



# Civil-Military Cooperation on Economic Recovery in Iraq and Afghanistan

## Speaker's Corner Summary Report



**Speaker's Corners are online discussions hosted by subject matter experts, designed to help practitioners share and learn from each other. They are hosted on microLINKS ([www.microlinks.org](http://www.microlinks.org)) and Poverty Frontiers ([www.povertyfrontiers.org](http://www.povertyfrontiers.org))**

### Overview

A Speakers' Corner on the topic of civil-military cooperation on economic recovery in Iraq and Afghanistan was held on April 1 -3, 2008 through the USAID-funded Accelerated Access to Microfinance Program Financial Services Knowledge Generation (AMAP FSKG) Task Order. Mayada El-Zoghbi, Research Director for the Microfinance Amid Conflict Topic and Managing Partner at Banyan Global, hosted the discussion. Each discussion day was moderated by a different technical expert. Frank Gunter, an Associate Professor at Lehigh University moderated Day 1, Rick Carbone of the Gardez Provincial Reconstruction Team (PRT) in Afghanistan moderated Day 2, and Marc Chandler with Brown Brothers Harriman and New York University moderated Day 3. The lively discussion drew practitioners working on economic recovery in conflict countries and military personnel from a variety of locations, including Afghanistan, Nepal, and the United States.

This summary is intended to present readers with a concise review of challenges, lessons learned and suggestions for moving forward, as discussed in the three-day online forum. For more detailed information on the exchanges that occurred between discussion participants, please refer to the compilation document found on [www.microlinks.org](http://www.microlinks.org). Interested parties can also review background documents related to this Speakers' Corner on the microLINKS website.

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This publication was produced for review by the U.S. Agency for International Development. It was prepared by Mayada El-Zoghbi of Banyan Global and reviewed by Anna Bantug-Herrera of Chemonics International.

### **New Model of Civil-Military Cooperation: Provincial Reconstruction Teams (PRTs)**

Much of the Speaker's Corner discussion focused on the contributions and challenges of PRTs. As the *Note from the Field: Civil Military Cooperation in Micro-enterprise Development* articulated, PRTs are the newest model of civil-military cooperation prevalent in Iraq and Afghanistan. PRTs bring together U.S. government development actors and military actors to establish stability in regions not yet considered safe for traditional development work. They were first introduced in Afghanistan in 2002 and later introduced and adapted in Iraq in 2005. The objective of PRTs is "to help the national government, in partnership with local communities, develop the institutions, processes, and practices to create a stable environment for long-term political, economic, and social development. For more information on PRTs, please visit the USAID and microLINKS website.

### **Challenges and the Way Forward for Civil-Military Cooperation**

While each day of the Speaker's Corner focused on different issues, in some cases specific to either Iraq or Afghanistan, several general themes emerged which are summarized here. These themes are grouped into three categories: differences in objectives, cultures and roles & responsibilities; staff training and knowledge transfer; and appropriate tools. For each of these themes, the summary highlights the main challenges raised during the discussion, some of the lessons discussed, and ideas for moving forward.

#### ***1) Differences in Professional Culture and Objectives***

Participants frequently noted how civilian and military actors come from different professional cultures, often aim for different strategic objectives and take on different roles and responsibilities. Some saw the military as a highly vertical and formal culture that tends to be inflexible, and that while planning within the military is structured and is designed for rapid response, it can also be repetitive and non-creative. There was also commentary on how military personnel seem to have access to greater funding, tend to plan without collaboration, and are trained to be decisive and not focus as much on local stakeholder buy-in as they work to achieve quick impact results. On the other hand, civilian institutions and their cultures were viewed to be

more horizontal in their structure, allowing for more informal processes and interactions and thus greater flexibility. Civilian personnel have more limited budgets at their disposal and as such look to maximize impacts over longer periods of time. Participants also discussed how civilian actors favor a collaborative process as a way to maximize resources and place greater value on stakeholder buy-in. One discussant summarized the differences as follows: the military's motto is "do something even if it is wrong" while the civilian motto is "do no harm." But there was agreement that while these are differences that represent the way these actors implement activities in the field, there is room for harmonization at the design and research side, before implementation actually occurs. Sound economic development is built on years of research and experiential learning and this should feed into the design and planning process of post-conflict economic recovery programming.

