STIMSON

A New Way Forward:

Rebalancing Security Assistance Programs and Authorities

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Contents

Abbreviations and Acronyms

AECA	Arms Export Control Act
ASFF	Afghanistan Security Forces Fund
CCIF	Department of Defense's Combatant Commander's Initiative Fund
COCOMs	Combatant Commanders
CCF	Complex Crises Fund
CRSP	Coalition Readiness Support Program
CSF	Coalition Support Fund
CTFP	Combating Terrorism Fellowship Program
DHS	Department of Homeland Security
DOD	Department of Defense
DOJ	Department of Justice
DOS	Department of State
DSCA	Defense Security Cooperation Agency
ESF	Economic Support Fund
FAA	Foreign Assistance Act
FMF	Foreign Military Financing
Function 150	International Affairs Budget Function
Function 050	National Defense Budget Function
GPOI	Global Peace Operations Initiative
ICITAP	International Criminal Investigative Training Assistance, Department of Justice
IMET	International Military Education and Training
INCLE	International Narcotics Control and Law Enforcement Account
ISFF	Iraq Security Forces Fund
NADR	Nonproliferation, Anti-terrorism, and De-mining Account
NDAA	National Defense Authorization Act
PKO	Peacekeeping Operations Account
QDDR	Quadrennial Diplomacy and Development Review, Department of State
QDR	Quadrennial Defense Review, Department of Defense
OECD	Organization for Economic Co-Operation and Development
USAID	US Agency for International Development

Acknowledgements

Executive Summary

Security assistance has been an essential component of the US foreign policy toolkit for nearly half a century.[1] From Teddy Roosevelt's Rough Riders, through the Lend-Lease program, up to today's security assistance programs in Iraq, Afghanistan, Pakistan, Yemen, and beyond, the United States has provided training, education, equipment, and support to the armed forces of foreign countries in pursuit of US national interests.

Since the earliest years of military assistance programs, such activities have been carried out under the authorities of the Secretary of State, with Department of State planning guidance, and funded through the International Affairs budget (Function 150). Implementation of these programs has generally been the responsibility of the Department of Defense (through the Defense Security Cooperation Agency), the military services, and the combatant commands (COCOMs).

The Defense Department's direct role in planning and budgeting for security assistance has grown significantly over the last decade. Linked largely to US experiences in Iraq and Afghanistan and counter-terror activities elsewhere, the traditional set of US security assistance programs has been joined by a number of new security assistance programs under the authority, direction, and budget of the Department of Defense (DOD). These programs have substantially expanded the Pentagon's security assistance responsibilities and have raised questions about their relationship to the programs, responsibilities, and authorities of the Secretary of State.

This report, based on a year-long examination of US security assistance programs, argues that DOD's role in security assistance has grown in response to immediate circumstances, based on a particular conception of what US security assistance programs are intended to accomplish. The traditional portfolio of US security assistance programs (principally Foreign Military Financing and International Military Education and Training) were developed during the Cold War in the framework of what this report will call a *Security* perspective. They were designed to focus specifically on security conditions in the recipient countries and the surrounding region and on US national security requirements, especially the needs of the US military. The programs are designed to support US strategic partnership goals, build military-to-military relationships, and strengthen the militaries of recipient countries.

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[1]   Security assistance is a component of US foreign assistance, which includes a broad range of programs and initiatives that further US foreign policy interests, assist, and influence other countries. US assistance includes economic support, development assistance, humanitarian and relief support, and global health assistance, among other programs.

Since 9/11 and the invasions of Afghanistan and Iraq, these security goals have expanded to include building the military capacity of coalition partners and local security forces. In a broad sense, these programs have enabled the US to develop reliable partners for coalition and counter-insurgency operations. They have also allowed the US to avoid the deployment of US military forces because the recipient country can carry out security operations on its own. Both of these goals are closely tied to the requirements of US military operations. The programs that support this effort are small in the context of the DOD budget, though their costs and ambitions have been growing. The justification offered for putting these programs in DOD has been that DOD can manage them in a more agile and flexible way, and can generate more funding than the State Department.

As the deployment in Iraq comes to a close and US forces begin a gradual withdrawal from Afghanistan, it becomes important to scrutinize US security assistance programs and rethink the framework which has defined them. This report proposes that this re-evaluation be rooted in a *Governance* framework. Governance refers to the broader need to strengthen state capacity in failing, fragile, collapsing, and post-conflict states, arguably one of the most serious challenges to global peace and security today. Governance is linked, in turn, to issues of social and economic development, which contribute to both stability and long-term growth.

A narrow focus on security in US security assistance programs misses this vital connection. It de-links support for security forces from the need for effective, efficient, and accountable governance. Historically, military and other security forces empowered through security assistance programs in countries with weak governance have too often led to diminished accountability, authoritarian government, military coups, and human rights violations.

This report argues that the US security assistance portfolio should be restructured around the objective of effective, efficient, and accountable governance. This framework links security assistance to the objective of building effective state institutions that can provide internal and border security; protect the rule of law, including adhering to internationally recognized standards of human rights; support a duly constituted, responsive government; meet the needs of the citizens; and facilitate social and economic development.

This report summarizes how US security assistance programs have evolved, and offers a new way to assess and understand the current inventory of authorities and programs. The report recommends revisiting the strategy and architecture of US security assistance from a *Governance* perspective, avoiding the piecemeal creation of new programs that further institutionalize a *Security* perspective. The report ends with a list of guiding principles, concrete recommendations for both the executive and legislative branches, and a transition strategy.

List of Recommendations

The goal of effective, efficient, and accountable governance should provide the context for current and future US security assistance programs. Security assistance programs should be restructured on the basis of three organizing principles:

- *Reinforce US civilian leadership of security assistance programs*: Security assistance programs should be closely integrated into a civilian-led strategy for near-term conflict prevention and resolution, stability, and the development of effective governance. The State Department need not develop its own implementation capacity for military assistance, but its internal capacity to plan, budget, and manage these programs needs to be seriously strengthened;

- *Maintain DOD implementation of train and equip programs*: DOD clearly has the knowledge, contacts, experience, and infrastructure to help build partner militaries. While the State Department should have responsibility for planning oversight, with DOD input, the military should remain the primary implementer of traditional train and equip programs;

- *Task and empower civilian capacity to implement broader security sector assistance*: Under State Department leadership, US civilian agencies should implement security assistance to foreign police, constabulary forces, courts, and the justice system (sometimes called the "security sector"). These programs need to be linked to USAID planning and implementation for overall governance and democracy support, and to strengthen implementation capabilities at the Departments of Justice and Homeland Security.

