
A Golden Moment: Applying Iraq's Hard Lessons to Strengthen the U.S. Approach to Stabilization and Reconstruction Operations

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Ten years ago, it appeared that America's nation-building days were over; but the unexpected challenges of the past decade proved otherwise. From Aceh to Port-au-Prince and Baghdad to Kabul, the United States has repeatedly deployed combined civilian and military assets to execute diverse and difficult stabilization and reconstruction operations (SROs). The varying courses and very mixed outcomes of these multifarious engagements collectively reveal that the U.S. government has yet to conceive, realize, and inculcate a consistent approach to managing complex contingency operations. This continuing weakness has a serious consequence: it harms the United States' capacity to protect its national security interests abroad.

Agreement about the existence of this problem is widely held, but there is no consensus on how to resolve it. Whatever the solution, the lessons learned from the U.S. experience in Iraq should help guide reform. Iraq taught—frequently in the breach—that building stability in failing or fragile states is best achieved through integrated assistance efforts that

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develop robust rule-of-law systems, tailor programs to indigenous needs, grow the capacity of people and institutions, oversee effective contract execution, and fully engage with international organizations. Notwithstanding difficult history, Iraq's painful lessons provide a golden moment for mean-

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HARD LESSONS LEARNED FROM IRAQ

During the course of six years of oversight work, my office, the Special Inspector General for Iraq Reconstruction (SIGIR), developed an extensive catalogue of lessons learned.¹ Foremost among them is the finding that the United States lacks an integrated approach for planning and executing SROs. This systemic weakness

prevented unity of command in the Iraq reconstruction program and inhibited unity of effort. Reflective of this shortfall are the many audit and inspection reports SIGIR issued on failed projects, finding that they lacked sufficient coordination and oversight.²

In the spring of 2003, when the Iraq program began, the Department of Defense (Defense) brought enormous financial and human resources to bear, providing more capacity and assets than all other U.S. agencies combined. This, unsurprisingly, led to a military dominance of the early reconstruction effort. In mid-2004, Defense formally transferred administration of the rapidly expanding rebuilding effort to the Department of State (State), and the new civilian managers thereupon repeatedly reprogrammed reconstruction funds, moving them to support new priorities.³ Many ongoing projects consequently did not receive sufficient continuing budgetary support or adequate management oversight, as large tranches of money were moved to support other security, democracy, or development

programs. State's re-programmings, albeit necessary to address the deteriorating security situation, caused hundreds of projects to fail.⁴

Some of these shortfalls might have been mitigated if the U.S. government had an integrated and well-resourced management office that possessed clear responsibility for planning and executing the rebuilding program. But no such entity existed in 2003, despite two preceding decades replete with recurrent contingencies. No such entity exists today.

TABLE 1
U.S. ASSISTANCE FOR STABILITY AND RECONSTRUCTION OPERATIONS
Total Obligated Assistance, 2009 \$ Millions

OPERATION	DURATION	TOTAL OBLIGATIONS
Iraq	2003–present	48,906.11
Germany	1946–1952	32,994.60
Afghanistan	2001–present	30,806.65
Japan	1946–1952	17,214.00
Bosnia	1995–present	2,461.59
Kosovo	1999–present	1,312.68
Dominican Republic	1965–1967	1,269.47
Panama	1989–1995	739.70
Haiti	1994–1996	499.62
Lebanon	1982–1984	420.93
Somalia	1992–1994	305.10
Grenada	1983–1984	89.81
Cambodia	1992–1993	84.46

Note: The USAID *Greenbook* does not contain 2006–2007 data for Kosovo; values are instead taken from FY 2008 and FY 2009 *Congressional Budget Justifications for Foreign Operations*. Estimates of FY 2009 obligations for Bosnia and Herzegovina and Kosovo are taken from the FY 2010 *Congressional Budget Justification for Foreign Operations*. SIGAR does not aggregate fiscal year obligations in its *Quarterly Report*; values are taken from the USAID *Greenbook* and the October 2010 SIGAR *Quarterly Report*. Total obligations for ongoing SROs current through the end of FY 2009.

