful signs, as we heard earlier, at last week's meeting at the Heart of Asia Process in Islamabad.

After the setbacks of last summer, President Ghani deserves credit for renewing the effort to open doors with Pakistan. The test will be whether Pakistan takes concrete actions not only to support reconciliation but to reduce the ability of the Taliban and the Haqqani network to plan and launch operations from Pakistan, which greatly diminishes the prospects for real negotiations.

The crucial tasks ahead for Afghanistan are exceedingly difficult: improving security, creating conditions for peace, building the economy, strengthening the government, forging Afghan political unity. For Afghanistan to succeed, two mutually reinforcing processes must be continued.

First, it must be clear that adequate levels of international military, financial, and political support are available so that Afghans will have the time to build on progress made and to continue to take responsibility for their own affairs.

Second, the National Unity Government needs to perform and to demonstrate achievement to the Afghan people and the international community. The government has advanced an ambitious reform program and is struggling to implement it.

The new Jobs for Peace Program is an effort with security and economic implications to provide work as the economy develops. The challenges are considerable, but Afghanistan's political class must understand that the opportunity today afforded Afghanistan is unique and must not be squandered if Afghanistan is to be seen as worthy of continued international support.

The challenge to our security in Afghanistan is one part of the long-term threat much of the world, not just the West, faces from terrorism rooted in violent extremism, recently highlighted by attacks in Egypt, Turkey, Lebanon, Paris, California, Mali, and elsewhere. The goal remains to prevent and to help Afghans prevent Afghanistan from becoming again a platform for those who threaten us.

We have tended to dismiss the Daesh presence in Afghanistan as rebranded Taliban, as if that made it less dangerous. We have seen in Libya that such indigenous affiliates eventually control ground and connect with the center in Syria.

In Afghanistan, we have a strategy that can work with a willing Islamic partner in the fight against terror. With the clarity of international commitment, Afghanistan can increasingly become a contributor to security. We must not now lose sight of Afghanistan as we did before, after the expulsion but not the defeat of the Taliban.

Our efforts there must be long term and in concert with the need for the United States to help develop and implement a generational strategy to defend our people and values, while draining the life from the distorted version of Islam that animates Daesh, Al Qaeda, and others.

Experience teaches that ideology cannot be defeated militarily, although military force must be an instrument. The defeat of violent Islamic extremism can ultimately come only from within the Islamic world, which must play a leading role as part of a multilateral, multifaceted effort.

This is the context in which our future work in Afghanistan and the region must be seen. The success of Afghanistan is part of this larger struggle which the civilized world, including more than 1.5 billion peace-loving Muslims, must win.

The instruments we have used in the past are strategies for dealing with state-to-state conflict. Our leadership patterns, the discourse with our publics, have not kept pace fully with the terrorist threats as they are evolving today and that will exist tomorrow.

In short, the United States and its partners have much serious work to do, and Afghanistan must to be part of that effort. Thank you, sir.

[The prepared statement of Ambassador Cunningham follows:]

PREPARED STATEMENT OF AMBASSADOR JAMES B. CUNNINGHAM

Thank you Mr. Chairman, Senator Cardin, Members of the Committee, I am honored to testify today on U.S. strategy in Afghanistan. I appreciate this opportunity to address why continued U.S. engagement in Afghanistan is so important, and to place our efforts there in the context of the challenge we face from the extreme, distorted Islamic ideology which threatens our citizens, our values and our way of life.

Rather than submit a statement for the record, I would refer the Committee to the recent Atlantic Council paper on Afghanistan and U.S. Security, of which I was the principal author. Co-signed by 28 former senior U.S. government officials of both parties and prominent policy experts, and with Senators McCain and Reed as honorary co-sponsors, the paper registers bi-partisan agreement that Afghanistan matters to America's security, has a way forward to success despite all the challenges, merits the continued U.S. engagement required to protect American interests, and should be seen in the context of the broader terrorist threat. Inter alia, we argued to maintain U.S. and coalition military forces and intelligence assets at close-to-current levels and to leave options open for the next American president.

We know that 2014 and 2015 were years of great political, security, and economic transition and uncertainty for Afghanistan. With clarity about long term U.S. engagement, there is now the opportunity to turn that around. I applaud President Obama's decision to maintain the U.S. military presence in Afghanistan through 2016 and beyond. This is a crucially important strategic indicator of U.S. commitment to Afghanistan's security and success. It provides clarity for Afghans, the Taliban and the region that there will be a significant U.S. military role in the future, with no deadline. I wish such clarity had been provided several years ago. It is critical to the confidence of Afghans that they can succeed, and to demonstrating to the Taliban that they cannot. Clarity that the Afghan project will not fail, that Afghanistan will not collapse under Taliban pressure and terror, will be crucial to the prospects for Afghan confidence, continued success and ultimately for peace. Preserving that clarity is in fact the priority strategic goal: it must be clear there is no space in Afghanistan for Al-Qaida and Daesh to flourish, nor a place for the Taliban absent a political settlement.

With today's increased levels of violence and the evolution of new threats, the administration should revisit whether the U.S. security strategy formulated several years ago is adequate to today's task of ensuring the success of the ANSF. They are doing the fighting, they will continue to improve. Any further reduction in international forces must be commensurate with ANSF capabilities, and critical gaps in close air support, intelligence and logistics must continue to close, and not widen. The development of Afghanistan's own air capabilities, including the sustainment of their own helicopters, must be a priority.

In this new context of clarity about the U.S. commitment to Afghan security, we should explore a genuine regional effort to strengthen Afghanistan and promote peace. There were hopeful signs at last week's meeting of the Heart of Asia Process in Islamabad. President Ghani and Prime Minister Nawaz Sharif, with the encouragement of the U.S and China, discussed the prospects for resumption of Afghan

discussions with the Taliban. Nawaz Sharif repeated that Afghanistan's enemies will be treated as Pakistan's enemies, and both Afghanistan and Pakistan committed to prevent use of their territories by terrorists, and to dismantle sanctuaries. After the setbacks of last summer, President Ghani deserves credit for renewing the effort to open doors with Pakistan. The test will be whether Pakistan takes concrete actions not only to support reconciliation, but to reduce the ability of the Taliban and the Haqqani Network to plan and launch operations from Pakistan, which greatly diminishes the prospects for real negotiations.

The crucial tasks ahead for Afghanistan are exceedingly difficult —improving security, creating conditions for peace, building the economy, strengthening governance, forging Afghan political unity and commitment. For Afghanistan to succeed in building on the substantial progress already made, two mutually reinforcing processes must be continued:

First, it must be clear that adequate levels of international military, financial and political support are available so that the Afghans will have the time to build on progress made and to continue to take responsibility for their own affairs.

Second, the National Unity Government needs to perform and demonstrate achievement to the Afghan people and the international community. The government has advanced an ambitious reform agenda, and is struggling to implement it. The new Jobs for Peace Program is an effort, with security and economic implications, to provide work as the economy develops. The challenges are considerable. Afghanistan's political class must understand that the opportunity today afforded Afghanistan is unique, and must not be squandered if Afghanistan is to be seen as worthy of continued international diplomatic, development, and defense engagement.

The challenge to our security in Afghanistan is one part of the long term threat much of the world—not just the West—faces from terrorism rooted in violent extremism, recently highlighted by attacks in Egypt, Turkey, Lebanon, Paris, California, Mali and elsewhere. The goal remains to prevent, and to help Afghans prevent, Afghanistan from becoming again a platform for those who threaten us. We have tended to dismiss the Daesh presence as “re-branded Taliban,” as if that made it less dangerous. We have seen in Libya that such indigenous affiliates eventually control ground and connect with the center in Syria. In Afghanistan we have a strategy that can work, with a willing Islamic partner, in the fight against terror. With the clarity of international commitment, Afghanistan can increasingly become a contributor to security.

We must not now lose sight of Afghanistan as we did before, after the expulsion, but not the defeat, of the Taliban. Our efforts there must be long term, and in concert with the need for the United States to help develop and implement a generational strategy to defend our people and values, while draining the life from the distorted version of Islam that animates Daesh, Al-Qaida and others. Experience teaches that ideology cannot be defeated militarily, although military force must be an instrument. The defeat of violent Islamic extremism can ultimately come only from within the Islamic world, which must play a leading role as part of a multilateral, multifaceted effort.

This is the context in which our future work in Afghanistan and the region must be seen. The success of Afghanistan is part of this larger struggle, which the civilized world—including more than 1.5 billion peace-loving Muslims—must win. The instruments we have used in the past, our strategies for dealing with state-to-state conflict, our leadership patterns, the discourse with our publics, have not kept pace fully with the terrorist threats as they are evolving today and will exist tomorrow. In short, the United States and its partners have much serious work to do, and Afghanistan must be part of that effort.

The CHAIRMAN. Thank you very much.

I want to apologize to all of you. We have an omni bill that was just produced last night about 12 o'clock. Today, there are still discussions that are underway. As I step in and out, it is not out of lack of interest on this topic. We are going to be out of here this week with a massive piece of legislation that is passed, and we apologize for attending to that, which, by the way, parts of affect Afghanistan, too.

Senator CARDIN. I thought it was all finished. If I knew it was still open, I would be out there also. [Laughter.]

The CHAIRMAN. That is a secret we are keeping. [Laughter.]

The CHAIRMAN. Mr. Jalali, thank you.

**STATEMENT OF ALI A. JALALI, DISTINGUISHED PROFESSOR,
NEAR EAST SOUTH ASIA CENTER FOR STRATEGIC STUDIES,
NATIONAL DEFENSE UNIVERSITY, WASHINGTON, DC**

Mr. JALALI. Thank you very much, honorable Chairman Corker, ranking member, honorable members of the Senate Foreign Relations Committee. Thank you for inviting me to offer my evaluation of the administration's strategy on Afghanistan. The assessment I offer today is based entirely on my own views and analysis.

Mr. Chairman, on January 1, 2015, after the coalition officially concluded combat missions in Afghanistan, the Afghan National Defense and Security Forces, in spite of specific capability gaps, independently faced the upsurge of insurgency in 2015 and to a large extent held its own, albeit with a higher casualty rate.

Given the complex political and security context of the situation in and around Afghanistan, including the threat of the emerging Daesh, the Afghan National Defense and Security Forces are expected to face continued security threats and violence at least in the immediate future.

It is a force of immense capability to face ongoing security challenges while still constrained by capability gaps in certain key areas, which have been covered by U.S. forces in the past. The fast-paced American force generation of Afghanistan National Defense and Security Forces during the transition period left little time to develop certain capabilities, including the Air Force, intelligence, and logistics, that take a longer time and an elaborate infrastructure.

The presence of U.S. forces and NATO, and President Obama's decision to keep 5,500 troops in Afghanistan beyond 2017, will ensure continued assistance to build indigenous security capacity in Afghanistan to respond to the threats the country faces. Whether the presence of such a force would make a major difference is hard to determine since there are other domestic and regional factors that affect the situation.

However, the absence of these forces in Afghanistan would definitely have an adverse impact on regional stability. The presence of U.S. forces in Afghanistan sends a strong message to friends and foes that Afghanistan is not going to be abandoned and the United States is still committed to help Afghanistan.

Having said this, the impact of the U.S. forces along with some 4,000 NATO troops, which are expected to stay in Afghanistan, depends on their size, their mission, and the rules of engagement.

The current Resolute Support Mission focuses on training, advising, and assisting Afghan forces at corps and ministerial levels through four regional train, advise, and assist commands, located in north, south, east, and west, with the center hub in Kabul. The United States leads in two of these commands, and provides tactical advising to the Afghan Special Security Forces in the Afghan Air Force.

The low ratio of force to region and uneven capabilities of different regional commands is causing capacity shortfalls to help Afghan National Security Forces narrow their capability gaps, particularly in aviation, intelligence, special forces, and logistics.

Further, there are uncertainties in the rules of engagement. The NATO partners see their combat role ended last year, even as they support the Afghan troops who often get engaged in fighting.

The development of the Afghan National Defense and Security Forces cannot happen in a vacuum, but depends on the development and progress in other areas of institution-building in Afghanistan, including the rule of law. There is a strong need for the Afghan Unity Government to take effective measures to fight corruption, nepotism, and political factionalization within the Afghan National Defense and Security Forces.

The Afghan Government faces an enormous challenge to forge political consensus, to implement reforms, to improve governance, and ensure unified leadership. It should make extra effort to meet the competing demands of maintaining unity and governing effectively.

To conclude, the prospects for stability and peace in Afghanistan are influenced by three main factors: viability and effectiveness of the Afghan Government, the capacity of Afghanistan National Defense and Security Forces to degrade the Taliban power, and cooperation from Pakistan through improved Afghan-Pakistan relations.

The first two factors, deny the Taliban hope to overthrow the Afghan Government, change their hedging mood, and bringing them to the negotiating table, while the third factor facilitates and speeds up reconciliation and reduction of violence and Afghanistan.

Thank you very much.

[The prepared statement of Mr. Jalali follows:]

PREPARED STATEMENT OF PROFESSOR ALI A. JALALI

Honorable Chairman Corker, honorable members of the Senate Foreign Relations Committee, Thank you for the invitation to offer my evaluation of the administration strategy on Afghanistan. The assessment I offer today is based entirely on my own views and analysis.

Mr. Chairman, On January 1, 2015, the Afghan National Defense and Security Forces (ANDSF) took over full security responsibility in Afghanistan after the United States officially concluded Operation Enduring Freedom (OEF) in Afghanistan, and U.S. Forces-Afghanistan (USFOR-A) transitioned to Operation Freedom's Sentinel (OFS), contributing to both the NATO's Resolute Support mission and continuing U.S. counterterrorism efforts against the remnants of al Qaeda.

In spite of specific capability gaps the ANDSF independently faced the upsurge of insurgency in 2015 and to a large extent held its own albeit with a higher casualty rates. Given the complex political and security context of the situation in and around Afghanistan, including the rise of new threats of violent extremism in the region, including the emerging affiliates of the Islamic State in Iraq and Syria, known as DAISH, ISIL and ISIS, the ANDSF is expected to face continued security threats and violence at least in the immediate future.

The ultimate goal, thus, should be building and sustaining sufficient indigenous defense and security capacity in Afghanistan to deal with emerging threats in the region. This involves not only generating and maintaining sufficient forces but also ensuring their financial sustainability, their operational effectiveness and agility to operate in a non-conventional environment and to deal with complex adaptive enemies in mostly nonlinear modes of combat.

It is in this regional security context that the United States strategy in Afghanistan needs to be defined and its effectiveness evaluated.