Restructuring security assistance programs in a governance framework will require a thorough **legislative branch** review and restructuring of existing authorities and funding. This review, which should be carried out in close collaboration with the executive branch agencies, should include:

- *Goals and objectives*: A restructured security assistance program needs clear goals and objectives, explaining to the American people why it is in the US national interest and what the program is trying to accomplish;

- *Realign security assistance accounts and funding*: The plethora of existing security assistance accounts should be restructured under State Department authorities, with the exception of those directly linked to forward-deployed US forces in combat. A single overall security assistance account should be created at the State Department, with sub-accounts for specific purposes;

- *Authorities*: A consolidation of authorities will make decisions on countries and funding more straightforward and facilitate Congressional oversight. Restrictions on assistance, including the provisions of the Foreign Assistance Act, should be made clear;

- *Lead budget responsibility:* Funding for security assistance, including programs such as "Building Partnership Capacity," should be provided through the State Department budget. DOD should have input in the planning process and a lead responsibility for implementation;

- *Presidential drawdown authority:* The ultimate authority responsible for security assistance decisions, especially for unforeseen requirements, is the President of the United States. Presidential drawdown authority should be expanded to include a broad range of security assistance needs;

- *DOD operational requirements*: DOD should have the authority to provide security assistance in situations where US forces are forward deployed in combat. The decision to use this authority should require Secretary of State concurrence, and a request to the President for a decision to use drawdown authority;

- *Congressional oversight*: Authorizing language for such accounts and authorities should include explicit requirements for regular notification to the Congress about program decisions above a certain fiscal threshold.

Restructuring security assistance programs in a governance framework will require the **executive branch** to implement a much more systematic process for shaping security assistance strategy, goals, and objectives. Efforts should include:

- *Strategic planning*: Unlike the last five decades of security assistance planning, decisions on these programs urgently need to be set in the context of broader foreign policy, foreign assistance, and national security strategy, goals, and objectives. There should be a National Security Staff review of all programs and a systematic NSS responsibility for providing guidance on strategic planning for security assistance programs and funding;

- *Assistance planning*: The State Department should provide input for that strategy and guidance, defining security assistance strategies, goals, and objectives, and respond to the guidance provided by the National Security Staff;

- *Civilian program planning and management capabilities*: To ensure empowered civilian leadership, the executive branch should request from the Congress sufficient resources for the State Department and USAID to retain and build qualified, experienced staff in the security assistance domain;

- *Implementation of assistance*: Under State Department oversight and leadership, security assistance programs in the field should be implemented by the appropriate federal agency possessing the skills and knowledge of the specific program, including the departments of Defense, Justice, and Homeland Security;

- *Program performance evaluation*: Security assistance programs have never had, but badly need, systematic performance evaluation. Under State Department leadership, the executive branch needs to develop metrics for such evaluation, aligned to purposes and outcomes, rather than current output measures.

Background

The United States has provided more than $200 billion in security assistance to the military and paramilitary forces of foreign countries. This has been a key instrument of US national security policy for more than half a century.[2] Under the statutory authorities of the Foreign Assistance Act (FAA) of 1961 and the Arms Export Control Act (AECA) of 1972, the United States has provided support in the form of grants and loans for the purchase of US defense equipment, services, and training; supported the education and training of foreign military officers in the United States; and funded training, equipment, and services for foreign military forces participating in peacekeeping operations.

The Cold War tension between the US and the Soviet Union provided the context for these security assistance policies and programs for more than 30 years. These programs had the objective of strengthening the capacity of foreign militaries to resist invasion or internal conflicts linked, in large part, to the Cold War. The traditional portfolio of programs and budget accounts for security assistance were created and funded under the statutory authorities of the Secretary of State, who managed these activities under the FAA and the AECA.

Because the knowledge to shape and implement these programs on the ground was in the Department of Defense, the military services, and the regional Combatant Commanders (COCOMs), these organizations had and continue to have significant input into the planning and implementation of US security assistance, both in the field and in Washington, DC. Administrative responsibility for most of these programs was housed at DOD in what is now called the Defense Security and Cooperation Agency (DSCA).

With the end of the Cold War, US security assistance has broadened its focus considerably to support a wider variety of US foreign policy goals, including counterterrorism, counternarcotics, democracy promotion, strengthening the security sector, and nuclear nonproliferation.

Additionally, the changing character of US military engagement overseas in the past decade, particularly the invasions and continuing presence in Iraq and Afghanistan and counter-terror operations, has led to the creation of a number of new security assistance authorities and programs. Some of these authorities and programs support

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[2]   From FY1950 to FY2009, budgets for the Foreign Military Financing program, the International Military Education and Training program, and the Military Assistance Program have totaled more than $200 billion. Data taken from the Defense Security Cooperation Agency, *Foreign Military Sales, Foreign Military Construction Sales, and Military Assistance Facts as of September 30, 2009.*

the indigenous security forces of countries where US forces are operating or where the US is supporting counter-terror operations, such as Iraq and Afghanistan. Others are designed to strengthen the capabilities of US coalition partners (e.g., Poland, Hungary) in these theaters.

The most unique characteristic of the new security assistance authorities and programs is that many have been created under the authorities of the Defense Department rather than the State Department, and are directly funded through the DOD budget. This structural innovation has altered the relationship between the two Departments with respect to the design, implementation, and direction of US security assistance. The Secretary of State does not have the primary role for determining which countries should receive security assistance; the timing, duration, and content of that assistance; or the appropriate funding level for these more recent security assistance programs. In fact, for some of the new programs the Secretary of Defense, alone, can decide on the content and funding level. In other cases, the two departments must collaborate, with DOD making decisions that require the concurrence of the Secretary of State.

This new set of authorities and programs has emerged incrementally over the last decade, in response to operational demands in theaters of combat. The result has been a proliferation of security assistance programs within DOD, in addition to the pre-existing programs under State Department authorities, with overlapping or ambiguous lines of authority and responsibility between the two departments.

The Department of Defense increasingly views security assistance as a core mission of the military and advocates an even more comprehensive policy and program for "Building Partnership Capacity." Defense Secretary Robert Gates has, in fact, vigorously asserted the centrality and importance of building partnership capacity in his February 2010 speech to the Nixon Center, and subsequent article in *Foreign Affairs*.[3] The Pentagon's 2010 Quadrennial Defense Review explicitly states that "building the defense capacity of allies and partners and ensuring that the US Armed Forces are able to effectively train and operate with foreign militaries is a high-priority mission."[4]

The State Department has largely acquiesced in this expansion of DOD funding, authority, and responsibility, without redefining its own role or the overall mission of security assistance. State remains responsible for Foreign Military Financing (FMF) and International Military Education and Training (IMET) and has recently taken on responsibility for new security assistance programs in Iraq and Pakistan.[5]

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[3]   Remarks by Secretary of Defense Robert Gates, The Nixon Center, Washington DC, February 24, 2010 is available at: http://www.defense.gov/speeches/speech.aspx?speechid=1425. Also see Gates, Robert, "Helping Others Help Themselves," *Foreign Affairs*, May/June 2010.

