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In the constrained budget environment faced by the United States and its NATO allies, it seems highly likely that money will follow the exit of troops from Afghanistan.

Revisiting Chicago

The Critical Need To Maintain Support For Afghanistan's National Security Forces Post-2014

Summary

- Two years ago, the Chicago international summit agreed on long-term targets for the size
 of the Afghan National Security Forces (ANSF) and committed to continued international
 financial support until 2024.
- Since then, the ANSF have taken over lead responsibility for Afghanistan's security and have by most accounts performed well, taking substantial casualties but holding their own against the Taliban. However, the ANSF still rely heavily on U.S. financial and logistical support and military "enablers" in such roles as air support, medevac and reconnaissance.
- The Afghan government's failure to sign the Bilateral Security Agreement (BSA) with the
 United States during the past eight months has coincided with, and undoubtedly contributed
 to, declining political support for the international engagement in Afghanistan. Not only has
 U.S. civilian aid in the current fiscal year been halved, but the White House recently announced
 a complete U.S. troop pull-out by the end of 2016, except for "normal levels" to protect the
 U.S. Embassy and oversee military assistance. That is close to a "zero option," albeit in 2016
 and not 2014.
- The announcement raises serious questions about the staying power of international security
 funding (which would amount to billions of dollars per year into the early 2020s if the Chicago
 commitments hold); management of security assistance; provision of logistical support and
 enablers; whether Afghanistan's domestic revenues will grow fast enough to meet its own
 ANSF funding commitments; and timing of any future ANSF reductions in relation to possible
 negotiations with the Taliban insurgency.
- The ANSF (especially the Afghan National Army, or ANA) was largely a creation of the United States, which has advocated for and endorsed its current size and cost. It would be irresponsible to create such a force and then turn around and undermine it.

The Chicago Summit

At the May 2012 Chicago NATO Summit on the Afghan National Security Forces, Afghanistan and NATO countries deploying troops in the country agreed to continue providing support to the ANSF over the decade following 2014. According to the Chicago communiqué, the future total ANSF size would be 228,500—predominantly ANA and Afghan National Police (ANP)—with an estimated total



annual cost of \$4.1 billion. Since the current ANSF force size is 352,000, the pace of a gradual managed force reduction to 228,500 will be "conditions-based" (e.g., if the security situation improves or there is a peace agreement or cease-fire with the Taliban that warrants force reductions). Any reduction is to be decided by the Afghan government in consultation with the international community.

The communiqué also stated that the Afghan government's initial contribution to covering security costs will be \$500 million in 2015, and that it will take over the full financial burden for ANSF by 2024. This implies that the international community's financial support for ANSF would start at well over \$3.6 billion per year (since the current force size exceeds the long-term level) and would remain in the billions of dollars annually into the early 2020s. It has been widely recognized that long-term financial assistance will need to be accompanied by major logistical support until the ANSF becomes self-sufficient. Critical needs, such as air support, reconnaissance, intelligence gathering and medevac, are currently being filled by international forces.

The Afghan government is making some progress toward meeting its initial contribution target for funding the ANSF. Domestic funding of the ANA and ANP reportedly was \$369 million in 2013 and is budgeted at \$386 million in 2014,³ and the Afghan government itself is also funding some other security spending.⁴

In June 2013 the ANSF took over the lead security role throughout the country, and their performance has met or exceeded expectations. They have largely held their own against the Taliban insurgency but have taken substantial casualties—up to 400 per month,⁵ as Taliban attacks have increased in number and lethality. Despite resulting concerns about the ANSF's ability to cope over the long run, it is clear that they are now fully engaged in the conflict.

The failure of the Afghan government to sign the BSA with the United States, which provides the legal foundation and parameters for a continuing U.S. troop presence in Afghanistan after 2014, has been very costly. The BSA had been negotiated and was expected to be signed before the end of 2013, especially after a Loya Jirga (traditional assembly) endorsed the BSA and urged that it be signed expeditiously. President Hamid Karzai nevertheless refused to sign the BSA, though both leading Afghan presidential candidates have indicated that they will sign it if elected.

The negative economic fallout from the BSA delay has probably worsened over time.⁶ The impact on security and the elections, fortunately, has been limited so far. But most worrisome, the delay in signing the BSA has coincided with, and undoubtedly contributed to, declining political support for the international engagement in Afghanistan—both in its civilian dimension (witness the U.S. Congress's halving of the U.S. Agency for International Development budget allocation for Afghanistan in the current fiscal year) and in the military dimension (the May 27, 2014, White House announcement that U.S. forces there will be completely withdrawn by the end of 2016⁷). While some adverse effects may disappear once the BSA is in place, the loss of American and other international political support during this period will be difficult to reverse.

Key Issues Ahead

First is the question of whether the long-term ANSF force size of 228,500 agreed at Chicago will remain the target. If so, what will be the "glide path" to get there from the current 352,000 level? It would seem nonsensical to start reducing the size of the ANSF just as international forces are completing their drawdown. As the Chicago communiqué notes, movement toward the long-term target should be based on conditions on the ground. If and when it is decided to start reducing the size of the ANSF, this could be accomplished by cutting down on new recruitment, allowing the decline to occur through attrition. At some point the number of formations (and associated fixed expenses) also would need to be cut to contain overhead costs. There may be other ways of



reducing costs, but they are likely to be marginal. Lowering ANSF salaries would not be advisable in the short run, and a resort to low-cost conscription—used in peacetime prior to 1978 and proposed at times by the Afghan government—would not work now.