U.S. RESIDUAL MILITARY PRESENCE IN AFGHANISTAN

President Obama's recent decision to maintain U.S. forces in Afghanistan at current levels for at least another year and to reduce only to a baseline of 5,500 as it relates to sustaining stability and maintaining progress toward peaceful and re-

sponsible government, was welcomed by the Afghan government and the Afghan populations as it ascertained U.S. continued support to the country at a time that it is not yet able to respond to the security threats in the region solely by its own resources.

Whether the presence of a baseline 5,500 U.S. troops in Afghanistan can make a major difference is hard to determine since there are other domestic and regional factors that affect the situation. However, the absence of the U.S. forces in Afghanistan will definitely make and adverse impact on regional stability. The presence of U.S. forces in Afghanistan sends a strong message to friends and foes that Afghanistan is not going to be abandoned.

Having said this, the impact of the U.S. forces in Afghanistan depends less on their numbers and more on their assigned mission and the rules of engagement.

The Current NATO's Resolute Support Mission focuses on Training, Advising and Assisting (TAA) of Afghan forces at corps and Ministerial level through four regional "Train, Advise and Assist" commands (TAACs) located in the north, south, east and west with a central hub in Kabul. The TAACs are led by different nations. The United States leads TAAC-South in Kandahar and TAAC-East in Jalalabad; Germany leads TAAC-North in Mazar-e-Sharif; Italy leads TAAC-West in Herat; and Turkey leads TAAC-Capital in the Kabul area. The U.S. and coalition also continue to provide tactical advising to the Afghan Special Security Forces (ASSF) and the Afghan Air Force (AAF). The low ratio of force-to-regions and uneven capacities of different regional commands is causing capacity shortfalls to help ANDSF narrow their key capability gaps particularly in aviation, intelligence, Special Forces, and logistics.

Further, there are uncertainties in the rules of engagement. The NATO partners see their combat role ended last year even as they support the Afghan combat troops who often get engaged in fighting. Meanwhile, based on their new rule of engagement the US forces take action against non-al Qaeda groups (including the Taliban) only when they pose a direct threat to U.S. and coalition forces or provide direct support to al-Qaeda. However, as part of the continued tactical-level TAA mission with ASSF and AAF, U.S. and coalition forces may accompany Afghan counterparts on missions in an advisory role during which U.S. forces may provide combat enabler support such as close air support. Similarly, the U.S. forces are also permitted to provide combat enabler support to Afghan-only missions under limited circumstances to prevent detrimental strategic effects to the campaign. The recent Taliban attacks in Kunduz and Helmand provinces showed that without the direct air support by the U.S. forces the Taliban would have overrun and controlled several key areas. This requires a review of the rules of engagement until ANDSF narrow their capability gaps, an effort that may take at least five years given the current level of international assistance.

THE U.S.-AFGHANISTAN PARTNERSHIP TO BUILD ANDSF

The Commitment of the Afghan Unity Government to long-term partnership with the United States for security cooperation provides a great opportunity for the development of effective ANDSF. With the strong operational and financial assistance of the United States, in the past 14 years, the ANDSF have come a long way transforming from an odd assortment of factional militias into modern security institutions with professional capacity and political loyalty to a unified state. It was a long journey over a bumpy road entailing significant achievements and often avoidable failures with lasting impacts that shape the current status of the country's security institutions—A force of immense capability to face ongoing security challenges while still constrained by capability gaps in certain key areas.

To fill these gaps the ANDSF have long been dependent of U.S. support in its operations. The fast-paced numerical force generation of ANDSF during the transition period left little time to develop certain capabilities including the air force, intelligence and logistics that takes longer time and elaborate infrastructures.

Further, the development of the ANDSF cannot happen in a vacuum but depends on the development and progress in other areas of institution building including the rule of law. There is a strong need to take effective measures to fight corruption, nepotism and political factionalization of the ANDSF.

Interference of politicians, top government officials and power-brokers in appointment of men and women of their personal choice to higher position not only undermine professional effectiveness of the army and police, as they face a brutal war, but also undermine morale and motivation to fight for the regime. The situation also encourages corruptions where incompetent officers and commanders can gain their posts through bribery or political influence. The most damaging issue that undermines legitimacy is the rush of political elite to extend their patronage network

through posting their adherents in key security positions at the expense of winning the war. With the rise of insurgency some powerbrokers have managed to remobilize and arm their militias under the guise of local anti-Taliban militia or the Afghan Local Police (ALP) who in certain area have been involved in abusing of the population undermining the legitimacy of the state.

The key to the sustainability of the ANDSF as an effective force is to empower the Afghan indigenous capacity through narrowing the gaps and upgrading its capability particularly in five key functional areas: Leadership, combined arm integration, command and control, training and sustainment. This may take longer than the assumed life of the RSM that ends in 2017. The follow-on level of assistance to ANDSF—the Enhanced Enduring Partnership (EEP or else)—may be required at least for five more years and a NATO-Afghanistan counter-terrorism partnership for ten years. The nature of NATO involvement beyond the RS mission is expected to be defined in the next NATO Summit in Warsaw planned to meet in July 2016. Further, The U.S.-Afghanistan Bilateral Security Agreement (BSA) commits the United States “to assist ANDSF in developing capabilities required to provide security for all Afghans,” which includes “upgrading ANDSF transportation and logistics systems; developing intelligence sharing capabilities; strengthening Afghanistan’s Air Force capabilities; conducting combined military exercises; and other activities as may be agreed.”

SUSTAINED COMPREHENSIVE COOPERATION WITH AFGHAN UNITY GOVERNMENT

The key factor in improving prospects for sustained political, economic and security cooperation with the National Unity Government is to implement the promised structural, electoral and functional reform within the Afghan state. The key challenge is how to reconcile the competing demands of maintaining unity and governing effectively in the face of shared authority of the two leaders in appointment to key positions in the government and the diverse political programs of the two main components of the Unity Government and how to avoid frictions in a duumvirate system without solid constitutional basis.

These problems notwithstanding, the legitimacy of the Afghan government is helped by strong international backing particularly the U.S. support of the AUG and the compromises by the political elite to maintain unity albeit at the expense of effectiveness. The absence of a viable alternative is another element of public acceptance of the AUG. An overwhelming majority of Afghans continue to see the armed opposition an undesirable choice. But this situation can change either as a result of fading international support or continued ineffectiveness of the AUG particularly its failure to improve security, fight corruption, ensure economic recovery, address growing unemployment and attend to rising demographic issues.

Short term economic measures to provide some stimulus. The weak economy is one of the Unity Government’s great vulnerabilities, and simply demonstrating that a plan exists and that there is a will to implement would help halt the hemorrhage of confidence.

Practically, the only real option is for the unity government to understand that it is facing a crisis and begin acting as if it were. At a minimum, that Ghani and Abdullah have to make mutual compromises to decide on the appointment of positions and the formulation of policy. It will also require a serious strategic review of last year’s security operations and a concerted plan that takes advantage of President Obama’s extension of the U.S. military presence to reverse the battlefield momentum that now favors the Taliban. The fall of Kunduz can be directly linked to the rivalry within the national government and its failure to project a sense of strategic direction. The division within the Afghan government extends to the lowest units of administration. The good news is that Kunduz, while lost by informal militias and dysfunctional government, was regained by national forces acting in the name of the state.

THE ROLE OF REGIONAL ACTORS

Although all regional actors agree that stability in Afghanistan contributes to peace and security in the region, they see the stability from different perspectives. Among the regional countries Pakistan can play a more influential role in facilitating peace in Afghanistan through peace talks between the Afghan government and the Taliban. Pakistan has control and influence over the Taliban as their bases are in Pakistan and they have access to means which support the logistics of their war in Afghanistan.

Pakistan has also suffered from terrorism and extremists’ insurgency and has been forced to launch major counterinsurgency operation in its tribal areas. Both the Pakistani government and its army leadership has indicated willingness to co-

operate with Afghanistan, U.S. and other regional countries in support of a political settlement in Afghanistan. However, while such promises are encouraging, the real change will come only when promises are supported by deeds.

In general, prospects for a political settlement in Afghanistan are influenced by three main factors: Viability and effectiveness of the Afghan government; the capacity of ANDSF to degrade the Taliban power; and cooperation from Pakistan through improved Afghan-Pakistan relations. The first two factors deny the Taliban a hope to overthrow the Afghan government and change their hedging mood while the third factor facilitate and speeds up reconciliation.

Improvement of cooperative ties between Kabul and Islamabad is crucial to creating favorable environment for political settlement of the Afghan conflict. The Afghan President Ashraf Ghani has taken steps toward improving relationships with Pakistan in the interest of joint efforts to deal with the security challenges in Afghanistan and the region. After some initial improvement including Islamabad's assistance to host the first direct talks between the Afghan Government and the Taliban representative in Murree, Pakistan, on July 7, the relationship suffered a major setback. The hindrance was caused by rising mistrust between Kabul and Islamabad following the announcement of the death of the Taliban leader Mullah Omer who had died more than two years back in Karachi leading to Kabul's suspicions of Pakistani cover up. Further the upsurge of violence in Afghanistan by the new Pakistan-based leadership of the Taliban and failure of Pakistan to stop the public gathering and free movement of the Taliban on its soil in support of their attacks in Afghanistan added to the mistrust.

Rising concerns over continued instability and the emergence of the ISIS in Afghanistan and Pakistan, have created a new regional dynamism by major powers including China and the United States to help the peace process in Afghanistan. However, even if such process begins today, it will take several years before it leads to a peaceful settlement of the Afghan conflict.

The CHAIRMAN. Thank you, sir.
Dr. Vittori?

**STATEMENT OF JODI VITTORI, SENIOR POLICY ADVISER,
GLOBAL WITNESS, WASHINGTON, D.C.**

Dr. VITTORI. Chairman Corker, Ranking Member Cardin, and honorable members of the committee, thank you for the opportunity to appear before you today and your continued interest in Afghanistan.

As a civil society organization dedicated to ending the nexus between corruption and conflict, especially in the natural resource sector, Global Witness has worked in Afghanistan since 2011, traveling regularly to work in the country with our local civil society partners, the Afghan Government, and international donors to build momentum for governance reforms. As one of the leading counter-corruption organizations operating there, Global Witness was honored this June to be invited, along with Transparency International and Integrity Watch Afghanistan, to meet with President Ghani to discuss government reform.

As the Afghan Accountability Act of 2015 makes clear, corruption remains an existential threat to the Afghan state. Much hope has been placed in the National Unity Government, and there have been some early countercorruption victories.

For example, President Ghani has set up a procurement board and personally reviews all contracts over \$1 million. President Ghani, CEO Abdullah, and other senior members of the government have now declared their financial assets.

But the view from the ground from civil society is that corruption continues to grow in response to political stagnation, rising insecurity, and economic decline.

While the Afghan Government has publicized important counter corruption initiatives, there is a lack of strategy and institutionalization of reforms.

Surveys show this year that over half of all Afghans reported paying a bribe, and 90 percent of Afghans said that corruption is a problem in their daily lives.

Recent scandals have also hurt the perception of reform, most notably one involving senior government officials working with the perpetrator of the 2010 Kabul Bank scandal for a highly profitable public-private partnership on land, which should have been already confiscated, and with money whose origins remain unclear.

A cynical response to all this could be that the place is just too corrupt and to give up trying. Instead, Global Witness believes that while anticorruption efforts will take time, there are immediate measures that can have a substantial impact on corruption and help Afghanistan on a more stable path. American leadership is especially needed in three broad areas.

First, key aspects of countering corruption in Afghanistan are flagging. Without counter-corruption efforts, they will be stymied. One is the urgent need for the appointment of a permanent, confirmed Attorney General who is the only person according to Afghan law who can prosecute corruption.

Also, while the Independent Joint Anti-Corruption Monitoring and Evaluation Committee, better known simply as the MEC, has had some issues, its dual-key approach of combining an equal number of Afghan and international members to monitor corruption reforms is an important asset which will need strong political and financial support if they are to continue to challenge various corrupt interests.

Second, strategic thinking, reforms, and capacity-building to fight economic crime and corruption have largely stagnated. In order to bring this agenda back on track, reforms made in the wake of the Kabul Bank scandal and promised in the Tokyo mutual accountability framework of 2012 should be aggressively pursued.

The international community largely disengaged from capacity-building and in overseeing a robust regulatory reform of the financial sector and the associated law enforcement after Kabul Bank. But Afghanistan is going to effectively fight corruption, investigate and prosecute terrorist-related financing, and end impunity against corrupt actors, then significantly increased political engagement and assistance is essential.

Concurrently, the National Unity Government needs to take on various ongoing piecemeal efforts and craft them into an effective strategy that links the goals of fighting corruption with the ways and means at their disposal, coordinating the various ministries and other bodies to work as one team and one fight, and upon which donor assistance can be linked.

Finally, Afghanistan needs to further build its legislative and regulatory framework to international transparency and accountability standards to create a secure environment where legitimate business can thrive. This includes committing and fully implementing the open contracting principles, the open government partnership, and the extractive industries transparency initiative.

These would greatly improve transparency and accountability in key sectors of the economy, and better enable oversight by civil society and parliament.

President Ghani's establishment of a procurement board is a good start, but it is not enough. It is hard for Afghan or American businesses, for instance, to risk investing capital in Afghanistan not only due to insecurity, but also because of its continued poor regulatory environment and opaque procurement system; corruption in taxation and customs enforcement; and, for American businesses, legitimate concerns with violating the Foreign Corrupt Practices Act.

One area where reforms in U.S. engagement are especially critical is in the extractive sector, where mining should be a pillar of the economy and, for self-sufficiency, is instead a source of corruption and conflict that contributes almost nothing to the Afghan budget while, at the same time, it is the number two source of revenue for the Taliban after narcotics. Yet the Afghan Government has not submitted crucial amendments to this law yet that could increase Afghan revenues and help start the process of wresting it away from various violent and corrupt actors.

There are no easy fixes in the extreme predatory levels of corruption in Afghanistan, but there are many tools available to the United States in this fight. Carefully placed aid conditionality along with targeted funding and capacity-building are important, so too are kingpin and transnational organized crime designations, visa bans, asset freezes, and law enforcement investigations against the most difficult actors.

But most importantly, the United States needs to make corruption and establishing good governance a priority on par with security and economic development.

With aggressive action, the battle for Afghanistan is not yet lost. Thank you.

[The prepared statement of Dr. Vittori follows:]

PREPARED STATEMENT OF JODI VITTORI

1. WHERE WE ARE—THE STATE OF ANTI-CORRUPTION EFFORTS IN AFGHANISTAN

It is well acknowledged that corruption in Afghanistan erodes the legitimacy of the government and bolsters the myriad of illicit terrorist and criminal actors. For that reason, both President Ashraf Ghani and CEO Abdullah ran on counter-corruption platforms, and both leaders seek to enable their nation to become a secure, economically viable state.