[4]   Department of Defense, Quadrennial Defense Review Report, February 2010, page 91.

[5]   The executive branch has been implementing partial reforms legislated by the Congress for FY2010. These include giving State the responsibility for the Pakistan Counterinsurgency Capability Fund (to replace DOD's Pakistan Counterinsurgency Fund), and the Complex Crises Fund (to replace funding transfers from DOD under Section 1207 Authority). As the US military role in Iraq declines, the Iraq Security Assistance

Even these decisions have been somewhat improvised, driven by Congressional insistence as much as by State Department intent. However, the December 2010 State Department Quadrennial Diplomacy and Development Review (QDDR) devotes minimal attention to State's security assistance mission and portfolio, or to the complex relationship between the two departments in this arena.[6]

Fund is also transitioning to the State Department, requested in the FMF account under the Overseas Contingency Operations FY2012 request.
[6] See Department of State, Quadrennial Diplomacy and Development Review, Chapter 4, "Preventing and Responding to Crisis, Conflict, and Instability," pgs. 121-158.

The Future of Security Assistance

US security assistance programs are clearly at a turning point. US combat forces are scheduled to withdraw from Iraq by the end of the year, changing the character of the security relationship between the two countries. A similar evolution may take place in Afghanistan, as President Obama's strategy suggests that US troops will begin withdrawing this summer. Meanwhile, security assistance to Pakistan is growing, and the US continues to actively assist numerous other countries in Africa, South Asia, East Asia, and beyond to develop counter-terror and counter-narcotics capabilities.

There is no oversight mechanism that collectively evaluates all US security assistance programs, and no metric that challenges or supports *when* or *whether* to provide assistance. That information is essential to major policy judgments, such as: Is it worth it? Is it enough? Is it sustainable? Does it support US policy goals?

The US has not comprehensively reviewed its overall security assistance strategy and portfolio in several decades, if ever. There are strikingly few evaluation reports on security assistance programs that measure and evaluate whether the stated goals and objectives of such assistance programs actually were achieved. Such a review is both timely and needed.

There is, moreover, a growing need for a clear understanding of the place of security assistance programs in overall US global engagement, and a need to organize the many overlapping authorities and programs, and to clarify the institutional relationship between the two principal departments involved in security assistance programs.

Such a review and assessment needs to answer several key questions:

- What is the framework of national security goals and objectives that should guide US security assistance programs?
- How should the State-DOD relationship be structured to accomplish these goals and objectives? Which department should have the lead for what types of programs? How should the traditional and new portfolio be restructured to better align with the right institutional relationship?

Defining Security Assistance

This report defines security assistance as US foreign assistance given with the goal of strengthening the security forces of a foreign country in order to advance US national security and foreign policy objectives. Foreign security forces, as discussed in this report, may include regular armed forces (army, navy, coast guard, infantry, air force), national guard-type forces, border security forces, paramilitary forces (gendarmerie or equivalent), counterterrorism and maritime forces, and the national and local police. These forces may be located in the Ministry of Defense or Ministry of the Interior of the recipient country. While police training is included in this definition, other components of the criminal justice sector, such as the judiciary or corrections, are excluded.[7]

This definition covers a number of US security assistance programs in several agencies, funded through both the DOD and State Department budgets. Rather than examine this portfolio of programs one-by-one, this report analyzes the various programs as they apply to a broader set of goals and objectives.

These objectives appear to be four-fold. Some security assistance accounts support Capacity Building to Enhance Internal Stability; some support Building Expeditionary Capability; some support Continuing Cooperation, and Interoperability; and some provide security assistance to support Strategic Partnerships. The security assistance budget accounts included in this report may provide funds to meet more than one of these objectives (see Figure 1).

The four objectives are not divided by timing or urgency because, in many cases, the duration of the engagement might change. For example, if the US seeks to build the capacity of a foreign nation to improve its internal stability, that assistance might include immediate support after a conflict or longer-term training and a longer-term provision of equipment to defend against armed attack.

Equally important, immediate and short-term efforts are not necessarily DOD's responsibility, while the Department of State isn't always responsible for longer-term commitments. Near-term diplomacy, for example, might lead to quick action by State, and to longer-term DOD involvement in the implementation of security assistance. These four categories make room for varying missions and tasks that involve multiple agencies, authorities, and responsibilities.

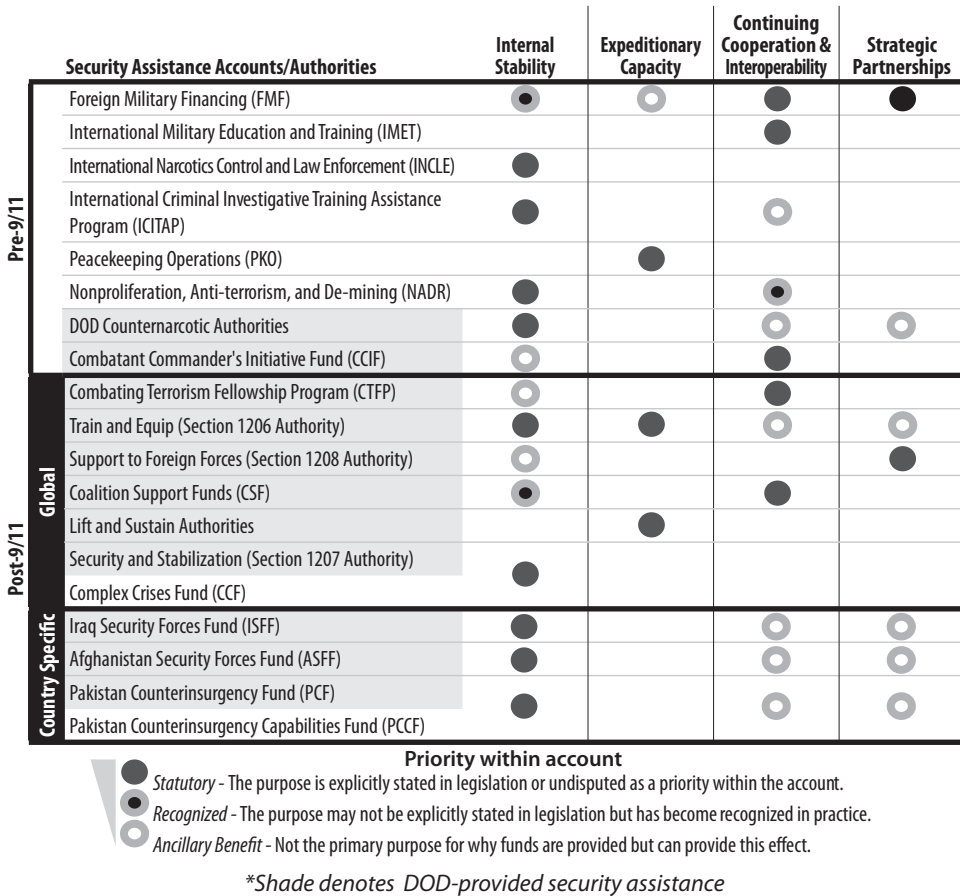## Support for Capacity Building to Enhance Recipient's Internal Stability

Several US security assistance programs meet the objective of strengthening the internal security capacity of another country against internal threats, such as

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[7]   See **Appendix 1** for a more detailed discussion of this definition and the accounts and programs it includes.