While the discussion on differences between military and civilian actors is important, one of the key points raised in the discussion is that PRTs have a temporary shelf life. The Department of Defense's goal has always been to return responsibility for long-term political, economic and social development back to the host nation as soon as stability and security are achieved. This temporary nature is to reduce dependency on the US presence.

Turning specifically to PRT involvement in microfinance, some participants pointed out that the military sees work in the microfinance sector as a means to achieving the objective of greater stability in the near term through increased legitimacy of the host country government. However, PRT involvement in microfinance work has been criticized by microfinance practitioners. They argue that PRTs do not have the appropriate time horizon or capacity for oversight of micro-finance institutions (MFIs) in post-conflict settings. Only donors with a long-term timeframe and the appropriate internal capacity should be involved in microfinance work. In addition, some argue that linking microfinance with PRTs can endanger the safety of civilian NGO staff. One practitioner felt that funding from the military should not be shunned for microfinance, but could be channeled through USAID, which has experience supporting MFIs. Another participant clarified that PRT involvement in microfinance has been supported by USAID personnel within PRTs as well as

USAID staff in head offices and in such cases PRT support of microfinance has followed donor guidelines maintained by industry leaders such as CGAP, not “running their own maverick microfinance efforts.”

In an example provided from Pakistan, one participant questioned whether microfinance can be sustainable in conflict environments at all or whether the high cost of operations in these environments warrants subsidized programs that do not seek to cover costs through their pricing structures. Several participants addressed the role of subsidies in microfinance, noting that some may be more harmful than others, but that subsidies to support a sustainable microfinance industry are warranted in conflict affected countries and should be encouraged, provided they do not distort the market.

### **Lessons Learned**

While cultural differences between civilian and military actors are many, this does not mean that cooperation is impossible or that successes cannot be achieved. An example given was the collaboration between the USAID-funded Izdihar Project and the military in Iraq regarding the establishment of MFIs in Kirkuk, Radwaniya, Fallujah and Ramadi. The military provided a safe location for offices for the fledgling MFIs within civil military operations centers (CMOCs) and operational loans for the MFIs, while Izdihar provided small capital loan assistance, training and technical assistance to the MFIs. Izdihar also worked with PRTs to do follow-up reviews of the MFIs. The key to success through Izdihar was that the civilian and military personnel involved recognized each other’s areas of expertise and also benefited from knowledge-sharing that resulted from their interaction. The lessons learned and knowledge gained through Izdihar are being leveraged in Iraq to further the establishment of MFIs based on international best practices in security-challenged areas.

Another lesson that emerged was that the military is keen to act on knowledge shared by PRT civilian staff. For example, their increased awareness of the importance of what the military calls “economically critical nodes” led to a recently issued capstone manual on operations whereby the military now include structures critical to economic development such as bank buildings, bridges and roads among its list of protected targets in post-conflict zones. As

the military continues to adapt its involvement in economic development activities through PRTs, civilian PRT staff must also heighten their awareness of opportunities for knowledge-sharing as modeled by the Izdihar Project in Iraq. Through such exchanges, the risk of misinterpreting an economic activity, such as microfinance, as simply a means to achieve quick impact success will be mitigated.

### **Suggestions for Moving Forward**

One discussant presented a framework of how collaboration could potentially be structured. In this framework, the military would focus on short-term, quick and large scale projects with visible impact that allow for positive political returns both in the conflict affected country as well as in the home country. Examples would include grant-based, community infrastructure interventions. Development and civilian actors would then complement this with a more long-term approach that seeks sustainable impact using experiential-based good practices that avoid doing harm. This could eventually lead to positive in-country impact, although that process would require more time and patience. Microfinance would be one tool utilized by civilian actors. In this framework, the tools used by the military or civilian actors would necessarily differ in accordance with their objectives, timeframe and capacity.

