

STATE OF THE UNION

[Governance]

Nation-Building 101

The chief threats to us and to world order come from weak, collapsed, or failed states. Learning how to fix such states—and building necessary political support at home—will be a defining issue for America in the century ahead

BY FRANCIS FUKUYAMA

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"I don't think our troops ought to be used for what's called nation-building. I think our troops ought to be used to fight and win war."

—George W. Bush, October 11, 2000

"We meet here during a crucial period in the history of our nation, and of the civilized world. Part of that history was written by others; *the rest will be written by us* ... Rebuilding Iraq will require a sustained commitment from many nations, including our own: we will remain in Iraq as long as necessary, and not a day more." (italics added)

—George W. Bush, February 26, 2003

The transformation of George W. Bush from a presidential candidate opposed to nation-building into a President committed to writing the history of an entire troubled part of the world is one of the most dramatic illustrations we have of how the September 11 terrorist attacks changed American politics. Under Bush's presidency the United States has taken responsibility for the stability and political development of two Muslim countries—Afghanistan and Iraq. A lot now rides on our ability not just to win wars but to help create self-sustaining democratic political institutions and robust market-oriented economies, and not only in these two countries but throughout the Middle East.

The fact is that the chief threats to us and to world order come today from weak, collapsed, or failed states. Weak or absent government institutions in developing countries form the thread linking terrorism, refugees, AIDS, and global poverty. Before 9/11 the United States felt it could safely ignore chaos in a far-off place like Afghanistan; but the intersection of religious terrorism and weapons of mass destruction has meant that formerly peripheral areas are now of central concern.

Conservatives never approved of the so-called "humanitarian interventions" undertaken during the 1990s, including those in Somalia, Haiti, Bosnia, Kosovo, and East Timor. Liberals, for their part, remain unconvinced by the Bush Administration's rationale for its invasion of Iraq. But whether for reasons of human rights or of security, the United States has done a lot of intervening over the past fifteen years, and has taken on roughly one new nation-building commitment every other year since the end of the Cold War. We have been in denial about it, but we are in this business for the long haul. We'd better get used to it, and learn how to do it—because there will almost certainly be a next time.

Critics of nation-building point out that outsiders can never build nations, if that means creating or repairing all the cultural, social, and historical ties that bind people together as a nation. What we are really talking about is state-building—that is, creating or strengthening such government institutions as armies, police forces, judiciaries, central banks, tax-collection agencies, health and education systems, and the like.

This process has two very separate phases, both of them critical. The first involves stabilizing the country, offering humanitarian assistance and disaster relief, rebuilding the infrastructure, and jump-starting the economy. The second phase begins after stability has been achieved, and consists of creating self-sustaining political and economic institutions that will ultimately permit competent democratic governance and economic growth.

The first of these phases is well understood, and although difficult, it lies within the capability of both the United States and the broader international community. (The United States Agency for International Development has a very spotty record in promoting long-term economic growth but is actually pretty good at delivering humanitarian assistance.) The second phase, the transition to self-sustaining development, is far more challenging; and it is even more important in the long run. The key word is "self-sustaining": unless outside powers are able to leave behind stable, legitimate, relatively uncorrupt indigenous state institutions, they have no hope of a graceful exit.

FAILURE TO ANTICIPATE

What long-term lessons can we draw from the American experience so far in the reconstruction of Iraq? The Bush Administration has been heavily criticized for its failure to plan adequately for the postwar period; but we must remember that nation-building is inherently difficult. If an unexpected problem arises, that does not necessarily mean there was a planning failure, because it is not possible to anticipate every contingency.

Administration officials argue that they did considerable planning for which they don't get credit, because it had to do with contingencies that never arose. Chemical and biological weapons, and also oil-field sabotage and fires, were much discussed before the war. But the Iraqis evidently had no such weapons; and, largely because the country was occupied so fast (the result of a war plan that emphasized lightness and speed over numbers and redundancy), the oil fields were not sabotaged. Before the war some 60 percent of the Iraqi population lived on food donated by the UN World Food Programme, and the Administration worked quietly with that agency to ensure that food would flow to the whole Iraqi population during the war. Extensive plans were made to deal with a major humanitarian or refugee crisis like the one that followed the Gulf War of 1991—but none emerged.