Figure 1: Security Assistance: Multiple Objectives

	Security Assistance Accounts/Authorities	Internal Stability	Expeditionary Capacity	Continuing Cooperation & Interoperability	Strategic Partnerships
Pre-9/11	Foreign Military Financing (FMF)	◐	○	●	●
	International Military Education and Training (IMET)			●	
	International Narcotics Control and Law Enforcement (INCLE)	●			
	International Criminal Investigative Training Assistance Program (ICITAP)	●		○	
	Peacekeeping Operations (PKO)		●		
	Nonproliferation, Anti-terrorism, and De-mining (NADR)	●		◐	
	DOD Counternarcotic Authorities	●		○	○
	Combatant Commander's Initiative Fund (CCIF)	○		●	
Post-9/11 — Global	Combating Terrorism Fellowship Program (CTFP)	○		●	
	Train and Equip (Section 1206 Authority)	●	●	○	○
	Support to Foreign Forces (Section 1208 Authority)	○			●
	Coalition Support Funds (CSF)	◐		●	
	Lift and Sustain Authorities		●		
	Security and Stabilization (Section 1207 Authority)	●			
	Complex Crises Fund (CCF)				
Post-9/11 — Country Specific	Iraq Security Forces Fund (ISFF)	●		○	○
	Afghanistan Security Forces Fund (ASFF)	●		○	○
	Pakistan Counterinsurgency Fund (PCF)	●		○	○
	Pakistan Counterinsurgency Capabilities Fund (PCCF)				

Priority within account

● *Statutory* - The purpose is explicitly stated in legislation or undisputed as a priority within the account.

◐ *Recognized* - The purpose may not be explicitly stated in legislation but has become recognized in practice.

○ *Ancillary Benefit* - Not the primary purpose for why funds are provided but can provide this effect.

*Shade denotes DOD-provided security assistance

insurgencies or terrorists, or to ensure internal order and stability. Such assistance can provide for either the short term, as an urgent requirement, or be part of a longer-term program of assistance. The primary goals of these programs (identified in parentheses) include:

- Immediate support to security forces in a state or locality where local security has collapsed, for example immediately after a conflict, civil war, coup, or other violent transition (e.g., Complex Crises Fund);

- Train and equip security forces to address urgent counterterrorism and counterinsurgency operations within or along their own borders (e.g., Section 1206 Authority);

- Training, joint exercises, or education to improve a country's capacity to address internal threats (e.g., Combatant Commander's Initiative Fund, Combating Terrorism Fellowship Program);

- Train and equip the security forces of countries where US or coalition forces are operating (e.g., Iraq Security Forces Fund, Afghanistan Security Forces Fund);

- Reimburse security forces or irregular forces that support US military operations within their own borders (e.g., Coalition Support Funds, Section 1208 Authority);

- Training and equipment that help recipient countries combat the production of illegal narcotics crops, and disarm or defend against armed groups and individuals involved in such activity (e.g., International Narcotics Control and Law Enforcement account, and DOD's counternarcotic authorities).

Support for Capacity Building to Enhance Recipients' Expeditionary Capability

US security assistance programs are also intended to meet the objective of supporting allied, coalition, or friendly countries that participate in coalition and peacekeeping operations outside their own borders. Such expeditionary capabilities contribute to collective security and US-security goals. They support operations where US armed forces are forward deployed or where the US has a national security interest, but cannot or has decided not to deploy its own forces. The goals of these programs include:

- Provide military equipment and training to countries needing expeditionary capabilities to defend themselves against external threats (e.g., Foreign Military Financing);

- Provide military equipment and training to forces that support US military or stability operations in Iraq, Afghanistan, or other contingency operations in which the US Armed Forces participate (e.g., Section 1206 Authority);

- Provide training to develop expeditionary capabilities for participation in multilateral peacekeeping operations (e.g., Peacekeeping Operations / Global Peace Operations Initiative);

- Reimburse coalition partners for supporting US military operations outside their own borders (e.g., Coalition Support Funds and both Lift and Sustain authorities), and provide military equipment (e.g., Coalition Readiness Support Program).

Support for Continuing Cooperation and Interoperability

US security assistance programs also meet the objective of promoting regional stability, building relationships, cooperation, and collaboration, and maintaining the cohesion of US alliances by strengthening security sector institutions in friendly and allied countries. The goals of these programs include:

- Support for other militaries to participate in force training, joint exercises, and selected operations in order to enhance cooperation, and develop common procedures and interoperability that will improve performance and partnership (e.g., International Military Education and Training);

- Provide education and training to develop foreign military officers, ministry of defense officials, and foreign security officials. Officials will maintain military-to-military relations, further understanding of US military practices and standards, American values, institutions, and policies (e.g., International Military Education and Training) and share counterterrorism tactics (e.g., Combating Terrorism Fellowship Program);

- Provide equipment and training to support foreign security forces to address ongoing needs and maintain an ongoing relationship (e.g., Foreign Military Financing).

Support for Strategic Partnerships

US security assistance funds also help meet the objective of supporting broader US foreign policy and strategic goals by supporting the militaries of longstanding major strategic partners. The primary goals of these funds are political or strategic, rather than the development of security institutions *per se*, though the assistance may provide security benefits. The goals of these programs include:

- Provide US military articles, services, and training to strengthen relations with key regional partners, including Israel, Egypt, Jordan, and Pakistan (e.g., Foreign Military Financing);

- Provide military articles, services, and training or facilitate arms sales in exchange for access to bases or other military facilities, or to support US regional goals (e.g., Foreign Military Financing);

- Preserve or increase US influence in a region or country (e.g., Foreign Military Financing).

Findings

One conclusion from this brief discussion is that the missions of the traditional security assistance portfolio tend to be different from those of the new programs. In general, programs developed before 9/11 focus on strategic partnerships, longer-term interoperability, and military-to-military cooperation. The more recent authorities and programs focus more on strengthening the capabilities of recipients' security forces to deal with internal threats or to assist in US combat and stabilization operations, particularly in Iraq and Afghanistan.