As a civil society organization dedicated to ending the nexus between corruption and conflict, especially in the natural resource sector, Global Witness has worked in Afghanistan since 2011, travelling regularly to the country to work with our local civil society partners, the Afghan government, and international donors to build momentum for governance reforms so that corruption ceases to be an existential threat to the Afghan state. As one of the leading counter corruption organizations operating in Afghanistan, Global Witness was honored in June of this year to be invited, along with Transparency International and Integrity Watch Afghanistan, to meet with President Ashraf Ghani to discuss the government reform agenda.

There have been some early counter-corruption victories. For example, President Ghani has set up a procurement board and personally reviews all contracts over one million dollars, claiming that millions of dollars have been saved, for instance, in fuel contracts for the Ministries of Defense and Interior. President Ghani, CEO Abdullah, and other senior members of the government have also now declared their financial assets, and the High Office of Oversight and Anti-Corruption (HOOAC) is reportedly in the process of further asset registration, as required by Afghan Law

and its commitments in the United Nations Convention Against Corruption (UNCAC).

Nevertheless, the view from the ground is that building a more transparent, accountable, and legitimate Afghan government that can ultimately fund and protect itself remains a formidable challenge. While the Afghan government has publicized important counter-corruption initiatives, there has been a lack of strategy and institutionalization of reforms. There are consistent reports that corruption increased in the aftermath of election turmoil in 2014 and continues to grow in response to political stagnation, rising insecurity, and economic decline.

Recent new scandals have hurt the perception of government commitment to a reform agenda. One of the most notable involves senior government officials working with the perpetrators of the 2010 Kabul Bank scandal for a highly profitable public-private partnership on land which should have already been confiscated and with money whose origins are unclear. Last month, the government announced a contract for a new township of nearly nine thousand homes across over thirty acres of land near Kabul with an initial investment of at least \$95 million. One of the leading investors, however, was Khalilullah Frozi, who was supposed to be serving a fifteen year prison sentence for his leading role as the Chief Executive of Kabul Bank, which collapsed in 2010 after revelations that nearly \$900 million had been embezzled from the bank by key elites in the Afghan government. At the very public ceremony to sign the contract, Frozi was flanked by President Ghani's legal advisor and the Special Representative of Afghanistan in Reform and Good Governance.

Meanwhile, the very public resignation by Drago Kos, the former leader of the Independent Joint Anti-Corruption Monitoring and Evaluation Committee (MEC), further hurt perceptions of the government's commitment to reform. Mr. Kos was quoted by the New York Times as saying "With the exception of some sporadic activities, in one year since the new president and the CEO took positions, I could not see any systematic action against endemic corruption in the country. All we've needed was some good political will and support, which never came and in such circumstances, I did not see the point to go on."

At the same time, corruption continues to be cited as a primary reason for growing insecurity there. Numerous reports by think tanks, UN agencies, human rights organizations, and the media have documented a litany of abuses by Afghan elites (and a significant number of internationals) during the fourteen years of American involvement: Afghan police chiefs with literally tons of heroin stored in their compounds, senior commanders involved in human rights abuses, private militias, smuggling, and massive levels of corruption which undermine the capacity and legitimacy of the state. Powerful strongmen and local warlords have a stake in maintaining a dysfunctional government unwilling or incapable of reining them in. Such leaders have rarely been removed, and even if they were, they tend to be "recycled" into new positions shortly after.

And yet, many of these warlords have been largely embraced as necessary evils, they have been considered the only ones capable of fighting the Taliban and holding their districts or the government together. They have been provided with training, weapons, airpower and logistical support, and political backing. Many Afghans naturally assumed that the American and other NATO governments also backed their misdeeds, and were driven into the arms of the insurgency, thereby helping re-empower the Taliban, who had initially been decimated and discredited by 2002.

Increasingly, academic studies bolster this picture. A 2014 Carnegie Endowment report highlighted the correlation between high levels of corruption and political instability, including everything from civil protests all the way to revolutions and civil wars. In May of this year, the Institute for Economics and Peace went one further in its monograph *Peace and Corruption*, which documented a "tipping point" in countries where small increases of corruption lead to a much higher likelihood of conflict.

The economic impact of corruption is also critical. Afghanistan's ability to get its fiscal house in order and prosecute corruption and economic crime will ultimately be a fundamental determinant to security and economic growth there. It is well documented that much economic activity takes place in the illegal sector, especially narcotics, but also in lucrative sectors like human smuggling, precious minerals trafficking, and consumer goods smuggling. This empowers corrupt politicians and other criminal actors and is an enabler for terrorist financing, but it also further widens the fiscal gap between the Afghan budget and revenues into the Afghan Treasury—a gap which US taxpayers are then called on to help fill. Corruption, especially in tax and customs departments, mean the Afghan government remains starved of crucial revenues that are desperately needed to fund its security and development, as well as to eventually wean itself off of foreign assistance. Grand corruption and the perceived immunity of public officials involved in that corruption

further alienates international donors, which could lead the United States to take on additional financial and even security burdens as other allies eventually pull back support.

All of this has challenged the American strategy that security could be achieved first, even at the cost of arming warlords, and that “soft issues” like human rights, transparency, accountability, governance, and justice reforms could be dealt with afterwards. On the contrary, the studies show that if improving governance and security do not go hand in hand, then long term peace and stability will be difficult, if not impossible, to achieve. This makes governance a security issue—not simply a concern for civil society, but a matter of core US self-interest.

2. WHAT CAN BE DONE TO ENSURE CRUCIAL REFORMS?

A cynical response to all of this could be that the place is just too corrupt to make anything happen and to give up trying. Instead, Global Witness believes that, while anti-corruption efforts there will require a generation, there are many short-term measures that can have a substantial impact on corruption and help to put Afghanistan on a more stable path, and the United States has a crucial leadership role to play in making this happen.

Effectively combatting corruption in Afghanistan unavoidably requires an increase in accountability and transparency. That is not an easy task, not least as it affects the interests of powerful elites and is unavoidably political. But there are measures which can reduce the political effort required, and make it easier to get results.

It is important to note that the primary actor in this effort has to be the Afghan government: in the end only they can put in place lasting reforms and create accountability in their own country. But the US has considerable influence which it can and should use, and many of the levers of this influence have not been fully employed in this particular fight. They range from deciding who to invite for training in the US or to meet a visiting American VIP, up to asset seizures and criminal proceedings against individuals with US citizenship or other links to America. These tools need to be used carefully and appropriately, and with a clear aim of affecting the incentives and interests of those involved in abuses, but they can have a very real impact.

There is some discussion about whether the US should increase conditionality around its support to the Afghan government to achieve these aims. Conditionality can be a blunt instrument, and the Afghan government has valid concerns about its effects on sovereignty. However, it is legitimate for the American government to expect its Afghan partners to live up to their commitments on governance issues. Even if conditionality is avoided, the US government can do much to build in incentives for progress into its support to the Afghan government.

We ask for additional support in the form of leadership, political engagement, and sometimes, additional funding from Congress in three key areas.

First, the government and its international partners can do more to ensure direct accountability where there are abuses. The Afghan government desperately needs a permanent, confirmed Attorney General to prosecute corruption, and to develop the capacity and teeth of enforcement and oversight bodies. A strong Monitoring and Evaluation Committee (MEC) can also help by providing investigations and oversight in the counter-corruption fight. Second, there are many opportunities to strengthen the legal framework to integrate transparency and accountability in a way which effectively raises the costs for abuses. That includes anti-corruption, transparency, fiscal and banking reforms—which will have the major added benefit of improving the environment for business and investment and spurring growth in the Afghan economy. Third, in accordance with its international commitments, Afghanistan should fully implement international standards—such as the Extractive Industry Transparency Initiative (EITI), Open Contracting Principles, and Open Government Partnership in order to improve transparency and accountability, and thus civil society and Parliamentary oversight.

Most importantly, countering corruption in Afghanistan is difficult without the appointment of a permanent Attorney General—the only person according to Afghan Law who can prosecute corruption. Afghanistan has gone far too long without leadership in this key position, with only an acting official in place—the same individual who has been in the position for many years under the Karzai government. Once an Attorney General is confirmed, they will need material support but more importantly political backing to carry out their role effectively.

Also, while the MEC has had a leadership changeover and has had to engage in some housecleaning, its “dual key” approach of combining an equal number of Afghan and international members to monitor corruption and reforms is a unique capability that is being copied in places like Ukraine. Three members of the MEC are

Afghans who have local knowledge of how corruption works there. The other three are international members who have a substantial background and outstanding reputations in anti-corruption efforts. All decisions by the group require at least four of six votes, so that both aspects of Afghan counter-corruption are represented. The result is over three hundred recommendations made by the MEC, with regular reports on implementation of those recommendations. They have also published well-respected, authoritative reports on the Kabul Bank scandal, civil service appointments, and corruption case tracking. The MEC is preparing to undertake an investigation into corruption in the Ministries of Defense and Interior, including assessing corruption in staff, salaries, ammunition, and food. In order to strengthen this body, the MEC requires continued political support from Congress and the State Department as it provides oversight of corruption that can rile members of corruption networks, as well as funding to continue their mission.

Law enforcement agencies charged with fighting corruption, such as the Major Crimes Task Force, as well as supervisors within Afghanistan's Central Bank, were decimated under the Karzai administration and will need to be rebuilt. A vetted judicial sector for trying corruption-related cases, similar to the system developed for narcotics cases, may also be required.

Again, financial and economic corruption is a special concern. Up through the Kabul Bank scandal, which broke in 2010, and through the publication of the 2012 Tokyo Mutual Accountability Framework (TMAF), there were robust efforts by a myriad of international actors to help build capacity, provide technical assistance, and funding, including from the International Monetary Fund and the US Treasury Department. Due to a perceived lack of political will by the Karzai administration for reforms as well as a deteriorating security situation, much of that assistance has since significantly decreased. Afghanistan cannot rebuild its financial and law enforcement institutions, meet its anti-money laundering (AML) and counter threat finance (CTF) commitments, or eventually develop a viable banking system without such support.

In order to bring this agenda back on track, we call for the commitments for reforms made in the wake of the Kabul Bank scandal and promised in the TMAF to be aggressively pursued. This includes the creation of a credible body that meets regularly, reports to the most senior levels of the Afghan government, and through which the international community can engage on these important reforms. In particular, the Afghan government has promised to develop an Economic Crimes Task Force which could fulfill this role. Concurrently, the Afghan government should develop a strategy to link its anti-corruption goals with the ways and means it has at its disposal. Such a strategy should identify shortfalls in capacity and funding as well as work with the international donors to develop solutions to meet shortfalls. Specific focus areas to get Afghanistan's fiscal house in order will include developing a strong bank regulatory and supervisory framework, resolution of Kabul Bank and its missing assets, asset recovery for other monies that has been spirited overseas, and oversight and assessment of other Afghan banks.

In addition to incentives such as increased funding and technical assistance, carefully considered and targeted incentives should be built into US support to encourage and assist the Afghan government to make difficult political reforms that will threaten the interests of entrenched, corrupt actors. Kingpin, transnational crime, and terrorist finance designations along with visa bans may also help marginalize particularly malign actors, as well as keep the proceeds of Afghan corruption out of the American banking system.

Second is a stronger effort to fill the gaps in the legal framework against corruption. Stronger rules on transparency and accountability do not eliminate the need for political will, but they can seriously increase the cost of abuses reduce the political capital needed to prevent them. President Ghani's establishment of a procurement board is a good start here, but more could be done. President Ghani's personal commitment to oversee major contracts is an important aspect of a counter-corruption fight. Given the role that government procurement plays in the Afghan economy, it is also a major economic issue. This procurement board, however, now needs to be institutionalized, and core principles incorporated into the Procurement Law and other legislation. Core transparency principles can help here. For example, contract publication should be made a condition for validity and implementation of contracts—an effective way to guarantee that abusive, secret contracts are no longer an issue even where corrupt officials might want to conceal them. Routine publication of the beneficial ownership information of contracting companies is more challenging but can uncover corrupt allocation of contracts, and data on contract performance makes it harder to conceal abuses.

Afghanistan could also do more to fully implement three key international transparency and accountability mechanisms: the Extractive Industry Transparency Ini-

tiative, the Open Contracting Principles, and the Open Government Partnership. The United States has committed itself to all three of these. While Afghanistan has made significant progress in the EITI recently, much work remains to be done for it to be validated as fully compliant by the December 2016 deadline, along with regular compliance requirements thereafter. International donors and civil society groups have pledged assistance to Afghanistan to help achieve these international standards, but Afghanistan will still need political support, technical assistance, and perhaps funding to reach key benchmarks.

Again, it is worth stressing the importance of these reforms not just to Afghanistan's security, but to the Afghan economy and its ability to move towards self-sufficiency. These reforms are not an obstacle to legitimate business, they are an essential enabler. It is hard for Afghan or American businesses, for instance, to risk investing capital in Afghanistan due not only to insecurity, but also because of a poor legislative and regulatory environment, an opaque procurement system, a lack of accountability in taxation and regulatory authorities, and, for American businesses, legitimate concerns about possible violation of the Foreign Corrupt Practice Act.

An excellent example of this is the role mining plays in Afghanistan. The US Geologic Survey proved that are substantial mineral deposits in Afghanistan, and mining should be a central driver of the Afghan economy and a major source of revenue for the Afghan budget. Instead it is a major source of conflict and corruption, and brings in little or nothing in taxes, on the contrary, the United Nations has noted that mining is the number two source of revenue for the Taliban, just behind the narcotics sector. And not only is the Taliban garnering revenues from mining, but so too are other illicit actors, including a variety of warlords and criminal networks. Fighting over key mining areas is a major source of insecurity. For instance, Global Witness has received numerous credible reports that the fight over lapis mines and key lines of communication for smuggling lapis lazuli in Badakhshan Province contributes to fighting between various warlords as well as moves by the Taliban to control districts there.

Nevertheless, despite two different mining laws passed by the Afghan Parliament and signed by President Karzai since 2004, Afghanistan's mining law still lacks basic investor protections against expropriation. It also lacks transparency and accountability mechanisms, as well as protections for local communities and cultural and archeological relics. Reputable mining firms will seek these kinds of laws and regulations before they can have confidence that they can invest millions of dollars in long term mining projects and reasonably expect return on their investment. Global Witness, pro bono work by international legal experts in natural resource law, and Afghan civil society organizations have worked to support the Afghan government by developing legal language for the most important reforms, but so far, those reforms have not been submitted to the Afghan Parliament for debate. Key reform benchmarks include requiring publication of project-level production and payment data of natural resource contracts, creation of a single, transparent account for all natural resource payments to ensure better tracking and accountability, and stronger rules for more transparent and fair bidding procedures on natural resource contracts. But putting these reforms in place has not been a priority for the US engagement with the Afghan government.