Sources: USAID, *U.S. Overseas Loans and Grants (Greenbook)*, 2010, accessed 2/12/2010; DoS, *Congressional Budget Justification for Foreign Operations*, 2008, p. 418; DoS, *Congressional Budget Justification for Foreign Operations*, 2009, Country/Account Summary; DoS, *Congressional Budget Justification for Foreign Operations*, 2010, Country/Account Summary; SIGIR, *Quarterly Report to the United States Congress*, 10/2009; SIGAR, *Quarterly Report to the United States Congress*, 10/2009.

To remedy this weakness, SIGIR proposes the creation of the U.S. Office for Contingency Operations (USOCO), which would plan, manage, and implement future stability and reconstruction engagements. Just as the 1986 Goldwater–Nichols Act reorganized the Department of Defense to mandate “jointness” among the uniformed services, so would USOCO bring about a similar integration of civil-military (civ-mil) activities for SROs.

PRINCIPLES FOR REFORMING SRO MANAGEMENT

A 2005 Council on Foreign Relations report, entitled *In the Wake of War: Improving Post-Conflict Capabilities*, described SROs as operations that:

[R]equire a mix of skills and training addressing a range of issues, including establishing public security and the rule of law, facilitating political transitions, rebuilding infrastructure, and jumpstarting economic recovery. To complicate matters, stabilization and reconstruction missions must operate in far more demanding and often hostile environments than do traditional economic development programs. And they face narrow windows of opportunity to produce results.⁵

In Iraq, extensive and ambitious reconstruction operations commenced before stabilization was complete. Large projects—later recognized as impractical—were launched well before ministerial development initiatives were under way and before the rule of law was restored.⁶ *Ad hoc* organizations, created to administer those projects and then to transfer them to the Government of Iraq (GOI), came and went. These failures in planning, together with the absence of a coherent management structure, produced significant waste.

In late 2003, one of those early *ad hoc* organizations, the Project Management Office (PMO), presented a list of more than 1,700 projects to the Coalition Provisional Authority's (CPA) administrator, providing just nine days for him to decide the shape and direction of what would become the largest relief and reconstruction program in U.S. history.⁷ It was too much too fast, a repeated theme that threaded itself through various aspects of the Iraq reconstruction experience.⁸ The PMO's project list, concentrated as it was in heavy infrastructure, devoted limited support for governance and capacity-development. USAID Administrator Andrew Natsios described the proposal as a "recipe for disaster."⁹ He declared, after reviewing the plan: "If this thing gets approved, you'll have no money for elections, no money for rebuilding local governance, no money for building the university system, [and] no money for the health system."¹⁰ Given the several large reprogrammings that occurred the following year, Administrator Natsios' Cassandra-like assessment proved largely true.

Seven years and more than \$50 billion into the reconstruction effort, Iraq's painful lessons point to the following core principles, which should shape interagency decision-making in the current contingency in Haiti and guide Congress as it seeks to improve "jointness" among the agencies and in future SRO operations.

1. Restore the Rule-of-Law Before Beginning Reconstruction

Establishing security means far more than ensuring the absence of violence. In Iraq, the U.S. military fought an active insurgency, while simultaneously trying to support the reconstruction of societies and systems decrepit from decades of damage, misrule, and neglect. These efforts yielded mixed results, in part because the United States initiated an expansive and ambitious reconstruction program before Iraq was stabilized.

The security challenges faced in Haiti, incomparably less daunting than those confronted in Iraq, consisted chiefly of occasional outbursts of criminal violence; but these paroxysms of unrest did not interfere with aid delivery. Relief efforts in Port-au-Prince and beyond primarily confronted logistical rather than security hurdles. Within thirty days of the quake, the United States reduced its troop presence by almost half.

Notwithstanding its relatively low level of security incidents, Haiti nevertheless will require long-term support and significant investment to ensure that it operates as a stable state. The ongoing relief effort's ultimate success will depend in large part on the development of robust rule-of-law institutions, including a corruption-free judiciary, a reliable anticorruption office, and a capable police force. Each of these critical components was weak or ineffective before the quake. The January catastrophe provided an opportunity to build anew these elemental governance building-blocks so essential to functioning civil societies.