This is a telling distinction. The new accounts and programs have been developed in response to post-9/11 counter-terror contingencies operations and the deployment of US forces to Iraq and Afghanistan. Their creation was justified by the Defense Department on two grounds: 1) DOD had greater agility and flexibility to define the requirements, with minimal earmarking and provide rapid turn-around for the assistance; and 2) DOD could raise the funds because security assistance programs

represent a smaller share of its overall budget and can be linked to operational requirements of the US military.

Another conclusion is that this multiplication of programs took place in an incremental manner to meet what were interpreted as pressing needs in the field, but without an overarching sense of US engagement strategy. As a result, security assistance can be provided today under more than 15 different accounts and authorities, through several departments. There is, however, no integrated strategic planning process that drives security assistance decisions, leading to an increased risk of ineffective programs, unnecessary duplication, and gaps between programs.

A third conclusion is that there is a substantial risk of planning confusion within particular programs, since a number of them can meet multiple objectives. For example, Section 1206 Authority can be used to provide support for foreign militaries and maritime security forces in confronting terrorist activities. The Authority can and has been used to train and equip coalition forces supporting US operations in Iraq and Afghanistan, reinforce strategic relationships, and support military-to-military partnerships, although the statutory authority does not explicitly mention such goals. FMF funds can also be used to meet multiple goals, and, though FMF funds tend to be used for longer-term engagement, the distinction between its activities and those performed under Section 1206 Authority is not always clear.

These differences in timing and overlapping goals suggests the need for a more strategic approach to US security assistance policy, one that brings rationality to these assistance programs based on an evaluation of their performance, and their link to broader US national security and foreign policy objectives.

The Challenges of Bringing Rationality to the US Security Assistance Architecture

The four major challenges that impede a more rational structure for the US security assistance architecture are: the absence of strategic guidance, the need for flexibility and agility in program operations and assistance delivery, the disparity of institutional capacities, and the disparity of agency funding to support these programs.

The absence of strategic guidance: As noted, most security assistance authorities and programs are stove-piped, operating with little reference to other authorities and programs. The agencies involved, primarily State and DOD, have their own views of the requirement and their own answers as to how to meet that need. This absence of coherent design and strategy was reinforced by the end of the Cold War, which provided a unifying theme and objective for security assistance programs. As a result, the traditional State Department portfolio of programs reinforces existing strategic relationships, while DOD programs focus on the connection to the operational requirements of US forces in the field and regional Combatant Commands.

In the absence of a unifying theme, there has been no discussion about the role of security assistance in broader strategies for US global engagement, dealing with fragile and post-conflict states, strengthening general governance capacities in weak states, or supporting economic and social development.

Moreover, there has been little or no coherent evaluation of the performance of US security assistance; no administration has ever conducted such a comprehensive evaluation. Each inherits a portfolio of authorities and programs from the prior administration. Some have grafted new programs onto that portfolio, but not one has taken a fresh look, based on detailed data, to determine whether these programs meet their stated goals, or broader US foreign policy objectives. Bringing rationality to the portfolio and clarifying the future goals of US security assistance will depend on conducting such a review, and designing a comprehensive strategy in its wake.

The need for flexibility and agility: A second challenge to organizing the security assistance portfolio is the disparity in flexibility and agility between authorities and programs. US military operations in Afghanistan, Iraq, and against terrorist organizations were the impetus for DOD to seek more flexible authorities and funding. DOD argued, and Congress agreed, that existing authorities and programs

– primarily Foreign Military Financing (FMF) and International Military Education and Training (IMET) – were inflexible and slow.

DOD contended that the provisions of the Foreign Assistance Act and the Arms Control and Export Act were written to address the Cold War environment and threat, which provided time for advanced planning and five-year implementation strategies. The State Department (Political-Military Affairs and Regional Bureaus) and the Defense Department (DSCA) organizations who supported this portfolio had well-developed bureaucratic modes of operation for the process of program definition, country planning, and gradual implementation. However, these processes were insufficient to deal with near-term, urgent requirements. As a result, the country commitments and programs were known well in advance, even earmarked, further reducing the flexibility needed to meet urgent needs.

This inflexibility was, to a large extent, intended, given the politically sensitive nature of providing or selling military equipment overseas, and supporting foreign militaries. The foreign assistance legislation made it clear that foreign policy issues in other countries, such as military coups, proliferation of weapons of mass destruction, and violations of human rights should play a role in restricting the list of potential recipients of assistance. These issues led to additional notification requirements, earmarking, more oversight, and, in some cases, outright prohibition of security assistance to particular countries or for particular programs.[8] Consequently, planning and decision processes for FMF and IMET are slow, require multiple agency inputs, and focus on long-term assistance, services, and training plans rather than short-term or urgent requirements. Both State and DOD have lengthy bureaucratic processes for developing such plans.

There are, however, significant flexibilities in existing statutes. Although the FAA and AECA can appear to create rigidities in current authorities, virtually every statutory restriction includes means to overcome that restriction. These include: reprogramming funding from previously planned activities in support of a new mission; transferring funding from one restrictive account into another, more flexible account; or the use of drawdown authorities to obtain goods and services from any department or agency, including DOD, which has the capability to respond appropriately (and does not rely on more limited State Department funding).

Historically, in the absence of an overall strategy for security assistance, or overall policy attention in the White House, the State Department has been reluctant to use these available flexibilities to provide assistance under existing authorities to meet more urgent requirements.

The disparity of institutional capacities: The third challenge to bringing rationality to security assistance authorities and programs is the disparity in institutional

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[8]   Most recently, the US was prohibited from providing security assistance to Sri Lanka, based on human rights concerns.

capacity between State and Defense. Decades of under-investment in civilian capacity at State (and USAID) hampered the ability of those institutions to develop sufficient planning, oversight, and implementation capabilities.

The State Department's capacity to develop, budget, and oversee the implementation of security assistance programs has declined over the decades. Moreover, that weakness is reproduced more broadly at State. Historically, strategic and budget planning, program development, implementation, and evaluation have not been strong institutional capacities at State. Mirroring these weaknesses, State's capacity to plan, budget, and oversee the implementation of security assistance programs also has declined. The number of personnel dedicated to security assistance planning, oversight, and implementation, which includes most of the political-military staff and Foreign Service Officers at the Department of State, has fallen significantly.[9]

Even more telling, security assistance has not been a strategic priority at State for many years, with the bulk of FMF funds committed to only a few key strategic countries. Israel, Egypt, Jordan, Lebanon, and, more recently Pakistan, consume the bulk of FMF resources, leaving little funding for other countries and missions. As Figure 2 demonstrates, in FY2010 Congress provided $3.9 billion, or 91 percent, of the total $4.2 billion in FMF funding to programs in Israel, Egypt, Jordan, Lebanon, and Pakistan; FMF funding for all other countries totaled roughly $390 million.[10]