Make no mistake that there are no easy fixes to fighting the extreme predatory levels of corruption in Afghanistan. Case studies published by the World Bank in 2011 demonstrated that fighting grand corruption is usually a generational struggle. But these case studies also prove that corruption can indeed be battled. The groundwork for that reform in Afghanistan must be established now if corruption is going to ultimately be controlled so that security can be established and a sustainable economy developed, but to do so, anti-corruption will have to be prioritized alongside security and economic development, rather than treated as an afterthought. Strong, consistent leadership by the United States can help make that happen. Careful use of all the levers of US influence, legal reforms, and targeted funding, and capacity building can begin to turn the country around before it is too late.

The CHAIRMAN. I thank all three of you. We appreciate it. We are privileged to have the opportunity to have people like you before us. Again, we thank you for your time and preparation in being here.

Ambassador Cunningham, I think people would say you worked for one of the most difficult people ever when you were working with President Karzai. We ended up with the Ghani government,

which I think most people believe is a pretty good outcome for Afghanistan.

I know there are a number of things that he needs to put in place. I know he is a technocrat, probably not quite as much of a politician as Karzai was, but understands things about good governance and corruption and those kinds of issues.

But at the same time, it is going to be very difficult for him to be successful, is it not, unless there is a secure environment there? I mean, I think, at the end of the day, that is the number one thing that will inhibit his ability to be successful.

I would like you to speak to that, but also, are there additional diplomatic and/or other tools that you think we as a Nation in current times are not utilizing properly?

Ambassador CUNNINGHAM. Thank you for the question, Senator.

I think security really is at the base of everything that Afghans want to accomplish. The huge amount of uncertainty over the last couple years, generated by Karzai's refusal to sign the bilateral security agreement, which we negotiated, which I negotiated, the uncertainty around the political process, the uncertainty about what would happen with American troops and the American troop presence, given the President's announced deadline for withdrawal by the end of 2016, created a massive amount of uncertainty and loss of confidence in the Afghan system that they are only now beginning to recover from.

That is why I said in my statement, the President's decision to extend the troop presence through 2016 without a deadline is the first time in many years that there has been a degree of certainty that the United States will actually be present in a significant way militarily to continue to support the Afghan security forces. That is an incredibly important signal to Afghans and to the region that we need, diplomatically with our partners, to find a way to magnify and to leverage to affect strategic calculations among our adversaries, strategic calculations in the region about hedging activity and which way the future will go, and to give confidence to the Afghans and the security forces that they can succeed and that we and our partners will be there to help them in those times that they fall short.

So I think this is now a new opportunity for all of us to move forward and to try to counteract, I guess is the best word, the kind of report that you and your committee members were so concerned about hearing from the intelligence community the other day.

The CHAIRMAN. Mr. Jalali, I do not know what numbers are public and what numbers are not public, so, like Senator Kaine, I want to be very careful. But at a minimum, there is a massive turnover rate in the military. I do not even want to speak to what the official numbers are, but they were very large, at a minimum.

I know that you have discussed the need for us to be there under this same arrangement for 5 years. Is that correct, in your written testimony? I think all of us, whenever we go to Afghanistan, we are taken to where the Afghan military is being trained, and we are seeing the maneuvers they are going through. While we appreciate the fact that people in Afghanistan are good fighters, it is hard to detect a real commitment and professionalism in that regard.

I am just wondering if you could speak to the turnover rate and also the things we need to do over the next 5 years to ensure that Ghani is able to be successful and/or his successor.

Mr. JALALI. Thank you, Senator, for the question. There are a number of factors that affect this situation.

Five years is just an approximate number. What we are talking about in 5 years is also getting a cue from the recent NATO discussions and NATO meetings that would reveal that need to, like to, continue the level of support that will keep about 12,000 troops in Afghanistan for the next 5 years, which I think probably will be discussed during the NATO summit in Warsaw in July.

But what I am talking about for 5 years is because I see the gaps in the capabilities of Afghan National Security Forces. They fight well, but because of the lack of capabilities, they are unable to have the kind of agility that they need in order to respond to the insurgent attacks everywhere.

Now in order to cover the very difficult areas in the country, most of the Afghan National Security Forces are based on fixed bases. Then the Taliban have the ability to choose the time and space to concentrate against fixed targets and Afghan National Security Forces.

The low ratio of force to space can be compensated by technological force multipliers. That is the Air Force. That is mobility. That is firepower and also logistics. Therefore, it will take a long time for Afghan National Air Force to develop and also the logistics system, the intelligence, and the special forces operation.

Until that happens, Afghanistan will be handicapped by being kind of mostly a static force and not have the agility to respond quickly to the Taliban.

In Kunduz and Helmand, it was the airstrikes by the United States Air Force that helped Afghan Government forces deny Taliban getting control of logistics or to expel the Taliban from Kunduz.

The CHAIRMAN. I know my time is up, and I obviously want to be courteous to the other members.

Culturally, what is happening within the Afghan military where we have such a high percentage of people who leave each year, that then cause us—again to keep the numbers that we have in mind, we have a massive amount of training that we have each year. Therefore, you lack the experience on the ground that otherwise would be the case.

Mr. JALALI. That is a problem, Senator.

Nobody knows the actual numbers of Afghan National Security Forces. On paper, we have 195,000 army and 157,000 police. However, according to the information I have, I got from Afghan and also international sources in November, about 90 percent of the forces are not on duty.

The CHAIRMAN. Ninety percent of the forces.

Mr. JALALI. Ninety percent, 90 percent are present, between 90 and 91 percent, which means in November, the number of the Afghan army was about 75,000. So it was 25,000 less than the authorized level.

On the other hand, some of the troops are deployed in difficult topographical areas. They are there and they cannot be moved easily to concentrate troops against the concentration of Taliban.

So then, many of the troops are exhausted, and they have little time to go on leave. Plus when they go on leave, their families are threatened by Taliban not to go back.

So the attrition rate is about 5,000 a month. But at the same time, the number of volunteers who come far exceeds the number of people who leave the army. So there is no fact of volunteers. However, the technicalities make it difficult to have the full level of forces at the same time.

The CHAIRMAN. Thank you.

Dr. Vittori, I know others will ask you questions, I am sure, about corruption. We know that is a massive issue in the country. And, obviously, it cannot go forward productively without dealing with that. Thank you for being here.

Senator Cardin?

Senator CARDIN. That is what I am going to ask about. Thank you.

First of all, all three of you, thank you very much. I agree with the chairman. I found your written testimony and your presentations here to be very, very helpful for us to truly understand the challenges that we have in Afghanistan.

So I think today's hearing has been very helpful, both panels.

I want to try to drill down for all three as to what the United States can do in its policy in order to try to advance the issues that you raised in your individual presentations.

Dr. Vittori, I tell you, I found your statement to be extremely helpful in a roadmap to what Afghanistan needs to do to fight corruption. You were pretty specific as to ways that we could advance that through the tools we have available in our toolkit.

Could you give me perhaps your first, your second, or third priorities as to where you would like to see the United States concentrate for change in Afghanistan to fight corruption?

Dr. VITTORI. Thank you, Senator. I appreciate that.

As we put it in our written testimony for Global Witness, our first immediate priority is that there really needs to be an Attorney General appointed, a permanent Attorney General. The current acting Attorney General has been there for—

Senator CARDIN. That is your top priority?

Dr. VITTORI. For the extremely short term, which actually President Ghani I believe has promised in the senior officials meeting to have that by the end of this month.

We have an acting Attorney General right now who has been there since the Karzai administration, and the Attorney General is the only government official, ultimately, who can prosecute corruption. We would obviously strongly urge that this be a very high-quality individual with a very strong mandate to go after corruption, after the difficulties of the previous administration.

But overall, we would say in the long term that, whereas the United States seems to have primarily prioritized security, hoping that they could catch up on governance later, what we find in everything from think tank studies to academic studies to experience

on the ground is that governance and security have to be operated concurrently and have to be prioritized concurrently.

I think the questioning from the previous panel demonstrated that when you look at issues like Kunduz with the practice, for example, of arming warlords for the last decade or so there. Think tanks have noted that these warlords, in particular, created a lot of grievances with the population due to human rights issues. In the end, frankly, when you are arming warlords and other illicit actors that are not strongly within the command and control of the government, they are acting out for themselves. They act on behalf of themselves.

If they need to switch sides, retreat or whatever because it is best for them, regardless of whether it is best for the good of the nation, they will do so. We saw that with two key warlords, in particular, according to the New York Times and other reports in Kunduz itself, and we have seen it in other locations.

We also see it in issues with the Afghan National Security Forces themselves and the police. If the police are considered highly predatory in a particular location, if their level of unofficial actual taxation, extortion, is higher than, for example, the Taliban, there are cases where it could actually make rational sense for individuals to go to the side of the Taliban. The grievances that come with that as well can push people to the side of the Taliban.

Take, for example, corruption in land. This is one of the major reasons that has been assessed for local violence in areas, but also when people lose their land, when there is no grievance resolution mechanisms that can be used legally, people will naturally go to the other side, if that is a side that promises to help them get their land back, settle their grievances, perhaps provide a cleaner level of grievance resolution, provide a better level of judicial services.

So you cannot get ahead in a security environment if the corruption environment is undermining every set of security gains you make.

Senator CARDIN. I think that is very helpful. I agree with your statement, and I think you do give us a roadmap for how we need to try to develop the U.S. role in Afghanistan in fighting corruption, because it is very much related to security of the country, the economic future of the country, and everything else.

Ambassador Cunningham, In your statement you put your finger on the principal challenge with Pakistan as it relates to Afghanistan. I am quoting from your testimony, "The test will be whether Pakistan takes concrete actions not only to support reconciliation, but to reduce the ability of the Taliban and the Haqqani network to plan and launch operations from Pakistan, which greatly diminishes the prospects for real negotiations."

To understate it, we have a complicated relationship with Pakistan. What can the United States do in its bilateral with Pakistan to further the prospects for reconciliation and peace in Afghanistan?

Ambassador CUNNINGHAM. Well, Senator, congratulations for putting your finger on exactly the most vexing question that immediately comes to the fore when you are talking about how to bring an end to the conflict. Now that I am out of government, this is

something I want to use my current position with Atlantic Council to see if we can develop some fresh thinking about.

As somebody who sat in Kabul for 3.5 years, knowing that every day that I was there, somebody from Pakistan was trying to kill the people that I was responsible for, I have a certain strong feeling about that dynamic.

I think the levers that we have tried to use, leverage, and incentives that we have tried to use, as Ambassador Olson said in his remarks, I think there has been a conceptual shift among Pakistan's leaders. There certainly has been a shift in the rhetoric over the last couple years. The statements made in Islamabad at the Heart of Asia meeting do open up some new perspectives, perhaps.

The challenge is to find a way to change the strategic calculations of not just the Taliban and the Haqqanis themselves, to get them pushed toward negotiation—at least the Taliban; many people think the Haqqanis are not reconcilable—but how to end what you might politely call hedging behavior on the part of Pakistan.

In their defense, they have suffered a lot in their own fight against terrorism. They do not have very much confidence in developments in Afghanistan, as I understand it. They too have long had questions about what the United States would ultimately do in Afghanistan.

We need to resolve those issues in our own interests, in our own interests in dealing with the threat of terrorism from that part of the world, and then use the clarity about our intent and purpose, and that of our partners, to affect calculations that up to now have prevented the opening of the doors that need to be open to have a real discussion about what the future of that region looks like and a future that benefits Pakistan as well as Afghanistan.

Senator CARDIN. Well, I look forward to your active engagement as a private citizen on this issue, because we need to figure this out. I mean, it is so challenging. Some of our private discussions are so much different than the public discussions. The reality is, unless we have a constructive role by Pakistan here, it is going to be very difficult to see the reconciliation move forward. So I appreciate your comments on that.

Mr. Jalali, I also appreciate you being here. I am just going to acknowledge that your statement that the key factor in improving prospects for sustained political economic and security cooperation with the National Unity Government is to implement the promised structural electoral and functional reforms with the Afghan state. I think that is absolutely essential. It deals also with Dr. Vittori's comments and Ambassador Cunningham's.

It really is a question of whether we can put confidence in the reforms in Afghanistan that can really bring in all sectors of Afghanistan for security and economic prosperity.

So I thank all three of you again for your testimony. I can assure you it has had an impact on our committee.

The CHAIRMAN. Thank you.

Senator KAINE?

Senator KAINE. Thank you, Mr. Chairman.

And thank you to the witnesses. I have a lot of questions, but am just going to ask one that intrigues me. "The Administration's Strategy in Afghanistan" is the title. One key element of the ad-

ministration strategy was successful elections at the end of the Karzai tenure year. There were efforts to destabilize those elections that were generally unsuccessful, so that was a positive.

But then the election led to a result that was a potential disaster, a stalemate. The U.S. played an important role. The administration played an important role in helping to broker the formation of the partnership between President Ghani and CEO Abdullah. The title chosen was the National Unity Government, which sets a pretty high standard.

It seems to me that virtually all of the issues we are talking about today, whether the security issues, or whether anticorruption activity, or whether the right relationship vis-a-vis Pakistan, all of these depend upon the National Unity Government being a national unity government.

So I would just like each of you to offer, from your own perspectives, a year plus into this, how cohesive and professional is the working relationship between Ghani and Abdullah, and their constituents? If you want to share positives and negatives, or positives and work that remains to be done, I am really interested in that dynamic a year-plus in.

Mr. JALALI. Thank you, Senator. This is a very important question, which is being discussed daily in Afghanistan, too.

Unfortunately, the campaign for the presidential elections turned into a kind of campaign that was not aimed at making a difference, but it was aimed at winning the election. This way the two camps brought together—

Senator KAINE. We do not know anything about that kind of election.

The CHAIRMAN. I was going to say, they learned well. [Laughter.]

Mr. JALALI.—an odd assortment of different groups with different agendas, different interests, different visions. When the two camps actually finally agreed to form this National Unity Government, then that problem was there.

Now the two major challenges that faced this government from day one were how to maintain unity, keep everybody happy, but at the same time be effective in governance. I think the government failed to have that balance.

Many supporters of the two leaders have their own interests. This actually reflects appointments of people who are considered the allies of different elements of these groups. That actually undermines the professionalism of the armed forces, and also it stalls the appointment of people to keep positions.

I think on the previous panel it was said that the Minister of Petroleum and Mining said they cannot fill 290 positions there. It does not mean that there are not qualified people, because the two leaders should agree—not only the two leaders, but also their allies—should agree on these positions. That makes this government unfunctional in many areas.

Second, the government with the two leaders, Dr. Abdullah and Dr. Ghani, both are my good friends, they have good relations with each other but they have to listen to their other allies. Therefore, they share the authority to appoint people. This makes appointments very, very slow.

