

# How the International Community Can Support State Building

BY WILLIAM BYRD

## The role of history and tradition

AFGHANISTAN HAS A LONGER HISTORY as a distinct political entity than most of its neighbors. Moreover, Afghanistan has never spawned significant separatist movements with any serious prospects for success. Still, the reach of the govern-

ment has been limited, historically and at present. Within the umbrella of a de facto unitary and centralized state, local governance has involved traditional community, kin, and tribal arrangements. Both these customary systems and the formal mechanisms of the state to a large extent broke down during several decades of conflict, supplanted by warlords and militias—with a large element of rule by the gun.



An Italian soldier with the International Security Assistance Force (ISAF) stands guard as a pile of opium is set afire on the outskirts of Herat, Afghanistan.

## Geography shapes development

AFGHANISTAN IS LANDLOCKED and located along the fault-lines between civilizations, empires, and regional and global powers. While sometimes it has served as a “land bridge,” much more often it has been contested terrain, a backwater on the periphery of different regions, or itself a source of instability for its neighbors. From an economic development perspective, Afghanistan’s landlocked location is a significant handicap, and complicates relations with some of its neighbors.

## How can the international community help push forward state building?

STATE BUILDING IS AN INTERNAL, domestically-driven, and long-term process. In developed and successful developing countries, it took intense periods measured in decades, in many cases a century or longer, to build the state. Countries such as Afghanistan do not have the luxury of time; there is an ever-present risk of relapse back into conflict if progress falters. On the other hand there has to be space for domestic political processes to work and for the state to build its domestic legitimacy. Thus the challenge is how can the international community support and encourage what has to be a domestic process, while helping keep it on track and moving forward in a reasonably timely manner. The timing of and support for elections is an important dilemma, but far from the only challenge in this area.

## How to help build the state without undermining it?

THE “DO NO HARM” PRINCIPLE is important for interventions in fragile and conflict-affected countries like Afghanistan, but too often, the international community has been part of the problem rather than part of the solution. For example, the well-meaning efforts of donors and agencies to directly provide services in the early stages of post-conflict recovery, as occurred in Afghanistan, can make it more rather than less difficult for the national state to build its capacity and credibility. Putting funds through the government budget, for projects executed by the government, and with appropriate financial controls and fiduciary safeguards, is an extremely important means of supporting state building without undermining it.

## Can the international community cohere around effective state building?

PART OF THE PROBLEM is the sheer number and differing mandates and processes of the various international actors with activities in Afghanistan. In principle, only the government can effectively lead and coordinate donors, but the size and complexity of the international community imposes a heavy burden. One promising way forward which can help reduce the burden on government is coordinated financing of development activities; the Afghanistan Reconstruction Trust



Afghan drug addicts smoke heroin amidst war ruins in Kabul.

Fund is a notable example which has already channeled close to \$3 billion of coordinated financing for the government through its national budget. There is no reason why more aid cannot be channeled through this mechanism.

## How to address the risk of building a corrupt state?

BY DEVELOPING THE CAPACITY and roles of the state, including in service delivery, regulation, and security and rule of law, the state-building effort creates more opportunities for corruption. In the case of Afghanistan, the situation has been exacerbated by large inflows of off-budget aid and illicit narcotics receipts which provide great potential for corruption. A lesson from Afghanistan is that corruption issues cannot be ignored or treated as second-priority in the early stages of state-building—otherwise corruption can proliferate and put at risk the entire state-building and development agenda.

## Dilemmas in addressing the drug industry

A UNIQUE FEATURE OF AFGHANISTAN is that it is by far the world’s largest producer of illicit opiates, providing over 90 percent of global supply. While the drug industry clearly undermines the state including notably through narcotics-related corruption, poorly thought-out counter-narcotics efforts can exacerbate the problem and further undermine the state. For example, corruptly implemented poppy eradication campaigns can contribute to strengthening and consolidation of the drug industry, undermining the state and potentially increasing support for the anti-government insurgency.

William Byrd is Economic Adviser, Fragile and Conflict Affected Countries Group, Operations Policy and Country Services Vice Presidency, The World Bank.