For what, then, can the Administration justly be held accountable? By far the most important oversight was its failure to develop contingency plans against the possibility that the Iraqi state would almost completely collapse. The Administration hoped to decapitate the country's Baathist leadership and allow new leaders to take over quickly. Instead there was a severe breakdown of order, as the army melted away, the police stopped patrolling the streets, and government ministries stopped functioning. The consequences of this disorder were significant: the government's physical infrastructure disappeared, as ministries were stripped of doors, toilets, and wiring and then torched; the search for weapons of mass destruction was compromised by the looting of weapons sites; and many Iraqis' first impression of their "liberation" was one of crime and chaos.

There were precedents for what happened in Iraq—most obviously the aftermath of the U.S. intervention in Panama in 1989, when days of looting and disorder resulted in billions of dollars' worth of damage. Could the Bush Administration, with better foresight, have hedged against the possibility of large-scale chaos in Iraq?

Perhaps. One consequence of the decision to invade the country with a very small force—about 150,000 strong—was that after major combat operations there were simply not enough soldiers to spread around the country. Flooding the zone with forces would have helped. But combat troops are notoriously unprepared to deal with civil disturbances and police functions, and often make things worse through the heavy-handed use of force. The United States does not maintain a national police force for use in such situations; the only option would have been to bring in follow-on peacekeeping or constabulary forces such as Italian *carabinieri*, Canadian peacekeepers, or the Spanish Guardia Civil.

But before we assume that a multilateral approach would have prevented looting in Iraq, we should recall that earlier multilateral missions, to deploy police forces in Haiti, Somalia, Bosnia, and Kosovo, were poorly organized and understaffed, and in most cases arrived too late to perform their functions when they were most needed. It is not likely that a slow-moving international police force would have made much difference. The Italians did eventually send the *carabinieri* to Iraq, but they arrived long after the looting had subsided.

America's involvement in nation-building over the past fifteen years has yielded some significant knowledge about organizing for the task, as a recent study by the RAND Corporation demonstrates. But the Bush Administration failed to draw on this institutional knowledge. Its most serious planning mistakes were to set up its postwar-reconstruction organization at the last minute, to endow it with insufficient authority, and to put it under the overall control of the Pentagon, which did not have the capacity to do the job properly. The result was an organization that, instead of hitting the ground running after the end of major combat, wasted precious weeks and months building its own capabilities.

Sometime in August of 2002 President Bush signed the executive order that put in train final military planning for the war, and U.S. forces began deploying to the Persian Gulf toward the end of the year. But not until January 20 of last year was Jay Garner, a retired lieutenant general, appointed to coordinate the new Office of Reconstruction and Humanitarian Assistance. He had less than two months to pull together the planning efforts of various U.S. agencies before the ORHA was relocated to Kuwait, on March 17, at the start of the war. The ORHA went from a staff of six and a phoneless office in the Pentagon in late January to an organization with a staff of 700 just three months later—an impressive feat of institutional creation by any standard. Nevertheless, since the State Department, USAID, the CIA, and the Army War College had prepared extensive plans for the postwar period, the question remains why the Administration did not seek to integrate their recommendations into a coordinated process as soon as the war planning began (see "Blind Into Baghdad," in this issue).

There was, moreover, a serious problem of authority. Garner, who had led humanitarian relief efforts in Kurdistan after the Gulf War, was a former three-star general, and thus not in a position to give orders to the four-star CENTCOM Commander Tommy Franks. Garner was succeeded in mid-May by Ambassador L. Paul Bremer, a very senior foreign-service officer and counterterrorism expert who now heads the Coalition Provisional Authority, the successor to the ORHA. Bremer was far more visible and well known back in Washington—an insider who could command much more authority than Garner could.

The unfortunate public perception is that Garner was replaced for having presided over a chaotic and disorganized reconstruction effort. In fact he did an amazing job under the circumstances. It had been the Bush Administration's plan all along to replace Garner with a more distinguished and visible administrator; so why wasn't Bremer, or someone of his stature, in place before the beginning of the war?

The Administration has argued that it could not have begun coordinated postwar planning in the fall of 2002, because it was still seeking the approval of the international community for the war. This argument is disingenuous: the President clearly signaled that he would proceed with or without the approval of the international community, and did not wait for the United Nations before deploying military forces to the Gulf—a deployment that, like Von Moltke's railroad schedules in July of 1914, could not easily be reversed. In reality, the late planning and weak command were rooted in a series of interagency battles that took place in the fall of 2002.