The wide spectrum of security challenges that might arise during an SRO—stretching from the severe, as embodied by the Iraq experience, to the limited, as encountered in Haiti—points to the need for a flexible and robust SRO plan. The continuing focus and significant resources required to prepare such a plan underscore the need for creating an entity like USOCO that would be exclusively dedicated to SRO missions.

2. Fit Reconstruction Strategies to Host-Country Needs

Those charged with planning and executing stabilization and reconstruction operations must ensure that the reconstruction strategy is compatible with local conditions and capabilities.¹¹ During the initial stages of the Iraq effort, the Coalition Provisional Authority adopted a strategy that envisioned building state-of-the-art capital projects—"best of breed" was the favored term—rather than pursuing a more modest agenda that might better fit local capacities.¹² But these "best-of-breed" projects often turned out to be too sophisticated for Iraqi managers to operate. For example, a

SIGIR assessment of the Nassiriyah Water Treatment System found that, while the construction was well done, the Iraqis were not capable of operating it.¹³ Substantial new funding had to be expended to support contracts to train Iraqis on how to operate the system.

A major challenge in Haiti has been the restoration and sustainment of basic services. Haiti has a low absorptive capacity, which means that its operational baseline and technical sophistication are quite low. Thus, the rebuilding strategy should be geared to the country's limited capacities and coordinated with the Haitian government. USAID Administrator Rajiv Shah recognized the need to match foreign aid to local capabilities, emphasizing that "rebuilding Haiti, first and foremost, is a partnership with the Haitian Government [and] ... it is the Government of Haiti, through coordinating systems on the ground, which is providing the specific strategic leadership about what gets done in what neighborhoods and at what pace."¹⁴

The Iraq reconstruction experience teaches that initiatives to develop the capacity of people and governmental systems ("soft" programs) are as important as "brick-and-mortar" projects. The incipient reconstruction efforts in Iraq largely failed to apply this principle. Moreover, early stabilization efforts failed to create an "enabling environment that would encourage ... foreign investment in the infrastructure needed for a modern country."¹⁵ A key lesson for Haiti and for future SROs is that, as assistance efforts move beyond relief activities, the mission should ensure sufficient focus on building governmental institutions, with a special emphasis on law enforcement, the judiciary, and municipal services.

3. Coordinate U.S. Government Efforts with NGOs

Effective cooperation with non-governmental organizations (NGOs) is an essential element for SRO success. NGOs were too often ignored early in the Iraq reconstruction program. But these important organizations frequently possess significant grassroots knowledge and unique access to certain communities, capacities that certainly ought to be applied early in an SRO. In Haiti, applying the local knowledge of the hundreds of NGOs now on the ground will be critical to mission success. Given that about a billion dollars has already been raised by the U.S. NGO community for Haiti, their budgetary contribution will be similarly essential to eventual success.¹⁶

Coordinating NGO activity with Defense can be a challenge in SROs. NGOs and government aid organizations sometimes bristle at dealing with the military, because they fear that their development role could become

conflated with traditional defense missions. A workshop conducted under the auspices of the National Defense University amplified this point, revealing that NGO personnel sometimes perceive the military as a disruptive force, viewing their presence as an interference with traditional development activities.¹⁷ Ensuring that SROs are managed with a “civilian face” would improve acceptance by and coordination with NGOs—USOCO could be that civilian face.

Integrating the many activities of the NGOs operating in Haiti into a coherent mission-plan will remain an ongoing challenge because the agendas and cultures comprising this community are very diverse. Developing the internal capacity to tackle this kind of complex challenge would be a key priority for USOCO.

4. Improve Engagement with the International Community

Effectively integrating multi-lateral resources and expertise would improve SRO outcomes. Given this principle, the United States should include international organizations in SRO planning from the outset. Donor conferences help build international support for stabilization and reconstruction missions. Moreover, they permit the demands of particular relief and reconstruction operations to be broadly assessed. The conferences serve as a forum for coordinating publicly pledged resources with anticipated needs.