Second, the schedule for a complete U.S. troop withdrawal seems problematic. The initial U.S. residual force size of 9,800 is in line with expectations. However, what is supposed to follow seems drastic and out of sync with the Chicago commitments—specifically, the announced plan to halve that number by the end of 2015, and to complete the drawdown by the end of 2016 to "normal" levels of military personnel that report to the U.S. ambassador and provide Embassy protection and a military assistance component. Indeed, this plan appears to be close to the long-discussed "zero option"; the only significant difference is that it will be implemented in 2016 rather than 2014. Because the ANSF still rely extensively on logistical support and military enablers from U.S. forces and it is doubtful that all gaps can be filled within two years, how will those roles be maintained after 2016?

Further, how can large international (mostly U.S.) security assistance—billions of dollars annually until the early 2020s, according to the Chicago commitments—be managed after 2016? Without an international military presence, it is not clear whether creative use of U.S. civilian government employees and numerous contractors could substitute. Such an approach would raise its own security as well as technical and other issues, including questions about the roles and accountability of contractors in such a situation.

Politically, will financial assistance to Afghanistan's security sector have much staying power if there are no residual international troops? In the constrained budget environment faced by the United States and its NATO allies, it seems highly likely that money will follow the exit of troops from Afghanistan. It is possible to envision large military aid with no foreign troop presence (such as U.S. military assistance to Israel and Egypt), but that kind of arrangement, which only those two countries benefit from, would require extraordinary efforts and more political will to sustain long-term support to Afghanistan than has been evident recently.

The sequencing of ANSF force strength and financial support vis-a-vis possible reconciliation with the Taliban is another important issue. While a durable cessation of hostilities with the Taliban would permit large savings in ANSF size and costs, premature reductions (and probably premature exit of residual international military forces) might well make it more difficult to achieve a peace settlement. Insurgents would be tempted to wait for a more favorable situation as the ANSF shrinks and international troops leave over the next two years. Thus, continuing robust support for the ANSF is an important part of a supportive environment for negotiations and reconciliation.

The Afghan government's poor performance in mobilizing its own revenues in recent years gives rise to concerns about whether it can achieve its Chicago commitment to assume full funding of the total ANSF cost by 2024. If the ANSF's long-term targets for size and cost are not changed, Afghan funding for the ANSF would need to increase by 26 percent per year on average. Domestic revenue has stagnated or grown slowly since 2011 and has declined as a share of gross domestic product, so a top priority for the new Afghan administration will be to reverse this trend and restore more rapid revenue growth. Particularly if total domestic revenue grows slowly in the future, there is also a serious risk that meeting ANSF funding commitments will squeeze out civilian spending, potentially damaging Afghanistan's development and stability.

Finally, it must be remembered that the ANSF, and the ANA in particular, is largely a creation of the United States. Not only was the design of the ANA heavily influenced by the United States, but each increase in its size was advocated by the U.S. government—often in spite of warnings that it would not be fiscally sustainable and would consequently need long-term international financial support. It would be irresponsible to create the ANSF and then turn around and undermine it—

ABOUT THIS BRIEF

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whether by quickly cutting force size, sharply reducing funding or due to an inability to provide essential logistical and other support. The new U.S. troop drawdown schedule raises serious questions in this regard, and the Chicago commitments could be jeopardized as a result.

Notes

- 1. Press Communiqué, Chicago Summit Declaration on Afghanistan (May 21, 2012). See www.nato. diplo.de/contentblob/3530790/Daten/2338290/ChicagoSummitDeclarAFGDLD.pdf.
- 2. A plausible trajectory would be for the Afghan government's contribution to ANSF funding to increase at a constant rate of around 26 percent per year to grow from \$500 million in 2015 to \$4.1 billion in 2024. Under this scenario, international funding for ANSF would remain high for a number of years, for example \$2.8 billion in 2019 and nearly \$2.5 billion in 2020.
- See 1393 National Budget Statement, Annex 1, p. 88: www.budgetmof.gov.af/images/stories/ DGB/BPRD/National%20Budget/1393/1393_National_Budget_statement__final.pdf. See also April 2014 World Bank Afghanistan Economic Update: www-wds.worldbank.org/external/ default/WDSContentServer/WDSP/IB/2014/04/23/000456286_20140423092911/Rendered/PDF/ 875740WP0Afgha00Box382171B00PUBLICO.pdf.
- 4. The National Directorate of Security (Intelligence), the Presidential Protective Service and the Ministry of Foreign Affairs are also included in the Afghan government's definition of the security sector. Their total expenditure was \$256 million in 2013 and has been budgeted at \$293 million for 2014, not broken down between domestic and foreign funding.
- 5. See Matt Waldman, "Afghanistan: War Without End," Chatham House, May 30, 2014, at www. chathamhouse.org/expert/comment/14614.
- 6. William A. Byrd, Casey Garret Johnson and Sanaullah Tasal, "Compounding Uncertainty in Afghanistan: Economic Consequences of Delay in Signing the Bilateral Security Agreement" (U.S. Institute of Peace, Peace Brief 166, February 4, 2014). See www.usip.org/publications/compounding-uncertainty-in-afghanistan.
- 7. See www.whitehouse.gov/the-press-office/2014/05/27/fact-sheet-bringing-us-war-afghanistan -responsible-end.



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