As the Izdihar example showed, knowledge sharing is essential to bridging the cultural divide between military and civilian staff on the ground in post-conflict settings. Civilians have an incentive to share their economic development expertise with military staff so as that the military can get the tools they need to understand how their security operations and the economic development activities fit with stability objectives and pave the way for more traditional, long-term development work. A suggestion was made to develop a “tool kit” of economic recovery instruments appropriate to post-conflict settings. Familiarization with the tool kit should be encouraged before civilian and military staff are fielded to enable them to work together more efficiently once they arrive in country.

It was also suggested that collaboration before and between fieldings should also be encouraged through the establishment of a conference or other facility for the exchange of ideas between the civilian and military community involved in economic

development in post-conflict settings. A United Nations Civil-Military Cooperation Course was given by one participant as an example. It is seen as an important information sharing and relationship building event for NGOs and military officials working together internationally.

Another suggestion for bridging the cultural divide between military and civilian PRT staff was to leverage the non-military knowledge of National Guard, Marine and Army reservists. Currently, the lack of a database of non-military professional expertise of reserve members leads to missed opportunities for better engagement of such expertise on the ground. An interesting example includes an almost missed opportunity to utilize the election organization experience of a National Guard reservist stationed in Iraq. His non-military expertise was accidentally discovered in time for him to provide assistance to the US Embassy during the Iraqi elections.

In addition, there was discussion of increasing cross-fertilization efforts between civilian agencies (such as USAID) and the military. There should be further development and encouragement of programs through which USAID staff and military staff fill positions within each other's organizations. More knowledge could be gained from performing a job in another organization as opposed to only serving as an observer.

## **2) Building Capacity and Achieving Impact**

The frequency with which civilian personnel are rotated in and out of PRTs without adequate knowledge and contact transfer was identified by some participants as a real problem in effectively achieving the objectives of the PRTs of building local capacity and having impact. While military staff are also frequently rotated, they have standard procedures for transferring institutional knowledge that helps lessen the disruption that civilian agencies experience with employee rotations. However, it was pointed out that what is being transferred is more important than how this transfer takes place. Some commented that skills and experiences are more critical than facts as these result in personal relationships and trust that take time to be built.

One participant discussed the cumbersome recruiting and staffing process within civilian agencies. There can be a significant gap in time between when an outgoing PRT civilian leaves and when his/her

replacement is fielded thereby limiting the potential for knowledge transfer. It was also raised that the inability of civilian agencies to fill their positions on PRTs causes some development work conducted by PRTs to take on more of a military face than was originally intended. Another participant suggested that better coordination between USAID cognizant technical officers (CTOs) and USAID staff stationed within PRTs would allow better collaboration between PRTs and the USAID projects that fall within the PRT's area of operation (AOR), e.g. Izdihar. One participant suggested that perhaps lost contacts and knowledge transfer issues are not what are really holding PRTs back. Rather it is the lack of technical expertise in economic development that impinges PRTs' ability to achieve objectives.

## **Lessons Learned**

The Gardez PRT in Afghanistan provided a good example for how to get around issues of lost contacts and lack of knowledge transfer. The representative from Gardez and discussion moderator, Rick Carbone, discussed how they focus heavily on investing in local staff. Rather than focusing on local staff primarily for translation and cultural background, the Gardez PRT sees the benefit of training local staff members to provide more technical contributions in achieving PRT objectives, highlighting the benefits of freedom of movement of the local staff members and their close connection to the community. Additionally, he also highlighted the military's use of Continuity Books which help ease the transition from one unit to the next.

## **Suggestions for Moving Forward**

Several suggestions were put forward to address the issue of poor knowledge transfer and lost contacts. One suggestion focused on the creation of a virtual network for knowledge sharing. Another discussant proposed a community linking together activity managers at PRTs so that they can share best practices while at post. It was thought that consideration should be given to extending this community to enable PRT staff alums to serve as sources of information for their incoming PRT replacements. It could also be useful to expand initial PRT staff orientations to have a continuing education component that allows PRT staff members an opportunity to continue to expand their expertise and knowledge in areas relevant to their current PRT work.

Another suggestion was for changes to the recruitment and staffing cycle of civilian staff at PRTs. Perhaps assignments could be structured in such a way as to budget for a month of overlap between the outgoing and incoming staff. In addition, it was suggested that it might be useful to build in a requirement that hand-over notes be prepared before a staff member can transition out of a PRT. One discussant mentioned the need to “level the playing field” with regard to pay and benefits for US government employees, contractors and the military in an attempt to encourage civilian participation in PRTs. Tax exemption, insurance and sick leave policies should be significantly more accommodating for conflict environments and need to be adjusted for civilian actors.