The 2003 Madrid International Donors Conference for Iraq developed significant support, with participants pledging about \$16 billion in loans and grants. But donor pledge-fulfillment fell far short of expectations, with only about half of the funds reaching the ground in direct activities. This meant that the United States had to bear most of the financial burden for Iraq’s reconstruction. Enforcing donor follow-through may often be a difficult proposition, but it was especially problematic in Iraq given the political climate, the lack of detail in early needs-assessments, and the poor quality of the budget information.¹⁸ Taking more time to assess the scope of Iraq’s needs and to budget the full costs more accurately might have improved the ultimate donor yield.

After the Haiti earthquake, the international community convened in Montreal to develop plans for supporting relief efforts. Canadian Foreign Affairs Minister Lawrence Cannon stated that the Montreal meeting yielded a tentative “roadmap towards Haiti’s long-term reconstruction, and a clear and sustained commitment to follow through.”¹⁹ Because of the wide-spread support for Haitian relief—with a unanimity that was missing

in Madrid because of differences about the Iraq invasion²⁰—the likelihood of donor follow-through in Haiti is high.

5. Good Reconstruction Decisions Need Accurate, Timely, and Complete Information

Repeated course-changes during the Iraq SRO wasted considerable time and resources. Fundamental decisions on what to do, how much to do, and where to do it were frequently altered during the reconstruction program. These recurring alterations were driven in part by unreliable project information, which came from a fundamentally flawed database: the Iraq Reconstruction Management Information System (IRMS).

IRMS was designed to track the progress of reconstruction projects, but it was never able to provide consistent, timely, or accurate information.²¹ Developed well after the reconstruction program began, IRMS sought to fill an information-systems gap that SIGIR had indentified.²² Because of this gap, the Iraq program managers were left to play catch-up from the start of the program—and they never could. Bad project information led to bad decisions, which caused waste. One of USOCO's missions would be to ensure that a robust, fully operational, integrated management information system on which all agencies were trained was in place well before any future SRO began.

The technical aspect of IRMS' weaknesses is revealing. The system derived its information from two major data feeds, one from the U.S. Army Corps of Engineers (USACE) and the other from USAID. Each feed was periodically updated but in different reporting formats, which had to be adjusted by hand to appear homogeneous in IRMS output reports. Additionally, project updates were not synchronized. USACE updated project data weekly, whereas USAID updated project information on a quarterly basis. This discontinuity bred gross inconsistencies. For future SROs, a comprehensive project-reporting system should follow standardized output formats and common update cycles; and all participants should be mandated to use it.

In Haiti, USAID established the Haiti Task Team (HTT), charging it to coordinate, among other things, interagency information-sharing to reduce redundancies and mitigate waste. But, as described in a recent Defense report on government agency information-sharing, interagency system integration can be an elusive goal: "progress is being made in some quarters, in others there is almost a counter-reaction where organizations are closing in on themselves, perpetuating traditional closed pockets of valu-

able information.”²³ This kind of balkanization of information certainly occurred in Iraq. Absent system capabilities that meet the mission’s needs and a management ethos of ‘need to share’ rather than ‘need to know,’ the problem will recur. Creating a permanent locus for planning like USOCO would obviate the practice of employing temporary information and management systems that exist only for the life of a particular SRO.

6. Create a Single SRO Funding Source

In February 2009 testimony before the Commission on Wartime Contracting in Iraq and Afghanistan, SIGIR suggested developing inter-agency “conflict pools”²⁴ for SROs, like those employed by the United Kingdom. Secretary of Defense Robert Gates, in a December 15, 2009 memorandum to Secretary of State Hillary Rodham Clinton, posited a similar proposal outlining the development of new funding mechanisms with State/Defense turn-key approval processes for SRO activities involving both agencies. The Gates’ Memorandum is a step in the right direction, but it does not solve the larger management problem. Creating a single decision-making office responsible for prioritizing the use of consolidated SRO funds would place responsibility for project selection and management in one entity, concentrating accountability for program and project outcomes. Current U.S. government structures do not provide for this level of accountability; creating USOCO would.