On the other hand, this also brings another problem. The problem is, instead of working through institutions, empowering institutions, individuals are becoming empowered. That undermines the effectiveness of the government.

So, therefore, I think the real solution is what is in the deal. It says at the end of the 2 years a new agenda should be called in order to legalize the system, in order to end this duumvirate in the government. If Dr. Abdullah is there with a review of the constitution, and it becomes a Prime Minister, then he will be Prime Minister. Then he will work for the President. Now, President and CEO, who is appointed by the decree of the President, he has the same power, equal power, authority.

The third, while the President has constitutional legitimacy, it has its power and authority from the Constitution. Dr. Abdullah gets it from the decree of the President. However, he does not have that power constitutionally. Therefore, he plays his political card. Therefore, we see an opposition within the government.

Senator KAINE. Mr. Cunningham, you are such an important part of a really successful negotiation. I think it was a huge coup with your role, Secretary Kerry's role, and others, in trying to promote the formation of the unity government to get over the electoral impasse.

Your sense of it a year in I am quite interested in.

And, Mr. Jalali, thank you for your thoughts. I really appreciate that.

Ambassador CUNNINGHAM. I will have to decide in due course whether this is something I want to be remembered for or not.

Let me say, by way of context, first, nobody ever thought this was going to be easy. It was very clear from the beginning this was a difficult enterprise.

Both Dr. Ghani and Dr. Abdullah, each of them genuinely believe that he won the election. So did their followers.

So as we were even starting to begin the discussion, there was already a huge gap, each side feeling that it had won the election; therefore, why was it being asked to enter into a discussion with the other side about what the government would be like? This was also in the context of lack of clarity by what the outcome of the elections would eventually prove to be.

So it was a very fraught political exercise, and anybody who has been involved in politics, if you just put yourself in their place for one second, you realize how difficult this was. Even countries that have experience in creating coalition arrangements in governing find it difficult to come to agreement and to then implement a government. There is no experience in doing this in Afghanistan at all.

So it is no surprise that they were struggling.

I agree with Mr. Jalali. The relationship between the two men is pretty good. They each understand what is at stake. To their credit, they both took an incredibly responsible and statesmanlike decision to put aside what their personal preference would be and to focus on the good of the country.

The problem is, keeping that focus is incredibly difficult, and it is much more difficult for the people around them as they go through the difficult dynamics of actually governing, making decisions, making appointments, and all the rest of it.

Everybody is disappointed that they have not made more progress, including both of them, I know from speaking to them. They remain committed to trying to make this work because they believe, as I did and as I still do, that there is no better alternative for Afghanistan than making this work, even if it is painfully difficult.

The alternatives to forming the National Unity Government or an alternative now to it in some form can never create the kind of unity, even if it is only formal unity, that the country requires.

Indeed, our discussion about the need for unity after the elections began more than a year before the elections actually took place, because Afghanistan's political classes, as I was, were concerned about the prospect of the elections leading to a breakup in the political fabric and eventually a breakup in the country.

So we talked. We began a discussion long before the elections about the need to not produce an outcome that would split the north and the south and Pashtuns and Tajiks and Shia and Sunnis.

Afghanistan has existed as a country for many centuries. Afghans have seen what happens when that cultural and political consensus spins apart, as it did during the civil war. They have looked into the abyss. That is the thing that gives me optimism that this will continue to work, because the alternatives are dangerous for them and ultimately dangerous for us.

Senator Kaine. Mr. Chair, I am over time, but can I ask Dr. Vittori to address it please?

The Chairman. Sure.

Senator Kaine. Thank you.

Dr. Vittori. Thank you, Senator.

As has already been mentioned, both candidates ran on a strong anticorruption platform. So, in theory, this should be a very, very transformative government, very broad-based. If they are both sincere about corruption, they should be able to transform the government significantly.

But governments are more than just two individuals. There are a number of individuals of varying quality beneath the executive office that have to be contended with and significant patronage networks that still remain within the government that have to be worked with, to be frank.

So while there is no poll data or other academic data, we do continue to hear concerns from the field that because of the pre-existing patronage networks that have made the government so difficult to work with, that now there could be two sets of parties to pay off instead of one, which would be an indicator why we do see the statistical analysis of corruption has grown and not shrunk between 2014 and 2015, according to the Asia Foundation survey.

It also speaks to the importance of institutionalizing reforms, putting in good legislative laws and so forth, which are necessary but not sufficient in the government, and professionalizing a civil service away from individuals and more to professionalized civil service organization to begin to break those patronage networks, to pull it from the individual and toward a professionalized government that can work for the good of the country versus the good of individual strongmen and other interests.

Thank you.

Senator Kaine. Thank you very much. You have answered from different directions, but there are some consistent themes among the three answers. I appreciate your testimony.

Thank you, Mr. Chair.

The Chairman. We are about at that time, but I just want to follow up a little bit on that. I know when we go into a culture, and we want to make things happen quickly, we obviously are dealing with a culture where they are at that moment. We hope to have things put in place over time that cause corruption and other kinds of things to dissipate and go away. But when we begin, we are dealing with a culture as it is.

I am just wondering if there are any lessons learned that you might be willing to share with us. When we enter a country like this on the front, do we sometimes send mixed signals relative to our actions in trying to generate immediate outcomes and our rhetoric as to what we want to see them do over time?

That is you, Doctor.

Dr. Vittori. If I may wear my professor hat in this case, one of the issues we will deal with when we go into countries, we never go into a country that is in a good situation. By definition, we do not go to places that are strong and stable, and so forth. If we are going in with the 82nd Airborne, we are going because the situation is already a problem.

That means that, unfortunately, corruption, statistically speaking, is probably already very high. The state has been fragile. And most likely, they have been through a number of cycles of warfare in these countries.

So unfortunately, there will be cases where you essentially have to rent your friends when you first go in to get access, because those are the individuals who can give you your airfields, your intelligence, and so forth. That involves suitcases of cash.

But if you are still going through 10 years, 15 years into a warfare where you are still handing out suitcases of cash to try to rent your friends, mission success is going to be extremely difficult to get to at that point.

I think the biggest lesson we are learning in all of these operations in any of the countries that we have dealt with, whether we are looking at Iraq, or whether we are looking at Afghanistan, is when we first go into the country everybody wonders what the new rules of the game are going to be. Everything is up in flux. Will the United States be putting in strong institutions? Will NATO be putting in strong institutions? Will there be prosecutions for previous war crimes? Will there be accountability put in? Transparency put in? What can individuals get away with? We saw that in Afghanistan as well.

It is one of those situations where an ounce of prevention is really worth a pound of cure. Dealing with those issues right away, establishing good governance along with security is much easier in the earlier stages when everybody is waiting to see what is going to happen. It's easier to weed it out early, rather than wait until the entrenched interests have gotten in there with their money and their militias and so forth.

Now you have a problem where weeding out corruption is probably generational at that point when you have gotten that far.

So I would say the lessons learned from Afghanistan we should be seeing applied to places like Ukraine. Where is that oversight and accountability? They have a tremendous corruption issue.

How do we deal with oil politics, pipeline politics, and the resource sorts of issues that can face Ukraine? How have we insulated the Ministry of Defense and Ministry of Interior there against corruption and ensuring, for example, that promotions are merit-based, ensuring that logistics networks are sound, that quartermaster general groups, and so forth, are not diverting assets that should be going to Ukrainian troops and instead be putting it, for example, on the black market or even being sold potentially to enemies? If that does occur—there is no information I know of that it occurs.

When we first go into locations, whether diplomatically or militarily, how do we start that process early on and shape the battle space, if you will, so that the rules of the game come out with a rule of law, governance, a solid military, and the democratic reforms that you would like.

Thank you.

The CHAIRMAN. Well, you gave the answer that I thought you would give.

When we go in, we go in to a crisis mode. We want things to happen quickly. I think, again, we establish on the front end that—and I understand this may be out of necessity—but we start building on the existing culture of corruption, especially when you are dealing with people like we had in leadership there up until recent times.

It just perpetuates that. It is almost I guess a joke. We hear the stories of our guys going in to meet with a former leader there about corruption, and then right behind him would be somebody coming in with suitcases, as you were talking about.

So I think it is real challenge for us.

On that note, moving back to the Ambassador, since you are on the private-sector side now and utilizing your experiences around the world to help look at things in a new way, just briefly, at 30,000 feet, do you have any advice for those of us who still are here on the inside as it relates to going into countries like Afghanistan, like Iraq, potentially portions of Syria, if you will? Any advice to us as we look at trying to reconfigure those, if you will, in our own image?

Ambassador CUNNINGHAM. First of all, let me say how much I appreciate your personal continued interest in this. And I know you have a lot of other business pending.

I think one of the lessons of Afghanistan—I was not directly involved in Iraq. I was indirectly involved, through my work at the United Nations. But I think one of the lessons in both places, actually, is that we tend to overestimate our reach and our capabilities.

It is exceedingly difficult to refashion or repair another culture, to repair a broken state, especially in a situation where you have imperfect knowledge of how it operates, how the culture operates. You have people cycling out after 1-year tours. I would just say it is difficult.

When I got to Afghanistan in the summer of 2011, it was at the peak of the military surge, which was actually already starting to turn around. I was instructed to complete the civilian surge, which we had not quite topped out at, which we never did, because as soon as I got there I realized that we needed to reverse course along with the military.

The CHAIRMAN. Just to refresh our memory, those time spans, the years were?

Ambassador CUNNINGHAM. I got there in the summer of 2011. When I got there, we Americans and our partners, out of the best of motives, were still trying to fix every broken window in the country. That impulse and the amount of money that was available, which people were trying to manage, and doing so in a very good faith, created a whole bunch of secondary and third level effects that I do not think we understood very well.

The CHAIRMAN. Damaging to their society.

Ambassador CUNNINGHAM. Damaging. It did a lot of good, do not get me wrong. I know none of the statistics and benefits that the other panelists cited would have happened without that effort.

But I guess I would say that one lesson learned is that we need to be—first of all, I hope that we are not going to be doing that sort of thing in the future.

But to the extent we are, I think we need to learn lessons a little about the limits of our capabilities to actually accomplish the very good things that we might want to accomplish under those kinds of circumstances.

We, certainly, need to do a good job of learning what worked and did not work in Afghanistan.

The CHAIRMAN. Listen, you all have been very, very helpful. We thank you for the service you have provided our Nation and the service you are providing now on the outside. Hopefully, you will be back up to help us again in the future.

If you would, we would like to leave the record open until the close of business Monday. And if questions come in, hopefully you will answer those fairly promptly.

The CHAIRMAN. With that, without further ado, unless you would like to close with any kind of comments, and I see no nods, the meeting is adjourned. Thank you so much.

[Whereupon, at 4:57 p.m., the hearing was adjourned.]

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

Responses to Additional Questions for the Record Submitted by Members of the Committee

RESPONSES TO QUESTIONS SUBMITTED BY SENATOR CARDIN TO LARRY SAMPLER

Question. There are consistent reports that Afghan commanders who have received U.S. support command forces that have engaged in serious human rights abuses, including torture, disappearances and extrajudicial executions. Our security assistance to Afghanistan is primarily administered by DOD, not the State Department as it is in other environments.

What is the timeline for moving the provision of security assistance under the auspices of the State Department?

Answer. Given the magnitude and the nature of security assistance required for further support to the Afghan National Defence and Security Forces (ANDSF), DoD's Afghan Security Forces Fund (ASFF) remains the most effective option to assist the ANDSF towards self-sufficiency. The ASFF program allows the United

States to provide extensive, robust, and diverse assistance to the ANDSF, including to the Afghan National Army and the Afghan National Police.

Absent a major change in the budget environment for State Department global foreign assistance, the Department will not be able to absorb such a large program without significant global tradeoffs. In 2015, Congress appropriated \$4.1 billion for ASFF alone. The global FMF budget is approximately \$6 billion annually. While future costs are expected to decline over time as the ANDSF achieves greater efficiencies and the Afghan government bears more of the financial burden, we expect the cost of the ANDSF will continue to exceed what the State Department's budget and oversight can absorb for years to come. We must carefully calibrate the transition from DoD to State to ensure force development efforts continue apace and that there is sufficient funding for all existing ANDSF requirements.

Question. Are you confident that Leahy Law vetting has been well administered in Afghanistan? Many concerns have been raised about the provision of security assistance to certain Afghan commanders like General Raziq in Kandahar.

Answer. The State Department takes great care to address Gross Violations of Human Rights in accordance with Leahy Law for all State Department-funded security assistance in Afghanistan, and we actively coordinate with DoD on assistance primarily administered by the Defense Department. In determining eligibility for this security assistance, the State Department uses the International Vetting and Security Tracking (INVEST) application as the official system for conducting Leahy Law vetting. This internal database catalogues derogatory information, including human-rights related and other adverse reporting, and embassies upload specific information for further review as the vetting process continues. The program works. As a result of Leahy vetting, certain Afghan units and individuals have been denied U.S. assistance due to credible information of gross violations of human rights.

U.S. security assistance to Afghanistan is primarily administered by DoD, not the State Department as it is in more traditional settings. Leahy Law vetting procedures are applied to DoD assistance in accordance with DoD funding legislation. State and DoD work together to proactively evaluate alleged gross violations of human rights (GVHR), withhold assistance where appropriate, and encourage Afghan government officials at all levels to hold perpetrators of GVHR accountable for their actions. We take all allegations of GVHR seriously and continue to press the Afghan government—including the Afghan National Defense and Security Forces—to improve its human rights record.

State and DoD actions to encourage improved human rights practices led to the completion of two separate military prosecutions and convictions of GVHR violators during the past year. In one instance, members of a small unit in Afghanistan committed three extrajudicial killings. Their Division HQ immediately initiated an investigation, and after a credible trial, the perpetrators were punished. In accordance with Leahy Law, these accountability measures enabled us to resume assistance to the unit and strengthened our security partnership.

Question. The initial Pentagon investigation of the MSF Kunduz strike in October concluded that the strike on the hospital was not intentionally directed at the MSF facility: the intended target was supposedly a government building allegedly occupied by Taliban forces. But new allegations have been made that US Special Forces may have relied on intelligence from Afghan forces actually targeting the MSF hospital intentionally, or that they were manipulated by Afghan forces into attacking the hospital.

Do you view the matter as still open, whether the events occurred as the Pentagon investigation indicated or occurred in another different way?

Answer. We believe DoD conducted a thorough, comprehensive and impartial investigation of this tragic incident and was able to accurately determine the facts of what transpired. We have high confidence in the DoD investigative process and findings, and would refer you to DoD for further questions.

Question. What is the State Department's position: that the matter is settled, or that ongoing investigation is still looking at the latter version of events as a possible explanation of what happened?