Figure 2: FY2010 Foreign Military Financing
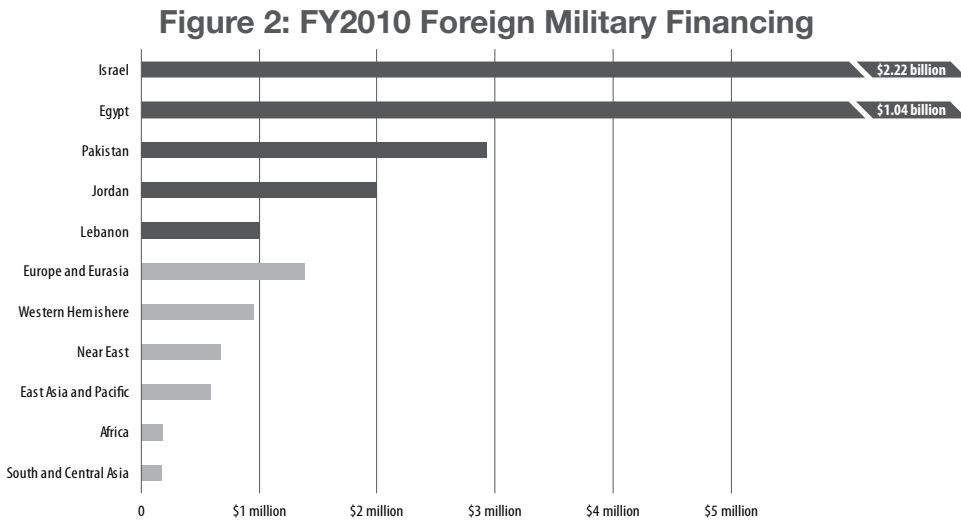
FY2010 total excludes forward funding from FY2009 supplemental appropriations

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[9] The American Academy of Diplomacy and the Henry L. Stimson Center, *A Foreign Affairs Budget for the Future: Fixing the Crisis in Diplomatic Readiness,* October 2008.

[10] FY2010 total reflects allocates from the Consolidated Appropriations Act, 2010 (P.L.111-117) and supplemental funding from the Supplemental Appropriations Act, 2010 (P.L.111-212). Total excludes forward funding from the Supplemental Appropriations Act, 2009 (P.L.111-32). See **Appendix 3** for a global snapshot of US assistance to partner militaries, funded through State's Foreign Military Financing and DOD's Section 1206 Authority.

State has never carried out a comprehensive review or strategic planning for the FMF or IMET programs that could link funding to mission and performance. Shrinking capacity at State, combined with a lack of strategy, have contributed to Congressional reluctance to providing additional resources or program flexibility to the State Department to execute these programs.

By contrast, DOD as an institution has considerable practice with strategic and budgetary planning, a large cadre of personnel who have knowledge of such planning, and considerable experience with implementation of its activities in the field.[11] The military services, Combatant Commands (COCOMs), and security assistance administrators provide a depth of institutional experience with requirements assessment, program development, and implementation. The COCOMS and military attaches have considerable experience planning and implementing these programs, supported by the DSCA.

However, even at DOD, the bureaucracy in charge of traditional security assistance implementation is accustomed to long-term planning and execution, and is less agile at planning and implementing programs to meet short-term security assistance needs. The new programs tend to bypass the established DOD bureaucracy to ensure adequate flexibility and responsiveness.

The disparity of agency funding*:* Although the State Department has the statutory lead on security assistance, a majority of the funds for US security assistance are provided out of the DOD budget.[12] Over the last decade, the State-funded share of security assistance fell to roughly 42 percent of total funding in FY2010, while the DOD-funded share rose to 58 percent.

Congress has been willing to provide funds for DOD programs with direct application to operations by US military forces in Iraq, Afghanistan, and counter-terror operations. With US combat operations underway in Iraq and Afghanistan, the overall defense budget has been largely funded at the requested level – about $700 billion year. Although DOD security assistance programs have increased by more than $4 billion (or 500 percent) from FY2002 to FY2010, they make up a fraction of the total DOD budget.[13]

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[11] The Defense Department has the largest overseas presence of any federal agency, including the State Department and US Agency for International Development. In November 2008, for every USAID employee deployed overseas, there were 23 State Department employees deployed and 600 military/civilian personnel deployed overseas from DOD. See Gordon Adams, et. al., *Buying National Security: The Lopsided Toolkit* (http://thewillandthewallet.org/2010/02/26/buying-national-security-the-lopsided-toolkit).

[12] In FY2010, the Department of State provided a total of $10.1 billion in security assistance programs while the Pentagon provided more than $14 billion.

[13] In FY2010, DOD-funded security assistance – including Coalition Support Funds, Iraq Security Forces Fund, and the Afghanistan Security Forces Fund – made up less than three percent of the entire defense (051) budget.

Figure 3: Shares of US Security Assistance Programs, FY2002-FY2011
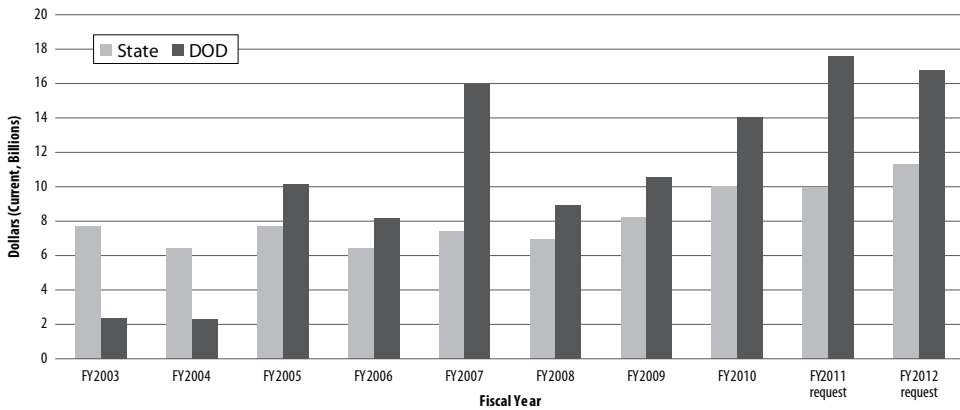
*Source: Stimson Center staff. See **Appendix 1** for a list of security assistance accounts.*

Moreover, most of this funding has been provided through supplemental appropriations, not as part of the core defense budget request. Funds also have been provided as a transfer authority in DOD's operations accounts, giving DOD authority to execute flexible transfers of funds as needed. It is not clear, however, that Congress is prepared to continue funding significant spending for a broader program of "Building Partnership Capacity," once combat operations in Iraq and Afghanistan have ended.