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7. Address the Perceived Militarization of Foreign Assistance

The U.S. government’s “3-D” strategy for SROs—which recognizes that defense, diplomacy and development all play a role in such operations—treats the three “Ds” as equal in value and power.²⁵ But in recent years, in the wake of DOD Directive 3000.05 (which created the Pentagon’s new and revolutionary stabilization doctrine), the military has become deeply engaged in activities that once were the exclusive province

of civilian agencies. Secretary Gates presciently recognized the interdepartmental issues inherent in this expansion, warning of the potential of a “creeping militarization” in U.S. foreign assistance policy.²⁶ A 2009 RAND study echoed similar concerns that could arise if Defense continues to expand into traditionally civilian missions, including: weakened State and USAID capacities; an increased global perception that the U.S. military is the primary face of U.S. policy; and a dilution of the military’s focus on its chief mission: war-fighting.²⁷

The military’s involvement in SROs was demonstrated again in Haiti, when it provided substantial assistance to tens of thousands of distressed Haitians in the immediate aftermath of the January quake. About 20,000 uniformed personnel deployed in the first two weeks; but within two months, U.S. troop levels declined by about 50 percent. The military’s public rhetoric in Haiti revealed its sensitivity to the perception that its presence might impute a militarization to the disaster relief efforts. For example, in early March, an Army officer said that the U.S. military will “remain on station in Haiti as our civilian partners continue to increase their capabilities in both the Haiti governmental organizations as well as the nongovernmental organizations... However, we are seeing our role steadily reducing.”²⁸ Fears about a “military face” on reconstruction operations would be removed by the creation of USOCO, which would be civilian-led (but would nonetheless integrate Defense’s substantial planning and execution capacities).

Notwithstanding the concerns about the militarization of foreign assistance, the modern history of SROs demonstrates that the military has—and will play—an important role in stabilization and reconstruction activities. The Pentagon’s planning and logistical capabilities are unparalleled and essential to support SROs. The notional fears about mission militarization that might arise at the sight of a uniformed soldier handing out water bottles are perhaps a bit overdrawn. What is less appreciated is the need for an overarching management capability charged with, and well-rehearsed in, the integrated orchestration of varying departmental capabilities. This is an important, albeit difficult challenge, and one which USOCO would be uniquely structured to handle.

THE RATIONALE FOR USOCO

As the foregoing discussion of applicable principles from Iraq illustrates, the creation of a new integrated office to manage SROs could significantly enhance their planning and execution. In mid-2003, the U.S.

government embarked on the Iraq reconstruction mission with an entirely *ad hoc* management system, growing it far beyond the initial vision of around \$2 billion to a program that now exceeds \$53 billion. Some projects met contract specifications, but the many unacceptable outcomes stemmed chiefly from the lack of a clear and coherent management approach.

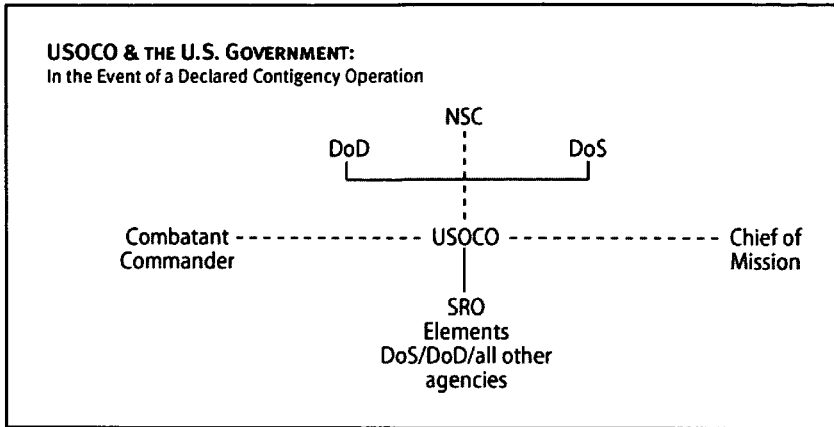
While the CPA has often been criticized for poor results, its decision-making structure was inadequately resourced to accomplish the large tasks it took on. Staffed primarily by temporary employees serving short tours,²⁹ the CPA operated against the backdrop of a deteriorating security situation. Moreover, it had inadequate time and capacity to plan and execute a \$20 billion reconstruction operation, and it confronted an array of unexpected challenges for which it was ill-prepared to meet. Decisions were driven by ever-changing circumstances, while the unstable security environment impeded progress on all fronts. Notwithstanding these painful realities, many aspects of which were perhaps unavoidable, a well-developed SRO plan overseen by a sufficiently robust interagency management office could have anticipated some of the problems that occurred and implemented adjustments³⁰ that could have prevented the waste of hundreds of millions of taxpayer dollars.