Answer. We are confident that the U.S. military's investigation provided a full, informed, and objective account of this tragic incident. We consider the DoD investigation to be a factual and authoritative account of what occurred and consider this matter settled. We refer you to DoD for further questions.

Question. Afghanistan's long term development will be determined by good trade relations with its neighbors. The administration's New Silk Road initiative is meant to help cement these links by improving economic connectivity throughout South

and Central Asia. China's One Belt, One Road program which has pledged billions in infrastructure across the region potentially supplanting or complementing U.S. efforts in this space.

How does the administration view One Belt, One Road, with respect to our Afghanistan policy?

Answer. We view China's involvement in Central Asia as potentially complementary to our Afghanistan policy and our New Silk Road initiative. In particular, we see an important role for China in supporting the transition in Afghanistan, and advancing economic integration into the broader region.

Question. What is the status and challenges we face with the U.S. led New Silk Road initiative?

The U.S.-led New Silk Road initiative is progressing well. Some recent accomplishments include: completion of the final power purchase agreements for all parties in the Central Asia South Asia (CASA-1000) electricity transmission project; Asian Development Bank commitments for funding of the Turkmenistan-Uzbekistan-Tajikistan-Afghanistan-Pakistan (TUTAP) power project; and forums that facilitate cross-border business ties in the region. A key challenge has been the relative lack of interaction and coordination among Central Asian countries and Afghanistan since the dissolution of the Soviet Union, which has made implementation of cross-border programs difficult. However, the countries in the region are beginning to take the initiative and address these regional issues themselves, thereby making the New Silk Road initiative more effective and sustainable over the long run.

Question. Maintaining oversight of our development programs and evaluating their impact has to be an integral part of any reconstruction strategy. Monitoring and evaluation is especially important in Afghanistan because USAID has spent more than \$17 billion since 2002 to improve Afghans' security and prosperity and to support U.S. national interests. That makes it all the more concerning when the USAID Inspector General reports that in Afghanistan out of 127 projects that we have awarded in the past year, only 1 had proper oversight. USAID has not provided technical offices with any guidance or procedures for how to conduct our new multi-tiered monitoring system.

◆ Given the revelations of the USAID IG report, how does the Administration plan on implementing the recommendations laid out in the report?

Answer. USAID welcomes the release of the Office of Inspector General (OIG) Report, "USAID Afghanistan Strategy for Monitoring and Evaluation Program throughout Afghanistan," as it offers an objective assessment of our monitoring procedures and proposes a number of constructive recommendations to improve USAID's performance monitoring and evaluation (M&E) processes across all technical sectors in Afghanistan. USAID requested that the Inspector General audit Afghanistan's multi-tiered monitoring (MTM) approach to help identify potential monitoring gaps as early as possible and make appropriate corrections. The audit is already helping to further refine the monitoring program for Afghanistan. USAID/Afghanistan has already closed three of the nine audit recommendations, and plans to close the remaining six recommendations by the end of calendar year 2016. The status of these audit recommendations is detailed in Tab 1.

We would like to clarify that during the audit period, OIG did not request to review all of USAID/Afghanistan's MTM plans, and instead conducted a spot check of six MTM plans. This spot check was not meant to be a comprehensive data collection across all 127 USAID/Afghanistan projects. Additionally, one project provided the OIG with documentation of how the MTM approach was being implemented at that time—using an Excel spreadsheet called the Monitoring Capture Tool. The Monitoring Capture Tool tracks all of the monitoring data received for a specific project and is used to assess the level and quality of monitoring being conducted. It is important to note that while other USAID/Afghanistan projects were also using this recommended tool at the time of the audit, only one was included in the spot check to the OIG as an example of how this tool could be used to collect and track monitoring data from the various tiers.

USAID is currently drafting a revised mission guidance, expected to be completed in February 2016, in which USAID will implement a comprehensive set of procedures to further standardize our monitoring approach and establish key trigger points for taking action based on the monitoring information we collect. Additionally, the Monitoring Capture Tool will be mandated for all projects.

Regarding our overall monitoring approach, USAID ensures that all projects receive proper monitoring and oversight, in compliance with the Agency's standard practices. For example, all projects are required to have an M&E plan, which identi-

ties indicators and milestones that the implementing partner is required to report on at specified time periods. USAID also has a Mission-wide Performance Management Plan for Afghanistan to track indicators and progress across the portfolio. Moreover, the Mission holds semi-annual portfolio reviews to assess progress across all sectors development objectives.

In addition to these standard practices, USAID/Afghanistan has been developing multi-tiered monitoring (MTM) plans for all projects. These MTM plans are tailored to each project, assist project managers in identifying how various sources of data will guide monitoring, and reinforce the practices we have employed for many years to ensure that we are achieving results. To date, 65% of our off-budget projects have a formal MTM plan, and by the end of the calendar year all will have formal plans.

Although there are inherent risks in doing business in a country like Afghanistan, USAID prioritizes the effective and accountable use of taxpayer dollars and does not assume that there is any level of acceptable fraud, waste, or abuse in our programs. This means that oversight must be a process of continual re-examination of ongoing efforts, and that there must be flexibility to adjust to new security and operational challenges as they arise. As USAID looks to 2016 and beyond, the Agency is committed to making every effort to safeguard taxpayer funds and effectively monitor projects to ensure that development progress in Afghanistan is maintained and made durable in order to secure our overall national security objectives.

Tab 1: Status of audit recommendations:

Recommendation 1. We recommend that USAID/Afghanistan implement written standards for what constitutes effective, sufficient oversight, including the amount of monitoring deemed necessary for an activity to continue, the relative contributions of the five tiers, and potential events that warrant a decision on the status of the activity.

Actions Taken/Planned: USAID/Afghanistan is drafting a new Performance Monitoring Mission Order that will provide guidelines to all Mission staff on the level of monitoring needed for effective monitoring. These guidelines will include written standards that provide a process by which to analyze monitoring efforts and implement monitoring plans to ensure monitoring efforts are being carried out. The Mission Order will also identify trigger points affecting project implementation that will warrant a decision to be made by Mission Leadership as to the status of the activity. The mission plans to implement this mission order in February 2016.

Target Closure Date: February 2016

Recommendation 2. We recommend that USAID/Afghanistan implement written procedures for having mission managers decide whether to continue an activity if standards are not met or if such future events occur.

Actions Taken/Planned: USAID/Afghanistan is drafting a new Performance Monitoring Mission Order that will identify trigger points affecting project implementation that will warrant a decision to be made by Mission Leadership as to the status of the activity.

Target Closure Date: February 2016

Recommendation 3. We recommend that USAID/Afghanistan prepare a written determination to add a module to capture and analyze monitoring data in Afghan Info, or establish a different system to store centralized monitoring data for analysis and set a deadline for making any design changes.

Actions Taken/Planned: USAID/Afghanistan is drafting a new Performance Monitoring Mission Order that includes a provision to mandate all program/activity managers utilize the Monitoring Capture Tool (MCT), which has data visualization capabilities, to document and track their monitoring efforts. The MCT will eventually become web-based as part of a monitoring system/portal to be designed under Task Order 4 of the Monitoring Support Project.

Target Closure Date: February 2016 for the Mission Order to be completed. Task Order 4 procurement is estimated to start the second quarter of FY 2016 and the Mission has set a target date of December 10, 2016 for final action

Recommendation 4. We recommend that USAID/Afghanistan implement procedures to periodically reconcile awards listed in Afghan Info with records held by the Office of Acquisition and Assistance (OAA), the Office of Program and Project Development (OPPD), and technical offices, including those based in Washington, D.C., and update Afghan Info as necessary.

Actions Taken/Planned: The Mission has created an Excel spreadsheet that serves as the master list for all awards implemented by USAID/Afghanistan. Staff members confer with all relevant offices in Kabul and Washington D.C. to update

the awards list on a weekly basis. The weekly awards list is distributed to staff in the Mission and USAID Headquarters. The updated awards list will be uploaded into Afghan Info on a regular basis.

[This recommendation has been closed.]

Recommendation 5. We recommend that USAID/Afghanistan adopt a policy of reviewing Mission Order 203.02 or any subsequent order on monitoring at its quarterly monitoring review meetings to ensure all staff are aware of the requirement to promptly verify and approve reports submitted in Afghan Info.

Actions Taken/Planned: The Mission will distribute copies of the new Performance Monitoring Mission Order (currently being developed) to all program/activity managers at its next Quarterly Monitoring Review, and ensure a discussion on the Mission Order is included as one of the agenda topics. Furthermore, the Mission will re-institute the use of Afghan Info Quarterly Dashboards, which will track data submission and data review in the system. These dashboards, which will be created for each sector and show the status of data submission into Afghan Info, will be distributed to all technical office directors and Mission leadership.

Target Closure Date: The Mission set a target closure date for July 31, 2016 for final action.

Recommendation 6. We recommend that USAID/Afghanistan implement a strategy to analyze project performance information and make recommendations to Mission leaders in light of anticipated staffing reductions and travel restrictions.

Actions Taken/Planned: USAID/Afghanistan is drafting a new Performance Monitoring Mission Order that will identify “trigger points” affecting project implementation that will warrant a decision to be made by Mission Leadership as to the status of the activity. Please see Actions Taken/Planned under Recommendation 2 for more details.

Target Closure Date: February 2016

Recommendation 7. We recommend that USAID/Afghanistan develop procedures to verify annual monitoring plans required under Mission Order 203.02 or any subsequent order on monitoring are prepared and used to structure activities of its third-party monitors.

Actions Taken/Planned: USAID/Afghanistan is drafting a new Performance Monitoring Mission Order that mandates the use of Monitoring Overview plans for each program/activity manager. The Monitoring Overview plan will be customized and tailored to the individual implementing mechanism, and allows program/activity managers to plan the use of third party monitors as part of a systematic monitoring plan. This new requirement replaces Mission Order 203.02 mandate to develop annual monitoring plans by technical office.

Target Closure Date: February 2016

Recommendation 8. We recommend that USAID/Afghanistan implement procedures to help ensure that all evaluations, assessment reports, and recommendations are recorded and tracked in Afghan Info

Actions Taken/Planned: USAID/Afghanistan utilizes an evaluation tracking tool to track all evaluations and assessments broken out by fiscal year. The evaluation tracking tool includes data fields that document and track how each evaluation and assessment report was utilized by the technical office/Mission. The Afghan Info evaluation module does not allow for the level of detail currently available on the evaluation tracking tool. Therefore, the Mission will continue to use the evaluation tracking tool in lieu of Afghan Info to record and track evaluations, assessment reports, and recommendations.

[This recommendation has been closed.]

Recommendation 9. We recommend that USAID/Afghanistan implement procedures to follow up on the status of open evaluation recommendations periodically.

Actions Taken/Planned: Mission Order 203.03 Evaluation, effective August 15, 2015 details how the Mission will respond to and share evaluation findings. The Mission will create written action plans for addressing evaluation findings, conclusions, and recommendations and status updates on these action plans will be discussed during regular portfolio reviews.

[This recommendation has been closed.]

Question 2. Throughout the past 13 years, high levels of corruption and bad governance have seriously thwarted our efforts to stabilize Afghanistan. Despite President Ghani coming to power last year on a pledge to clean up corruption, progress

has been halting. In the last couple of weeks we have seen several senior level officials in Afghanistan's Independent Joint Anti-Corruption Monitoring and Evaluation Committee resign.

- ◆ a) What is our assessment of the effectiveness of the MEC? What level of confidence does the Administration have in the ability of the MEC to bring meaningful change in Afghanistan?
- ◆ b) Can you describe any successful U.S. programmatic initiatives that have helped to stem corruption in Afghanistan?

Answer. a) USAID is committed to fighting corruption in Afghanistan by partnering with the Afghan government and civil society to foster fair, efficient, and transparent governance. As a part of this effort, USAID is working with other donors to strengthen institutional capacity of Afghanistan's Independent Joint Anti-Corruption Monitoring and Evaluation Committee (MEC) to conduct Vulnerability to Corruption Assessments (VCAs) and produce recommendations to mitigate and/or eliminate identified vulnerabilities to corruption. The MEC has been an important partner to USAID's anti-corruption efforts, and continues to gain significance amongst Afghan government institutions. This year alone, the MEC received and reviewed more than 22 plans from 18 Ministries and 4 other Agencies to ensure the plans included anti-corruption measures. The donor community continually works with the Afghan Government, including the MEC, to identify and address potential concerns over corruption.

USAID, the UK's Department of International Development, and the Danish International Development Agency recently sent a letter to the MEC outlining specific areas of concern and recommendations for addressing these concerns as soon as possible. The concerns included the need for a coherent strategy to fight corruption and internal financial controls to ensure salaries and expenses are appropriate. These are issues that USAID, the donor community, and President Ghani take seriously as part of our mutual commitment to fight corruption.

In its response to the letter, MEC stated its agreement to the recommendations and committed to strengthening its anti-corruption efforts. The MEC has accepted the Danish Embassy's offer to support the strengthening of the Committee's three-year strategic plan. In addition, President Ghani has approved the two international committee members submitted by international donors. USAID and the donor community consider these actions to be positive steps on the MEC's commitment to fighting corruption. We will continue to work with the Afghan Government, including the MEC, to address issues of corruption in order to ensure domestic and international funds are spent appropriately.

Answer. b) Under the new Ghani administration, we have seen significant effort to reduce corruption. The Afghan government has recognized that its legitimacy and success depends in large part on its ability to tackle official corruption. Anti-corruption is a key part of the Government of National Unity's reform agenda, and President Ghani and CEO Abdullah have demonstrated that they understand the severity of the problem and the need to combat corruption at all levels. The United States has insisted that progress in countering corruption be part of the New Development Partnership incentive program with the Afghan government.

USAID support has had positive impacts in helping the Afghan Government address corruption. USAID, through its Afghanistan Trade and Revenue (ATAR) Project and in coordination with the World Bank (WB) has supported the implementation by the Afghan Customs Department of systems and procedures to increase transparency and reduce corruption. For example, the recently introduced e-payment system expedites the release of goods at the border, reduces the need for traders to carry cash, and eliminates many face-to-face transactions that offer opportunities for graft. Using e-payment, traders can pay their customs fees at commercial banks throughout the country rather than at Da'Afghanistan Bank (DAB) offices within the customs houses.

After a successful roll-out at the Kabul Airport in May 2015, on December 3, the Afghanistan Customs Department and DAB, with USAID support, expanded the customs e-payment system to Balkh Province. The system will eventually be extended throughout the country. Its expansion to eight border posts is a New Development Partnership result targeted for no later than December 2018.