On the civilian side, top line State-USAID funding has more than doubled over the past decade to roughly $58 billion.[14] However, most of that growth has been for non-security assistance accounts, particularly the Millennium Challenge Corporation, HIV-AIDS and infectious disease assistance, the expansion of the Foreign Service, and embassy security.

Though State-funded security assistance programs increased by nearly $12 billion (or 66 percent) from FY2002 to FY2010, the bulk of funds was used to support strategic partners in the Middle East and programs in 'frontline states,' such as Iraq, Afghanistan, and Pakistan. The relatively new State Department responsibility for dealing with state fragility and governance has not been well funded, however. Recent authorization of a Complex Crises Fund provides minimal resources for these new activities.[15] Congress has been particularly reluctant to provide State with the flexible contingency funding for security assistance that it has made available to DOD. There are few such contingency accounts at State, in general, and they focus largely on humanitarian and refugee needs.

The emerging era of broader federal fiscal restraint will further complicate this imbalance. Funding for foreign assistance programs and diplomatic activities historically decrease during times of deficit reduction. In the 1990s, for example, the International Affairs budget decreased 61 percent (or $31 billion) in constant dollars, from FY1985 to

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[14] The International Affairs budget has grown by 109 percent from FY2002 to FY2010 ($27.2 billion in FY2002 to $56.8 billion in FY2010).
[15] Congress provided $50 million in FY2010 for the Complex Crises Fund.

FY1998. As Congress seeks to reduce federal spending, the International Affairs budget may undergo disproportional reductions.

The Current Status of Security Assistance Options

The structure and funding for security assistance is under review in both the executive branch and the Congress. The Obama Administration's National Security Staff has been engaged for nearly two years in an interagency review of security assistance. Independently, the Defense Department moved forward with a December 2009 proposal from Secretary Robert Gates to Secretary of State Hillary Clinton. The Gates initiative proposed the creation of three joint funding pools between the two departments for (i) security assistance, (ii) post-conflict reconstruction support, and (iii) conflict prevention/resolution.

The two agencies engaged in a year-long negotiation over the Gates concept, leading to a proposal to Congress to authorize a new, three-year Global Security Contingency Fund at the State Department. This proposal was transmitted with the FY2012 international affairs budget request in February 2011. The pooled fund would total $500 million, $50 million of which would be appropriated to the State Department budget, with as much as $450 million to be reprogrammed to the account from either department.

The purposes would be broad and the flexibilities would be great. The Fund would provide "assistance for military forces and other security forces responsible for conducting border and maritime security, internal security, and counterterrorism operations, as well as the government agencies responsible for such forces." [16] The Fund would also "authorize providing assistance to the justice sector (including law enforcement and prisons), rule of law programs, and stabilization efforts."[17]

The proposed Global Security Contingency Fund would not eliminate, consolidate, or reduce funding for any other account. DOD requested, for example, $500 million for its existing Section 1206 authority for FY2012. While the pooled funds concept is worthy of discussion, its enactment would add to the already dispersed portfolio of existing security assistance accounts, further confusing the problems of strategic focus and coordination.

Congress, on the other hand, has not provided its own clear sense of direction for security assistance. The Armed Services committees have been willing to provide DOD with new authorities and funding for counter-terror and security force training on a temporary basis (e.g., Section 1206 Authority, Iraq Security Forces Fund, Afghanistan Security Forces Fund). But, aside from the Counterterrorism Fellowship Program, Congress has been unwilling to put these authorities and

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[16] US Department of State, FY2012 Executive Budget Summary, Function 150 & Other International Programs, page 114.
[17] Ibid., page 114.

programs into permanent law or fund them in the base defense budget. The Foreign Relations/Foreign Affairs committees have been concerned about what is seen as a gradual drift of security assistance authorities to DOD, fundamentally questioning if some of these train and equip programs should be funded out of the State Department's train and equip programs.

Congress has continued, however, to contribute to the proliferation of programs and authorities in the two departments. For FY2010, Congress transferred responsibility for counter-insurgency security assistance to Pakistan from DOD to State. Congress also provided State and USAID with a new Complex Crises Fund, which could include support for security sector assistance in post-conflict states, to replace the temporary Section 1207 Authority provided to DOD for this purpose.[18]

For FY2011, Congress provided DOD with new authority to train and equip Yemen's counterterrorism forces located within its Interior Ministry and created a new account – the Afghanistan Infrastructure Fund – to carry out large-scale infrastructure projects in that country.[19] In the Yemeni case, Congress legislated a requirement for Secretary of State concurrence, while the Afghanistan Infrastructure Fund Congress would require that projects be jointly developed by the two departments.

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[18]   Section 1207 Authority expired on September 30, 2010.
[19]   Sections 1205 and 1217, respectively, in the National Defense Authorization Act for Fiscal Year 2011 (P.L.111-383).

The Framework for Security Assistance Reform

It is time to re-evaluate and restructure the US security assistance portfolio. This review should be based on a careful analysis of the goals and objectives of these programs as they fit in the broader framework of US strategy for global engagement. Setting the framework for security assistance is a key precursor to any reorganization or rationalization.

There are two approaches to such a framework, depending on the goal of security assistance programs: *Security* and *Governance*. The choice of framework will be critical to determining how US security assistance programs should be organized, funded, implemented, and evaluated.

Since its inception, security assistance authorities and programs have been shaped within a *Security* framework, a perspective that centers on how security assistance programs can advance operational military requirements, strengthen friendly or allied military forces, and cement military relationships with other countries. DOD's proposed "Building Partner Capacity" program and most of its new authorities are consistent with such a framework.

This report proposes an alternative framework, one that focuses on the objective of governance. A *Governance* perspective links security assistance to the broader US objective of strengthening overall governance in fragile, weak, or post-conflict states. Within this framework, the US goal is to strengthen the capacity of these states to ensure that they cannot only provide security to their populations, but do so in a way that helps create effective, efficient, and accountable governance. Security assistance is one of the tools in the US foreign policy toolkit that can achieve this objective.

Security Framework

Viewed in a *Security* framework, US security assistance programs are intended to strengthen institutions in other nations that ensure internal order, in order to prevent internal security threats and insurgencies, deter regional adversaries, and defeat organized crime and terrorist networks. This approach would ensure internal security, as well as US and allied overall security, and develop operational links with US forces. Typical concerns in this approach include "ungoverned spaces," where terrorist organizations might find refuge, train, and prepare to attack the US

and its allies, and weak borders, which could facilitate the movement of non-state actors. Defeating such groups and reducing the threat they pose to regional and global security is a key goal of US national security policy.

This framework has a relatively limited and narrow goal for security assistance programs: build military-military relationships; facilitate US military deployments and operations; and build forces in other countries that can make the deployment of US forces less necessary, or, when they occur, more inter-operational.