THE IMPORTANCE OF FUNCTIONAL INTEGRATION

When one agency is put in charge of an SRO, departmental biases can distort decision-making. As a senior NSC official observed, “*lead agency* really means *sole agency*, as no one will follow the lead agency if its directions substantially affect their organizational equities.”³¹ USOCO would eliminate this issue by closely linking its planning and operating capabilities with State, Defense, and USAID, bringing out the best-developed SRO aspects from each, while avoiding the “stove-piping” that impairs effective inter-departmental action. By bringing the planning, funding, and management of SROs together under a single operational roof, USOCO would integrate all of the relevant actors into a streamlined structure. USOCO would weave together the SRO capabilities of State, Defense,

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and USAID, but it would not be autonomous. The Director of USOCO would report to the Secretaries of Defense and State (as does SIGIR).



Currently, there is no single agency that devotes its entire mission to SROs. For State and Defense, SROs are but a small part of those departments' vast missions. Upon creation by the Congress, USOCO would become the exclusive locus for SRO planning, funding, staffing, and managing, replacing the existing fragmented process. Importantly, it would provide a single institution, whose sole mission would be to ensure that the U.S. is well-prepared for the next contingency. Furthermore, USOCO would concentrate accountability for SRO outcomes.

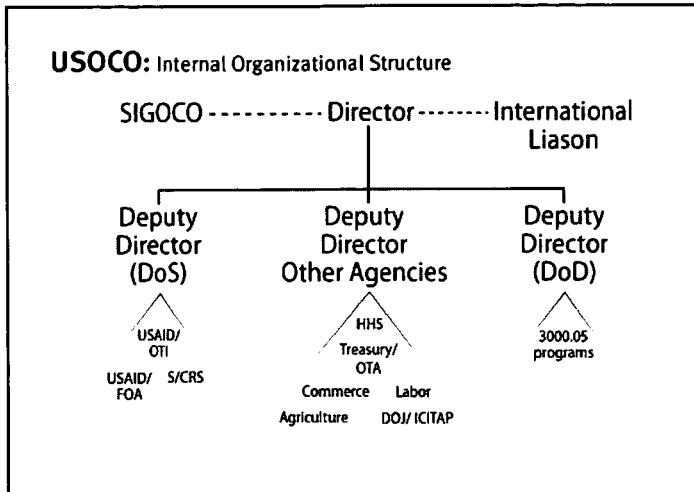
The decision on whether to pursue the USOCO proposal should be shaped by a careful analysis of the results achieved thus far by the current departmentalized system. To date, efforts aimed at enhancing civ-mil cooperation appear piecemeal and disjointed. A bold reform like USOCO could catalyze the functional integration of these efforts across the inter-agency community. State, Defense, and USAID are all making attempts to improve coordination. But real operational integration is necessary, not just coordination. At the moment, the employees of these various agencies remain creatures of their respective bureaucratic cultures; they do not have an integrative home. USOCO could provide that home, developing therein a true cadre of professionals steeped in an organizational culture whose sole focus would be the planning and execution of stabilization and reconstruction operations.

USOCO'S STRUCTURE

To resolve the ongoing diffusion of duties among the departments, USOCO would bring together all SRO capabilities now distributed among the agencies, including: State's Coordinator for Reconstruction and Stabilization (S/CRS), the programs established under the Defense Directive 3000.05, the Department of Justice's International Criminal Investigative Training and Assistance Program, the Department of the Treasury's Office of Technical Assistance, and USAID's Office of Transition Initiatives. Congress has previously seen fit to reform government structures to meet the new century's changing national security needs, e.g., creating the Department of Homeland Security and the Office of the Director for National Intelligence. USOCO would arise from a similar recognition of the need for structural reform, the evidence for which has been compellingly established by the reconstruction record in Iraq.