With USAID support through the Assistance to Legislative Bodies in Afghanistan (ALBA) program, the Parliamentary Anti-Corruption Caucus (PACC), created, administered and received signed Anti-Corruption Pledges from the following government officials:

- ◆ presidential candidates (during the election), including President Ashraf Ghani,
- ◆ nominated ministers of the National Unity Government (24 out of 25 presiding ministers),

- ◆ nominated members of the Supreme Court High Council,
- ◆ nominated members of the Independent Commission for Oversight of the Implementation of the Constitution, and
- ◆ the Governor of the Afghanistan Central Bank.

PACC representatives regularly participate in the weekly National Procurement Committee meetings, which are chaired by President Ghani. The PACC has established anti-corruption committees within several Provincial Councils to oversee the operations of provincial line ministries.

The PACC conducts several activities which aim to prevent and reduce corruption within Afghanistan:

- ◆ follows up with those officials who have signed the Anti-Corruption Pledge; this communication helps reduce and prevent corruption in related institutions;
- ◆ members speak out against corruption within National Assembly plenaries; and
- ◆ members oversee the performance of government entities in order to prevent corruption.

The PACC is currently working on furthering implementation of the Access to Information Law. The PACC is also currently discussing The Whistleblowers Protection Law in order to submit it to Parliament as a Members bill.

- ◆ USAID provided input on the initial drafts of line ministries' anti-corruption plans submitted to the Ministry of Finance (MoF) charged with reviewing and coordinating the development of anti-corruption strategies among the five revenue-generating ministries: MoF, Commerce, Telecommunications, Transportation, and Mines and Energy. The plans are expected to be presented to the Cabinet of Ministers for approval by the end of January, after which the Cabinet of Ministers will use to monitor their implementation every quarter.
- ◆ Additionally, USAID is in a procurement stage of a five-year (Afghanistan's Measure for Accountability and Transparency—AMANAT) anti-corruption activity to improve the performance, legitimacy, and capacity of the Government of the Islamic Republic of Afghanistan (GIROA) to identify vulnerabilities to corruption and to design and implement measures to correct such vulnerabilities and improve service delivery.
- ◆ USAID, in collaboration with the Afghan Government, included anti-corruption benchmarks as an incentivized result in the New Development Partnership: for example one benchmark required achieving 80% compliance on asset declarations for Afghan Government officials. The Afghan Government has achieved this benchmark and the associated funding was released.

RESPONSE TO QUESTION SUBMITTED BY
SENATOR SHAHEEN TO AMBASSADOR OLSON

Question. Mr. Olson, the National Defense Authorization Act for Fiscal Year 2016 imposed new statutory requirements regarding applications to the Special Immigrant Visa program for Afghans. Given that the intended purpose of the NDAA language was to increase the availability of Afghan SIV's to those who served alongside Americans, how does the State Department intend to interpret the new requirement as it pertains to "submitting a petition," as stated in Sec. 1216 (a)(1) of the FY 2016 NDAA, as well as the application of the above requirement relative to the effective date of September 30, 2015?

Answer. The FY 2016 National Defense Authorization Act (NDAA) increased the minimum length of service required for Afghans applying for the Special Immigrant Visa (SIV) program authorized under section 602(b) of the Afghan Allies Protection Act of 2009, as amended, from one year between October 7, 2001, and September 30, 2015, to two years between October 7, 2001, and December 31, 2016, for applicants who submit petitions after September 30, 2015. The Department, in consultation with the Department of Homeland Security (DHS), U.S. Citizenship and Immigration Services (USCIS), has determined that the term "petition" as used in the FY 2016 NDAA refers specifically to the form I-360 petition. All applications for Chief of Mission (COM) approval, as well as appeals of COM denials and revocations, that are reviewed after the FY 2016 NDAA was enacted on November 25, 2015, must include evidence that the applicant has two years of service as these applicants will submit form I-360 petitions to USCIS after September 30, 2015.

USCIS advised the Department that it approved, prior to enactment of the FY 2016 NDAA, approximately 200–300 I-360 petitions that it received after September 30, 2015, on the basis of one year of qualifying employment, and that USCIS

considers these petitions to be valid because they met the requirements in effect at the time they were approved. Thus, in order to be eligible to receive an SIV, beneficiaries of petitions filed after September 30, 2015, and approved before November 25, 2015, must demonstrate during their immigrant visa interviews a minimum of two years of service. Principal applicants whose I-360 petitions were adjudicated by USCIS during this period who cannot demonstrate a minimum of two years of qualifying employment at their visa interviews will be refused under section 221(g) of the Immigration and Nationality Act and will be given a year to provide evidence of two years of service.

Afghanistan and U.S. Security

A PAPER PREPARED BY THE ATLANTIC COUNCIL AND SUBMITTED FOR
THE RECORD BY HON. JAMES B. CUNNINGHAM¹



Afghanistan and US Security

OCTOBER 2015

America's engagement in Afghanistan is rapidly coming to a truly historic fork in the road, as is Afghanistan itself. It usually requires hindsight to identify historical turning points; it is an uncommon thing in international affairs to be able to know ahead of time that history is in the making, and that an inflection point looms. Decisions made in Kabul and Washington over the next few months and years will determine the future of Afghanistan, and will impact stability in a strategic and dangerous region of the world. This has important implications for the United States and its partners. There are choices to be made that will lead to one course or another. The right choices will protect the investment and sacrifice of both countries and international partners at a time when prospects for success are real, if challenged, and when Afghanistan's government is committed to change. Over time, the United States has the opportunity to achieve a foreign policy success story in a part of the world where it is sorely needed.

Down one road, there is the prospect for continued success in the strategy that the two countries and their unprecedentedly vast network of international partners are pursuing. There can be continued development and enhanced stability, as well as partnership in containing and defeating the virulent extremism that festers in the region and threatens the United States and much of the world. There can finally be peace for the Afghan people. Down that road lies the possibility of an Afghanistan that becomes an element for stability in both its own region and the Islamic world.

Down the other road is an Afghanistan in the process of failing, and the virtual certainty of the dissolution of that which we in the United States, our international partners, and the Afghans have achieved together at great cost and effort. Such an Afghanistan becomes a dangerous threat to the stability of its region and to security, including American security.

Both the Bush and Obama administrations, together with NATO and coalition partners, have consistently

The Afghanistan Rising Initiative seeks to solidify international support for Afghanistan as the new government takes steps necessary to meet the country's security, development, and economic challenges. It will convene thought leaders and policy-makers from all over the world to help clarify issues and policy options, to generate public and political support for continued investment, and to sustain and accelerate the momentum required to generate impactful change in the country. This initiative is supported by Ambassador Zalmay Khalilzad and led by Ambassador James B. Cunningham, former Ambassador to Afghanistan, Senior Fellow and Khalilzad Chair, South Asia Center.

affirmed that Afghanistan's security and stability are directly linked with international security. The reason the United States went to Afghanistan in the first place was to defend the nation and to ensure that Afghanistan is never again a refuge from which terrorists attack the United States. That is the standard to which we should hold as we look to Afghanistan's future stability.

US INTERESTS AND THE THREAT

Fourteen years after the September 11, 2001 attacks that took the United States to Afghanistan in the first place, it is entirely correct to ask if Afghanistan still matters. And does it matter enough to justify continued personal sacrifice and financial, political, military, and intelligence investment? We firmly believe that it does. The United States' continued engagement with Afghanistan, along with a sustained counterterrorism partnership with intelligence and military cooperation, protects the United States from the evolving terrorist threat in the region. That engagement must be seen as part of a long-term, multilateral, and multifaceted strategy and effort to deal with the threat to our way of life and our people from violent extremism and the terror it spawns. Across the Bush and Obama

¹ Ambassador Cunningham was the principal author of this paper.

ENDORSEMENTS

It is the core purpose of the Atlantic Council to foster bipartisan support for policies that promote the security of the United States and the transatlantic community. We, the undersigned, have either served in Afghanistan, been involved in the formation of US policy in government, or otherwise devoted considerable time to Afghan affairs. We have come together to register a broad, bipartisan consensus in support of certain principles that we believe should guide policy formation and decision-making on Afghanistan during the remainder of the Obama administration and the first year of a new administration, of whichever party. It is critical that the current administration prepare the path for the next. A new president will come into office facing a wave of instability in the Islamic world and the threat from violent extremism, which stretches from Asia through the Middle East to Africa. This will continue to pose a considerable challenge and danger to American interests abroad, and to the homeland. We support the continued US engagement required to protect American interests and increase the possibilities for Afghan success.

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Ranking Member Senate Armed Services Committee

* The Hon. James B. Cunningham served as principal author of this publication.

administrations, the strategic goal in Afghanistan has been consistent: to disrupt, dismantle, and defeat al-Qaeda in Pakistan and Afghanistan, and to prevent those who would attack the United States from once again using Afghanistan as a safe haven for doing so. This requires an Afghanistan that contributes to security and stability for itself and the region, and one that opposes and confronts Taliban terrorism while remaining determined to cooperate in disrupting and degrading the threat. Now the threat from al-Qaeda and its affiliates in Afghanistan and Pakistan has morphed into a threat from a network of terror groups in the region and beyond, and which today resides in a band of crisis from Asia to North Africa. The problem we as Americans face is not just defeating al-Qaeda or Daesh; it is more fundamental. We in the United States are challenged to defend ourselves and our partners, while helping to develop and implement a long-term strategy for draining the life from the extreme violent ideology and the distorted Islamist fundamentalism that animate al-Qaeda, Daesh, and others in this network. The threat is long term and generational, and the response must be as well. This is a fight which we cannot afford to lose, and which requires a multilateral effort in which the Islamic world must have a lead role. Afghanistan's near and far neighbors (including China, Russia, Iran, Saudi Arabia, India, and Pakistan) should be important players as well.

Despite all the challenges in that arc of crisis, we in the United States and our international partners have a strategy in Afghanistan that is working, albeit with difficulty. Very importantly, the United States also has an Islamic partner that understands the threat and the need to take action against it. President Mohammad Ashraf Ghani made an important observation during his March, 2015 visit to Washington, when he described a "new ecology of terrorism" threatening the state system of South and West Asia, China, and Central Asia. He pointed to the responsibility of the Islamic world to rise to the challenge of this phenomenon. In Afghanistan, there exists the possibility to anchor the broader effort to counter extremism in a dangerous region, where it can be contained and ultimately defeated, and with an Islamic partner in the lead. We urge that Pakistan also become such a partner.

That is why success in Afghanistan is so much in the United States' interest, and why failure will be so damaging. Americans have invested tremendously in trying to stabilize Afghanistan as a defense against international terror, and ultimately as a force for stability in a troubled, violent region. Should it come to that, Afghanistan's failure will be seen as the United States' failure, by friends and enemies alike—most particularly, by an extremist ideology that must be smothered, not invigorated.

WHAT WILL IT TAKE?

It is not our purpose here to present a detailed list of recommendations, but rather to identify a bipartisan framework that will maximize the prospects for protecting American interests. In concert with its Afghan and international partners, whose role must not be underestimated, the United States has accomplished, in whole or in part, much of what it sought to achieve over the past several years.

WE IN THE UNITED STATES ARE CHALLENGED TO DEFEND OURSELVES AND OUR PARTNERS, WHILE HELPING TO DEVELOP AND IMPLEMENT A LONG TERM STRATEGY FOR DRAINING THE LIFE FROM THE EXTREME VIOLENT IDEOLOGY AND THE DISTORTED ISLAMIST FUNDAMENTALISM THAT ANIMATE AL-QAEDA, DAESH, AND OTHERS IN THIS NETWORK.

Despite the conflict, Afghanistan's metrics in almost every area of development have moved in the right direction, by leaps and bounds in some cases. Indeed, a 2013 RAND Corporation study,¹ which should have received more attention, examined the pace of recovery from conflict in twenty countries, and found that Afghanistan had one of the highest rates of improvement from 2002 to 2012. The RAND study also concluded that the main criterion

1 RAND Corporation, *Overcoming Obstacles to Peace: Local Factors in Nation-Building*, (Santa Monica: RAND Corporation, 2013). http://www.rand.org/content/dam/rand/pubs/research_reports/RR100/RR167/RAND_RR167.pdf.

for success is the end of conflict, and that the role of a country's neighbors in reaching and preserving peace is critical. To promote stability, the United States and its partners have put in place processes to provide continued development assistance at very significant levels. This will enable the preservation of the strides made in advancing the status of women, in educating Afghanistan's youth, in expanding public health and longevity, in promoting a free press, and in many other areas.

Afghanistan has navigated trying security and political transitions. The United States and Afghanistan reached agreement on a long-term Strategic Partnership Agreement and a Bilateral Security Agreement, which provide for security cooperation, with the flexibility to accommodate a variety of security-assistance and counterterrorism postures. Afghanistan's security forces assumed full responsibility for security throughout the country, and have fought with determination to fulfill that responsibility. Afghanistan conducted two rounds of presidential elections, in which millions of Afghan men and women voted at personal physical risk. Although the elections were marred by fraud and contention, it is undoubtedly the case that millions of valid votes were cast in a rather remarkable exercise of democratic spirit and commitment. Although the outcome was sharply disputed, Ashraf Ghani and Abdullah Abdullah found their way to putting the national interest first and, in a commendable display of leadership and patriotism, formed the National Unity Government, which is the best hope for Afghanistan's unity and its future.

THERE MUST BE CLARITY THAT ADEQUATE LEVELS OF INTERNATIONAL MILITARY, FINANCIAL, AND POLITICAL SUPPORT CONTINUE . . . THE NATIONAL UNITY GOVERNMENT NEEDS TO PERFORM AND DEMONSTRATE ACHIEVEMENT TO ITS OWN PEOPLE AND THE INTERNATIONAL COMMUNITY.

Those accomplishments led to this stage in Afghanistan's history. They give evidence of the unique and unprecedented effort by the international community, based on US leadership and commitment, to make it possible for Afghans to secure their own future. We believe the foundation is in place, and that the Afghan government and people can succeed. It is in the United States' interest to make it possible for them to do so. That will require the realization of two fundamental, complementary goals by Afghanistan's partners and by Afghans themselves, in a sustained and mutually reinforcing fashion.

The first is that there must be clarity that adequate levels of international military, financial, and political support continue, so that the new government and Afghanistan's leaders have the time and space to build on progress made, to solidify their position in Afghanistan and the region, and to move ahead with efforts to implement reform, provide security, and search for peace. Afghanistan is quite properly taking responsibility for its own affairs, but it will require the continued engagement and support of its partners in order to succeed in doing so. If the United States leads in this regard, we have every confidence that the United States' international partners will stand with it.

The second is that the National Unity Government needs to perform, and demonstrate achievement to its own people and the international community. The government has a program of action under the Tokyo Process, which sets goals and obligations. It must also continue, and accelerate, its process of achieving self-reliance, as the role of the international community gradually recedes. Mindful that even mature democracies have difficulty in making coalition governments function, and that the country faces severe challenges, it is nonetheless necessary in political and practical terms that Afghanistan's friends see plainly that progress continues to be made on the security, economic, political, and reform agenda that the government has outlined. That will be critical if Afghanistan is to be seen as a project still worthy of political, financial, and military commitment, and worthy of US and international support.