BIG IDEA, BIG FIGHT

The first phase of nation-building—post-conflict reconstruction—is extremely difficult to implement, because the necessary capabilities are widely spread out among a host of government and civilian agencies. Earlier nation-building exercises suffered from poor coordination, both within the U.S. government and within the broader international community. In Bosnia, for example, the Dayton Accords gave military authority to NATO, whereas civil authority was divided among the Office of the High Representative, the Organization for Security and Cooperation in Europe, the United Nations High Commissioner for Refugees, the World Bank, the International Monetary Fund, and the International Criminal Tribunal for the former Yugoslavia. Some functions, including the creation of an international police force, fell through the cracks. Within the U.S. government the military clashed with civilian agencies over its role in noncombat missions such as demobilization and policing.

The U.S. officials involved learned some important lessons during the 1990s, which the Clinton Administration codified in Presidential Decision Directive 56, in May of 1997. PDD 56 established an interagency framework for coordinating the U.S. response to post-conflict emergencies, and was used during the reconstruction of Kosovo following the 1999 NATO intervention there. Owing in part to the better U.S. coordination, the nation-building effort in Kosovo was much better organized on an international level than the one in Bosnia, with greater unity of command and considerably quieter interagency squabbles.

At the beginning of the Bush Administration, efforts were made to replace PDD 56 with a new directive that would have put the White House's National Security Council staff in charge of coordinating any nation-building activities. By all accounts this was a sensible idea, but the President never signed the draft, apparently because of persistent objections from the Defense Department. Then came September 11, the Afghan war, and the ensuing reconstruction effort. The Bush Administration still had no agreed-upon policy framework for nation-building, and many officials regarded the reconstruction effort in Afghanistan as a fiasco.

This was the background against which the Pentagon put forth, shortly after passage of UN Security Council Resolution 1441, in November of 2002, its "big idea" that all postwar planning should be centralized under its own control. The delay in the appointment of a reconstruction coordinator was due to the big fight that ensued from the big idea.

Secretary of Defense Donald Rumsfeld had some serious reasons for wanting to retain control

over the reconstruction effort. Previous nation-building exercises had always had two chains of command, one dealing with military security and the other—through the local ambassador and the State Department—with civil affairs. In Rumsfeld's view, this split authority tied down U.S. forces, because the civilian chain of command could never agree on an exit strategy and was constantly calling on the military to do things for which it was not prepared, such as police work. This problem, according to Rumsfeld, was particularly acute in Bosnia, where U.S. forces were still deployed seven years after the signing of the Dayton Accords, and it had emerged in Afghanistan after the United States ousted the Taliban.

Meanwhile, the Pentagon had been fighting for months with the State Department and the intelligence community over the role of Ahmed Chalabi and the Iraqi National Congress. At the extremes were those in the Pentagon who believed that the democratization of Iraq could be delegated entirely to Chalabi, and those in the State Department and the intelligence community who thought him unfit for any role in postwar Iraq.

By late December of 2002 Rumsfeld, the consummate bureaucratic infighter, had prevailed. President Bush agreed to give control to the Pentagon because the idea of a unified command appealed to him. But this strategy had distinct disadvantages: the Pentagon, which lacked the institutional knowledge or capacity to do many of the things that need to be done in reconstruction, did not turn to the right places. The Defense Department does not have any particular expertise in writing constitutions or in producing attractive TV programs to compete with al-Jazeera and al-Arabiya for the hearts and minds of Arab viewers. It does not have good relations with the international NGOs that provide humanitarian services; nor does it have a way of coordinating activities with the UN and other multilateral institutions.

Once it became clear that the reconstruction of Iraq was going to be far costlier and longer than expected, there were immediate calls in Congress for international help. But although such help would be welcomed by American taxpayers, the international community is no better coordinated for nation-building than the U.S. government.

To begin with, no central authority exists within the international community to lead nation-building efforts. Much as other countries might like to give this responsibility to the United Nations, that is not a practical solution. The UN does not have the expertise or the resources, human and otherwise, to run nation-building programs authoritatively. For these it depends on the heavyweight funders—namely, the United States, the European Union, and, to a lesser extent, Japan.