### **3) Linking PRTs with Broader Economic Growth and Stability**

A major thread of discussion was the underlying premise of PRTs’ engagement in economic recovery work, which is that social and political stability can be achieved through economic growth. It was suggested that providing PRTs with a new economic development manual more appropriate to the contexts in which they work might enable them to achieve more of their objectives. Counter to this thread, it was pointed out that economic growth is not a goal of PRTs at all, but the goal is merely to achieve initial levels of security for others to come in and achieve the broader economic growth goals. The case of Uganda was given as an example of where the first five years of the post-Amin period focused on basic infrastructure and capacity issues and a full 10 years thereafter programs were more focused on economic growth.

Others pointed out that the Army’s Counterinsurgency Manual focuses on sequencing of priorities with restoration of essential services an immediate must, regardless of the security situation, and economic development following after security is attained. However, restoration of financial services features significantly in the Army’s counterinsurgency manual, implying that the goals of PRTs and other military interventions go beyond just security and include economic development as a means of achieving security.

The role of government legitimacy was raised as an essential component of the stability process and whether or not economic development tools, such

as microfinance, could help achieve state legitimacy. One discussant pointed out that while state legitimacy may not be an explicit goal of microfinance programs, financial services function as a positive enabler for legitimacy and as such should be supported. In that light, the role of the military may be to set the conditions for successful microfinance in hopes that development actors would then make it happen. With regard to PRTs, given their stated objectives, the activities they undertake should support building the legitimacy of the government. If microfinance or another economic development tool cannot do this, then it should not fall under their purview. Nonetheless, civilian actors may support microfinance programming in unstable security environments and PRTs can support them in this by providing security.

While state legitimacy can be strengthened through the rebuilding of essential infrastructure and services as well as economic development, some participants thought that *who* delivers these services is a broader question as sometimes these efforts can be perceived as de-legitimizing governments as opposed to strengthening them. USAID is often criticized for working through NGOs, contractors and civil society in general to deliver essential services and economic development to the exclusion of government.

Issues surrounding the sequencing and interplay between short-term objectives (such as essential services and infrastructure) and long-term objectives (such as economic development) were identified as something that is problematic even within the aid community and not just a coordination issue between the military and civilian actors. Many immediate interventions can undermine longer-term development goals if not properly designed. Opening dialogue for learning is needed on all fronts to reduce waste in time and resources and limit adverse consequences. Additionally, it was pointed out that the essential focus should not be on whether or not economic development tools are used in conflict areas, but how they can be used for counter-insurgency goals without adverse long-term impact.

### **Lessons Learned**

This discussion theme highlighted again the importance of knowledge-sharing between civilian and military PRT staffers. Actors are working with tools

and theories in post conflict-settings that might not all be proven, but the situations on the ground demand that they act now. Learning will occur as work is being completed, and changes in approaches used must be assessed based on knowledge gained in the field. Civilian actors should be cognizant of sharing new lessons learned and adjusted methodologies with military actors. This will allow the military to leverage economic development work in support of their stabilization objectives without risking long-term harm to this work.

### ***Suggestions for Moving Forward***

Many participants highlighted the need for discussions beyond the Speaker's Corner to continue the understanding and potential cooperation between the two communities. It was suggested that more thought be given to providing PRT staff with more appropriate economic development tools such as a virtual environment for knowledge sharing. The virtual environment could be a resource to draw upon in emergency or disaster situations to allow PRTs to leverage previous experiences and processes used.

Finally, the question was raised as to whether or not it would be helpful to establish an NGO or university-sponsored forum through which civilian and military actors could jointly engage in education, scenario building and role playing, among other activities.

### **About this Speaker's Corner**

We thank all facilitators and participants for their thoughtful contributions to the forum.

### **Further Resources**

- View all resources from this Speaker's Corner at [www.microlinks.org/learningorganizations](http://www.microlinks.org/learningorganizations)
- Download a comprehensive PDF document of all [discussion posts](#).