The **following principles** constitute the framework for the way ahead that, in our view, addresses the core requirements for advancing these two efforts.

FIRST, SECURITY IS THE FOUNDATION

As a first principle—given today's circumstances and the evolving threat, the need for continued development of key capabilities in the Afghan National Security Forces (ANSF), and the criticality of maintaining a US counterterrorism (CT) mission in Afghanistan—we agree that the Obama administration should provide flexibility,

and not foreclose future options for the next president. US and NATO force levels and presence around the country, as well as intelligence assets, should be maintained at or close to present levels, pending review by the next administration of missions, capabilities, and strategy. Preserving options will forestall the risk of deterioration in Afghanistan just as a new administration is getting its feet on the ground, and will avoid the possibility of a new leadership team having to make crucial decisions before time for reflection.

The proper strategic goal has been to get US forces out of a combat role, and to transfer responsibility for security to the Afghans, where it belongs. That has happened. US forces today, and for most of the past two years, are engaged in training and assistance, force protection, and counterterrorism. By building ANSF strength and capacity, the United States is defending Americans as Afghan forces step up to the challenge of providing security and developing their own CT mission.

To sustain this success, and to secure American interests, clarity of purpose and commitment with regard to Afghanistan's security are essential. In a context where the concern in Afghanistan and the region is that the United States is leaving, the essence of US engagement is embodied in limited, but effective, military support, as it has been in other parts of the world. The ANSF are performing and fighting as a national force, and taking significant casualties while demonstrating cohesion and resilience. No one has been surprised that the fighting this year has been particularly difficult, or that the Taliban is pressing hard against the new government and the ANSF, to see if they will break after the completion of the International Security Assistance Force (ISAF) mission at the end of 2014. But the ANSF is holding, and will only get better as it goes forward, as long as there is assistance in place to provide needed capabilities, and as long as there is critical confidence in US and international support until the ANSF has such capabilities. There are key gaps in ANSF capability in intelligence, close air support, special operations/counterterrorism, and command and control, which the Afghans cannot close in the next year.

The further withdrawal of US forces from the field, as currently planned, would leave those gaps unfilled and put the ability of the ANSF to succeed at grave risk. It would also vitiate the US counterterrorism mission in Afghanistan, because the military provides critical support for US intelligence capabilities and assets that are carrying out vital CT operations and supporting the Afghans' own CT efforts. Those intelligence capabilities should also be maintained. A deteriorating ANSF, and the decline of US CT operations, would have important implications for the protection of the US and international civilian presence in Afghanistan as well, given the need for direct and indirect protection against terror attacks.

THE OBAMA ADMINISTRATION SHOULD PROVIDE FLEXIBILITY, AND NOT FORECLOSE FUTURE OPTIONS FOR THE NEXT PRESIDENT. US AND NATO FORCE LEVELS AND PRESENCE AROUND THE COUNTRY, AS WELL AS INTELLIGENCE ASSETS, SHOULD BE MAINTAINED AT OR CLOSE TO PRESENT LEVELS, PENDING REVIEW BY THE NEXT ADMINISTRATION.

We believe that the threat is too great, and the uncertainties of future developments too extreme, to end the American and coalition presence in the field.

Instead, the United States should pursue the enduring security relationship foreseen in the Strategic Partnership Agreement, a relatively low-cost insurance policy to protect the tremendous investment the country has made, and which enables Americans and Afghans to cooperate in targeting their most dangerous enemies where they attempt to plan and organize. Both the Loya Jirga and the Afghan parliament have manifested Afghan public support for this partnership. The United States has made such commitments before in its history, when long-term challenges called for long-term strategies to contain them, and they have paid off.

The recent setback in Kunduz, and the subsequent struggle by the ANSF to regain control of the city, demonstrate the difficulty of providing security throughout the country—as well as the ability of the ANSF, with limited but vital international assistance, to respond. Without rushing to judgement, we believe this episode underscores the need not only for ANSF capability, but for effective, integrated political and

security leadership, coordination on the ground, and coordination between the field and Kabul authorities. We urge the Afghan government and the US authorities to quickly assess the shortcomings that contributed to Kunduz, and to expeditiously and seriously apply the lessons learned wherever necessary.

SECOND, CLARITY AND CONFIDENCE MATTER

The United States and its allies are confronted today with multiple zones of regional strife, and with religious, societal, ethnic, and demographic fissures that ultimately threaten their interests and are of a complexity that puts them beyond their capability to resolve as an outsider, however well-meaning. That is one of the key lessons of Afghanistan and Iraq. The United States needs regional partners, and Islamic partners, whom it can support in containing that strife and, ultimately, in finding solutions within the Islamic world that go beyond the use of military force. That will involve helping such regional partners to strengthen and protect themselves. In Afghanistan, the United States has such a partner. It has the opportunity to help Afghans contain their own conflict, and deal with it in regional terms that promote stability and might eventually lead to peace. Doing so will also reinforce the credibility on which building partnerships, including those it is trying to develop elsewhere, depends.

Clarity about the US commitment, and a security role that extends beyond 2016, will provide confidence to the Afghans, steeling their own commitment and encouraging the political evolution and economic revival, which Afghanistan so urgently needs after years of uncertainty. The Taliban need to see plainly that their campaign will not prevail, and that the hatred for Taliban terror will ultimately defeat it, as some members have already concluded. It must become clear that its mocking mantra, "The Americans have the watches, but we have the time," is obsolete. The Taliban must come to believe that it is the Afghan people who now have the watches, and the time. Others in the region need to understand that as well.

THIRD, ADDRESS REGIONAL COOPERATION, PAKISTAN, SAFE HAVENS, AND PEACE

Getting to the ultimate objective of a peace settlement requires that Afghan security forces hold their own. It also requires the commitment to Afghan stability of Afghanistan's neighbors, and of others with interests in the region. This is critical to the work of persuading the insurgents that they cannot re-establish the Islamic Emirate, and that the only way forward is through a political process and, eventually, peaceful reconciliation among Afghans. That work, to which

many of Afghanistan's friends have contributed, is clouded by many uncertainties, not least of which is the difficult relationship between Afghanistan and Pakistan. As President Ghani identified early on, the space for regional actors to play a more active, constructive role is an important variable to explore. There may be opportunities for new efforts by China, Saudi Arabia, and Pakistan to get the Taliban to the table, and to help stabilize other troubled relationships in the region. The implications of the death of Mullah Mohammed Omar, and of his demise being concealed for some years, remain to be seen, as the leadership struggle within the Taliban, and increasingly between the Taliban and Daesh, is still unfolding. President Ghani and his government are to be commended for their efforts to energize negotiations, and to engage the Pakistani government in a serious discussion about the threat of extremism to both Pakistan and Afghanistan, and what both can do about it. However the post-Omar situation evolves, there are already visible fissures in the Taliban. The Haqqanis and al-Qaeda have aligned with the new Taliban Leader Mullah Mansour, and Daesh is seeking adherents from among the developed network of extremists on both sides of the border. This new reality will impact both the Afghan and Pakistani governments and, together with the recent wave of attacks in Kabul, cannot help but raise suspicions that undercut the cooperation both countries need to advance their security.

No one can tell at this point whether there will be a Taliban interlocutor for peace, or when. But the prospects are reduced significantly as long as the Taliban and the Haqqani Network (HQN) have the ability to organize, plan, and launch operations from Pakistan against Afghan civilians, the Afghan government, and the international presence. A number of us have directly attempted to shape Pakistan's own thinking about the threat it faces from terrorism, about the benefits of stability in Afghanistan in support of Pakistan's own security, and on the imperative to move from agreement on that proposition to actual action on the ground. Pakistan appears to have made the rhetorical shift. During a February, 2015 visit to Kabul, Army Chief of Staff General Raheel Sharif declared "enemies of Afghanistan are enemies of Pakistan." In May, Prime Minister Nawaz Sharif repeated in Kabul that "Afghanistan's enemies will be treated as Pakistan's enemies." The test will be whether Pakistan follows through with concrete action.

Disabusing the Taliban leadership of the notion that "we have the time" requires the attenuation, if not the outright elimination, of Taliban and HQN safe havens in Pakistan. Pakistan has repeatedly committed to use its Zarb-i-Azb campaign against extremists in Waziristan, now more than a year old, to target all terrorists without discrimination. Reports indicate that the Haqqanis have relocated from North Waziristan to elsewhere in



Non Commissioned Officers of the Afghan National Army. Photo credit: US Air Force/Wikimedia Commons.

Pakistan, from where they are continuing their attacks. The operational head of the HQN, Sirajuddin Haqqani, has become the deputy of Mullah Mansour, and divisions among senior levels of the Taliban are playing out rather openly in Quetta. The time has come to insist that Pakistan disrupt the ability of the Taliban/HQN to organize attacks in Afghanistan, as it has repeatedly committed to do in the context of the Zarb-i-Azb operation, and to put actions to rhetoric about the threat both countries face from violent extremism. We further recommend the development of a multinational effort to engage Pakistan in support of this objective, backed by incentives, disincentives, and sharing of intelligence. Achieving such support will require US engagement, not only to make clear the costs and limits of allowing the insurgency to operate, but also to help explore ways in which Afghan and Pakistani fears could be addressed through engagement between the two countries.

FOURTH, IT'S THE ECONOMY

While maintaining the integrity of the ANSF effort to provide security is the sine qua non for Afghanistan to move forward, the need to generate economic activity is urgent, and almost as vital to success. Lack

of clarity about the way ahead for Afghanistan impedes economic activity. While the economy has not collapsed, uncertainty about the future of the relationship with the United States, coupled with the long and troubled political transition and concern about the future business environment, brought about a sharp downturn in economic activity, from which Afghanistan has not rebounded. It must be a high priority for all concerned to urgently take steps to jumpstart the economy. This will require a government staffed and functioning, the completion of new legislation already pending to bring Afghanistan's financial and extractions regulations up to international standards, and concrete steps to demonstrate the implementation of the government's "Realizing Self-Reliance" strategy. The Afghan government must take steps to improve the country's business climate, such as invigorating the private sector and entrepreneurship, making the commercial legal environment predictable, and attacking the corruption that impedes economic activity.

An extensive review of progress made, and of the Afghan government's program and responsibilities going forward, was at the core of the Tokyo Process meeting of Senior Officials in Kabul on September 5,



School girls in Farah Province, Afghanistan. Photo credit: US Air Force/Wikimedia Commons.

2015. The Senior Officials Meeting (SOM) took stock of the mutual commitments made by the government and the international donor community as they attempt to match progress with continued donor support. Afghan commitments and obligations were updated and reaffirmed. Major donors need to provide their own perspective on the way forward past 2016, with an Afghan and international development program that will endure throughout the "Transformation Decade" and beyond the end of 2016. Prior to the next Tokyo Process Ministerial in Brussels, it would be useful for the United States and other donors to provide clarity that a significant level of international assistance will remain available, as the government delivers on the performance indicators affirmed at the SOM, on its own "Realizing Self-Reliance" program, and on the commendable "New Development Partnership" agreed to during President Ghani's visit to Washington in March, which incentivizes Afghan performance.

Regional trade is critical for the economic growth on which Afghanistan's self-reliance depends. The United States should expand efforts to encourage and find funding for regional efforts to tackle energy, water, and transit trade issues. The Trans-Afghanistan Pipeline (TAPI), and the flow of energy from the Kyrgyzstan

and Tajikistan into Pakistan and India, are examples. China's "One Belt, One Road" initiative offers the potential to substantially contribute to greater regional economic integration, and we encourage concrete action and cooperation by all concerned to begin realizing its promise.

FIFTH, POLITICS NOT AS USUAL

The way ahead must also include strengthening the National Unity Government itself, in support of its commitment to better governance, electoral reform, women's rights, and work against corruption. We are in no position to delve into the intricacies of Afghan governance, nor do we underestimate the difficulties of implementing the government's ambitious goals. But demonstrable achievements breed confidence. There has been progress, and even small steps are important. Achievements should be accompanied by improved strategic communications in support of the National Unity Government's goals. An important task for Afghans, with international support, will be to build consensus on the way ahead for political reform, elections, and the evolution of Afghanistan's political system. A realistic timetable for the work of the Elections Reform Commission, and for parliamentary

elections and political process, needs to be established on its own merits, but also as a means of boosting confidence. President Ghani and Chief Executive Abdullah must stand together. We urge Afghanistan's political and religious leaders to support them in building the national unity which Afghans require and deserve. All of this would be difficult in a mature democracy under less stress, and we acknowledge the need for patience and forbearance as the political effort develops and, it is to be hoped, improves. This would be difficult under any circumstances; none of it is likely to be possible absent the heft and confidence provided by continued US engagement.

SIXTH, A FRESH LOOK AT STRATEGY

As noted above, the situation in Afghanistan and Pakistan—and, indeed, the entire zone of crisis—is rapidly changing. Certain assumptions on which earlier decisions were made no longer pertain, and new elements are in play. The threat from violent extremism and regional conflict requires an overarching response; the military effort must be an instrument, but it alone is not sufficient to the task. Al-Qaeda, its offshoots, and Daesh are symptoms of the fundamentally diseased ideology that inspires them. Experience teaches that while it might be contained, an ideology cannot be defeated militarily. That defeat can ultimately come only from within the Islamic world. However, it will also require a sustained, multilateral, and multifaceted effort, which the challenge of defeating that ideology demands and which the United States can uniquely help to organize and marshal. There is much good work

under way in that regard, but we fear that the nature of the challenge and the effort required to deal with it are not well understood by the public, whether in the United States, Europe, Asia, Africa, or the Middle East.

It is beyond the scope of this paper and its purpose to flesh out here how this might be better addressed, but there is need for a stronger sense of purpose and resilience in the face of a threat that is embodied in a spectrum of dangers, which range from the murderous actions of a few in a magazine office or a train, to the destruction of a region, massive refugee flows, mass casualties, and the possible engagement of weapons of mass destruction.

However it manifests itself, this is an assault on a way of life and on the values of the UN charter, as was September 11 itself. We believe that in a time of such stress, the United States needs a much stronger bipartisan consensus than currently exists, both to respond to the threat, and to prepare for as seamless a transition in security affairs as possible between the Obama administration and its successor. Work on preparing strategy and policy options will occupy the think tank/policy community going forward. We would hope that a bipartisan effort could be created, as well, to develop agreement on goals and strategy. A refreshed look at strategy for Afghanistan and Pakistan must be part of this larger context, with a continuing view to achieving the end stage described by President Ghani here in Washington: that Afghanistan be a normal country, contributing to the stability of its region, and thus to America's own security and interests.

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