Moreover, no one has solved the more serious problem of how to implement the second phase of nation-building—the transition to self-sustaining indigenous institutions. As the human-rights expert Michael Ignatieff memorably put it, whereas the mantra of the international community is "capacity building," the reality is often "capacity sucking-out," as well-endowed international agencies, contractors, and NGOs arrive with their cell phones, laptops, and First World salaries. In a recent article in the *Journal of Democracy*, Gerald Knaus and Felix Martin argue that Bosnia seven years after the Dayton Accords has become a "European Raj," in which the High Representative acts as a viceroy presiding over a colonial dependency that is without either democracy or self-government. Neither there nor in Kosovo is an exit strategy evident, because the departure of the international community would leave both places with the intractable political problems that led to intervention in the first place.

None of this means that the United States should exclude the international community from future nation-building exercises. Multilateralism means the difference between the \$70 billion

contributed by foreign powers to pay for the Gulf War and the \$13 billion they have pledged for reconstruction this time around. The international community can provide constabulary forces, water engineers, land-mine-removal experts, and other resources that the United States often cannot field quickly. What is needed is a standing U.S. government office to cooperate with this community, with an eye to the long lead times that are inevitable.

NEW APPROACHES

The Bush Administration's experience in Iraq does not teach new lessons about nation-building but, rather, reinforces some old ones that have been forgotten. The first is that nation-building is a difficult, long-term enterprise with high costs in manpower, lives, and resources. The places where it has been most successful—Germany, Japan, and the Philippines—are ones where U.S. forces have remained for generations. We should not get involved to begin with if we are not willing to pay those high costs.

That being said, we are now fully committed in Afghanistan and Iraq, and are likely to take on other nation-building commitments in the future, simply because the failed-state problem is one that we cannot safely ignore. It therefore behooves us to draw some lessons from our recent experience.

The problems that the Administration faced in Iraq were not so much the results of specific misjudgments as the predictable by-products of the Administration's poorly thought-out institutional structure. Fixing that structure would involve at least four things.

First, the United States needs to create a central authority, backed by a permanent staff, to manage ongoing and future nation-building activities. One possibility, recommended by the Commission on Post-conflict Reconstruction of the Center for Strategic and International Studies, is to appoint a director of reconstruction. The director could be located in any of a number of places in the government, though the White House would be the most logical, given the delicate interagency relationships involved. (Recognizing that it had been a mistake to grant the Pentagon primacy over the reconstruction of Iraq, the White House staff moved to take back that authority in October of 2003.) The director's office would serve as a fund of institutional memory, so that we would not have to perpetually run around teaching ourselves what we already knew.

Second, this coordinating office must be endowed with sufficient authority to bring the government's warring agencies under control when a crisis emerges. That means a civilian equivalent of the CENTCOM commander should be appointed to take charge of postwar civil planning, coincident with and on a par with military planning.

Third, any standing organization devoted to nation-building should maintain ties with similar agencies in other countries. Although the international community has—through efforts in Somalia, Bosnia, and East Timor—gotten better at nation-building, it, too, lacks the means for preserving institutional memory, and could use American help.

Finally, the reconstruction effort must remain under clear civilian control as it moves from the first stage, stabilizing the region, to the second stage, creating self-sustaining institutions that will ultimately allow the United States a graceful exit. Decisions about how rapidly to turn over authority to local actors, what the sequence for political reform should be, and when and how to reduce aid levels and presence in a country cannot be left to the Department of Defense, which will always be biased in favor of a quick exit.

This bias will be of particular importance as the reconstruction of Iraq progresses. Donald Rumsfeld has articulated a strategy of nation-building "lite," involving a rapid transition to local control and a tough-love policy that leaves locals to find their own way toward good government and democracy. This is a dubious approach, at least if one cares about the final outcome. The new Iraqi government will be administratively weak and not regarded by its citizens as fully legitimate. It will be plagued by corruption and mismanagement, and riven by internal disagreements—witness the fight between the Iraqi Governing Council's Shia and non-Shia members over how to draft a new constitution. Nation-building requires a lot more than training police and military forces to take over from the United States: unless such forces are embedded in a strong framework of political parties, a judiciary, a civilian administration, and a rule of law, they will become mere pawns in the internal struggle for power. Nation-building "lite" risks being used as an intellectual justification for getting out, regardless of the mess we leave behind.

A standing U.S. government office to manage nation-building will be a hard sell politically, because we are still unreconciled to the idea that we are in the nation-building business for the long haul. However, international relations is no longer just a game played between great powers but one in which what happens inside smaller countries can have a huge effect on the rest of the world. Our "empire" may be a transitional one grounded in democracy and human rights, but our interests dictate that we learn how better to teach other people to govern themselves.

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