Senior leadership and staff positions within USOCO would include:

- **Director:** The USOCO Director would be a presidential appointment requiring Senate confirmation. Reporting is a sensitive issue but options include dual reporting to the Secretary of State and the Secretary of Defense (as is the case with SIGIR), with a possible additional report to the National Security Advisor.
- **Three Deputy Directors:** USOCO Deputy Directors would also be presidential appointments requiring Senate confirmation. The Secretary of State, the Secretary of Defense, and the USAID Administrator each would recommend a senior executive to be nominated by the President and confirmed by the Senate for these positions.
- **Permanent Staff:** The Director and the three Deputies would determine USOCO staffing levels, but the number would likely not amount to more than 200. Detailees from Defense, State, and USAID would supplement permanent staff.
- **Embedded Field Operatives:** USOCO cells should be positioned within Combatant Commands to work with the military on SRO planning.
- **Surge Personnel:** In the event of a declared SRO, pre-positioned field cells would immediately be reinforced with deployable elements drawn from permanent USOCO personnel as well as "ready reserve" experts from other federal departments and contractors.



HOW USOCO WOULD OPERATE IN A CONTINGENCY ENVIRONMENT

During an operation, USOCO would manage all stabilization and reconstruction assets in theater. The Director's on-the-ground management authority would begin when the President declared an SRO effective and would end upon presidential declaration of its conclusion (a process similar to how FEMA obtains its management control during a presidentially declared disaster). Importantly, the Director would bear complete accountability for and responsibility over the SRO's budget, contracting, expenditures, and outcomes. Further, during the life of an SRO, the Director would possess authority over all program and project decision-making but would closely coordinate on needs and requirements with the Commanding General, the Chief of Mission, and the USAID Mission Director.

Leadership coordination was an issue in Iraq from the start. In planning for future operations, regular interagency exercises would help obviate such problems. While the Director of USOCO would have clearly delineated authorities, he or she would operate in close cooperation with all other agency leadership in theater. Relief and reconstruction personnel, including those on detail or assigned from other agencies, would fall under the Director's aegis. Moreover, throughout the life of the contingency operation, USOCO staff would work closely on all SRO matters with State, USAID, and Defense, meaning transparent and consistent coordination and communication with the staffs of the Chief of Mission, the USAID Mission Director, and the Commanding General as well as with international organizations and bilateral partners.

CONCLUSION

USOCO is a necessary solution to the complicated and conflicted approaches that have shaped contemporary SRO management. Various aspects of the SRO mission are now scattered among agencies whose capacity to carry out these diverse missions varies greatly. The existing Interagency Management System (IMS), established by the National Security Council (NSC) three years ago to oversee SROs, requires a Country Reconstruction and Stabilization Group, an Integration Planning Cell, and Advance Civilian Teams. None is effectively operational today. The IMS is essentially a dead letter. Something else must fill the space it was intended to control.

NSC cannot fill that space because it is not an operational entity. S/CRS is not the answer either, although it has developed significant personnel resources, because it lacks sufficient program funding and does not have the operational authority to lead SROs. USAID has development expertise but limited in-house program management capacity. Defense, though possessing significant new stabilization and reconstruction capabilities, should not bear the responsibility for leading what are chiefly civilian missions. Notwithstanding these limitations, each of these entities has important SRO capabilities; but none is in charge. In practice, they compete for management hegemony, while protecting their respective institutional interests. The current reality is that no existing office

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Something new is required to solve this accountability problem; that something new could be USOCO. Notably, our proposal does not call for creating a completely new organization that simply deploys people into the field to support an SRO. Rather, it amalgamates existing elements into an agile civil-military entity capable of planning and leading successful missions in a synergistic manner. It is an appropriate restructuring of government to meet 21st century national security needs.

The consequences of not having a coherent management system in Afghanistan were underscored in December 2009, when Ambassador

Richard Holbrooke, the U.S. Special Representative for Afghanistan and Pakistan, made the following observation about the Afghanistan SRO, into which more than \$38 billion had already been invested: "The whole thing was uncoordinated and did not get us very far. The upshot is that in the ninth year of the war we are starting from scratch."³²

When briefed on the USOCO concept, former National Security Advisor Lieutenant General Brent Scowcroft concluded that an integrated management office like USOCO could help solve the chronic problem of poorly managed SROs. Former Ambassador to Iraq Ryan Crocker also found the concept worthy of implementation, as did former USAID Mission Director in Iraq James "Spike" Stephenson. Ambassador Crocker worked in close cooperation with Multi-National Force-Iraq Commanding Generals David Petraeus and Raymond Odierno to build interagency relationships that eventually worked during the critical 2007-2009 timeframe; but this was tantamount to repairing an aircraft in flight. Mr. Stephenson, a twenty-five-year veteran of USAID who spent thirteen months in Iraq in 2003-2004, witnessed the chaotic struggles that dominated the early stages of the Iraq reconstruction effort. The views of Ambassador Crocker and Mr. Stephenson are particularly compelling because of their lengthy departmental experience and first-hand knowledge of the Iraq reconstruction program.

A recent RAND report noted that "Congress and the President [should] launch a debate on a fundamental reform of federal public administration in the national security sphere, focusing specifically on SSTTR (stabilization, security, transition, and reconstruction) operations as the current and most pressing need."³³ That debate is ongoing; but the time for talk about what reform and when is running short.

Since 2003, the United States has committed more than \$50 billion in Iraq and lost more than 4,300 soldiers. At a time of severe financial crisis, the U.S. government should implement reforms that apply Iraq's lessons to reduce waste and improve efficiencies. Perhaps the largest lesson is the need for a single point of accountability to plan, manage, and execute SROs. While not a perfect solution, USOCO could overcome the significant interagency divisions that continue to hinder stabilization and reconstruction missions.

The existing system is broken. USOCO could fix it. But it will take an act of Congress to get it going. The hard lessons from Iraq provide a strong basis for taking such action.■

ENDNOTES

- 1 The U.S. Congress created the Office of the Special Inspector General for Iraq Reconstruction, an independent federal agency, in 2004. SIGIR has oversight of the more than \$50 billion in U.S. funds committed thus far to the reconstruction of Iraq. To date, SIGIR has produced a total of 336 reports—166 audits and 170 inspections as well as 5 ‘lessons learned’ reports. This article is based on SIGIR’s most recent lessons learned report: *Applying Iraq’s Hard Lessons to the Reform of Stabilization and Reconstruction Operations*. This report recommends an innovative solution to the persistent problem of integrating civilian agencies’ efforts with those of the military during overseas stability and reconstruction operations (SRO). To read the complete report, please see SIGIR’s website: www.sigir.mil.
- 2 “Key Recurring Management Issues Identified in Audits of Iraq Reconstruction Efforts,” SIGIR-08-020, July 27, 2008.
- 3 *Hard Lessons: The Iraq Reconstruction Experience*, SIGIR, 2009, 167-169.
- 4 *Hard Lessons: The Iraq Reconstruction Experience*, SIGIR, 2009, 258.
- 5 *In the Wake of War: Improving Post-Conflict Capabilities*, 4-5, Council on Foreign Relations (2005).
- 6 *Hard Lessons: The Iraq Reconstruction Experience*, SIGIR, 2009, 258.
- 7 SIGIR interview with Rear Adm. (Ret.) David Nash, former Director of the Iraq PMO, March 3, 2006.
- 8 “Review of the Use of Undefinitized Requirements for Supporting Reconstruction in Iraq,” SIGIR Audit 06-019, July 28, 2006, 5-6.
- 9 *Hard Lessons: The Iraq Reconstruction Experience*, SIGIR, 2009, 110.
- 10 Ibid.
- 11 “Commanders Emergency Response Program: Projects at Baghdad Airport Provided Some Benefits, But Waste and Management Problems Occurred,” SIGIR 10-013, April 26, 2010.
- 12 “Developing a Depot Maintenance Capability at Taji Hampered by Numerous Problems,” SIGIR 09-027, July 30, 2009.
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- 14 USAID Administrator Rajiv Shah, on-the-record briefing with State Department Counselor Cheryl Mills, *On the Way Forward in Haiti*, February 2, 2010.
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