Sustainable security, as part of effective governance and development is, at best, a secondary goal to immediate security requirements, which should be met by stronger security forces. The objective of DOD's programs is to train, equip, advise, and assist the forces of the recipient countries so they will be more proficient at providing security to their populations and protecting their resources and territories.

In the *Security* framework, DOD has the capabilities, can obtain the statutory flexibility, and can raise the funds to implement such assistance, because it can link these authorities and programs to its direct military requirements and missions, and to the operational expectations and requirements of regional Combatant Commanders.

The US security assistance programs in Iraq, Afghanistan, and Pakistan were built largely inside such a framework. DOD now seeks to expand this mission globally. Under the "Building Partner Capacity" label, DOD has sought to make temporary authorities (such as Section 1206 Authority) permanent, ensure they have global application, fund them in even larger amounts, and expand the portfolio to include a new, global, pooled funds authority. Moreover, within this *Security* framework, DOD has sought to extend the coverage of security assistance programs beyond military forces to reach constabulary forces (gendarme-type), border protection, internal security forces, and even police.

From a *Security* perspective, DOD has a logical lead in the structure and funding of the security assistance portfolio:

- DOD would have a central role in defining the security assistance agenda, building the programs, analyzing and selecting recipient countries, and implementing the program, linked to its now core mission of building partner capacity. DOD has the contacts, skilled personnel, flexibility, and fund-raising ability to execute the program;
- Foreign policy considerations would be guaranteed by ensuring that the Secretary of State "concurred" with the program shaped largely by DOD;
- The proposed DOD/State pooled fund would be fueled largely out of the DOD budget, given its fund-raising advantage, and could provide rapid-delivery security assistance for emerging requirements;
- The more traditional portfolio of security assistance programs – FMF, IMET – could remain at State, as they are now, with DOD and the COCOMs playing

a central role in program and requirements definitions and implementation. Or, it might be transferred to DOD and integrated with the newer portfolio of programs;

- Other US conflict prevention/resolution, foreign assistance, governance, and programs would continue to be planned, managed, and funded through State, USAID, and other civilian departments and agencies.

Limitations of the Security Framework

DOD expanded its missions and developed new authorities to fill a gap it saw in the existing portfolio of security assistance programs. That expansion was and remains closely tied to the deployment and use of US military forces, either to create indigenous or coalition capabilities that could operate alongside US forces; to build capabilities that might make it possible for US forces to withdraw (e.g., Iraq and Afghanistan); or to avoid sizeable deployment (e.g., Horn of Africa).

The strength of this approach is its greatest limitation. The focus of the *Security* approach is US military requirements, present and operating, either withdrawing or avoiding deployment. Because of this focus, there is a serious risk of disconnect between strengthening security forces in a country and its long-term governance.

With near-term security as the focus of the program, there is a constant risk that the US will empower forces that can operate effectively but are disconnected from the need to strengthen local governance overall, including the ultimate control of those security forces. Despite persistent US efforts to train foreign armed forces to respond to civilian control and respect human rights, there is a long history of US-trained forces, once empowered, violating both principles. The downside of near-term security may be the long-term decline in effective, efficient, and, especially, accountable governance.

A functioning, well-funded, and armed local security force also may create distortions in the path local governance and development should take. Sustaining that force may divert scarce local fiscal resources from other investments in effective administration, social, and economic development. Alternatively, if a balanced governance and development agenda is to be pursued, the creation of expensive security forces could lead to long-term dependence on US funding to sustain them.

Another limitation of this framework is that, over time, it will narrow the focus of security assistance to the mission of facilitating US military operations, risking a disconnect with broader US foreign policy and national security considerations. In particular, the expansion of US military engagement in the service of military requirements could have negative consequence for how others view the nature and intent of US foreign policy. In many countries, civilian US agencies will be looked to for assistance. These may be countries where a US military presence is unwelcome or counterproductive, or where close ties between indigenous forces

and the US military is seen as undesirable or dangerous. There may be a distinct value for overall US international leadership to ensure that empowered civilian leadership define and implement assistance programs.

In addition, expanding the roles, missions, and funding for DOD in an area that traditionally has had civilian leadership could create a self-fulfilling prophecy: that DOD is the only institution capable of shaping and executing security assistance policy, while the State Department lacks that capacity. Resources and authorities will continue to drift toward DOD, as they have over the past decade, while the capacity of the civilian institutions continues to shrink.

Governance Framework

From the perspective of a *Governance* framework, security is only one task of government, along with the rule of law, effective administration, accountability to its citizens, and economic growth and development. Governance is about creating effective, efficient, accountable and responsive state institutions that meet the social and economic needs of their citizens, and provide the setting for successful development, market creation, and growth.

Under this framework, security is not a separate objective to be achieved outside of the other tasks or before they can be undertaken. Security is instead an integral part of helping an effective nation-state emerge. State failure in Africa, the Middle East, Central Asia, and parts of East Asia is not just about the failure of security; it is about the failure of governance. Security, as one requirement of effective governance, needs to be seen as an integrated part of US foreign policy and foreign assistance strategy, which seeks to help weak, failing, fragile, and post-conflict states create effective, efficient, and accountable governance. Treating security needs as independent, or as a precursor to this objective misses this vital connection. Worse, implementing security assistance outside of this broader context can directly impede the achievement of this broader objective, by strengthening only one set of institutions in the recipient country.

It is this broader state weakness, not just the weakness of its military and police forces, which leads to the security dilemma for the United States. Weak governments cannot pursue development, ensure social services, end corruption, act responsibly in the region, or contribute to regional solutions, security, and economic dilemmas. The instability that emerges in such countries is not only a result of security force problems, but also of governance problems, as seen most recently in Egypt, Tunisia, Sudan, or the Democratic Republic of the Congo. The weaknesses of governance in these countries will not be solved by a security assistance program developed outside the context of governance.

Security assistance programs, from this perspective, are one piece of a larger strategy of assistance and support, which strengthen governance capacity overall.

US Troops Forward Deployed in Combat Operations

There are moments when US military forces are forward deployed in combat, and require cooperation and support either from local or coalition forces. Building that capacity is directly linked to the effectiveness of US military operations, as experienced in Iraq and Afghanistan. Support is needed both to conduct operations and to transition to local forces and redeploy US forces out of the country.

Some of the new DOD security authorities were designed to meet this requirement, through training, equipment, and services to local or coalition forces. For this narrow subset of security needs, DOD has the lead for combat operations (under the COCOMS) and should have the lead for designing, funding, and implementing such programs, as long as US forces are forward deployed in combat. Highly flexible authority may continue to be needed to provide DOD the ability to carry out such programs.

However, such programs should be temporary in nature and directly linked to US combat deployments. Flexible authorities are needed, conditional on immediate troop requirements and short-term in duration. There should be few legislative restrictions so that these funds are flexible and targeted to meet urgent threats. Any other program, including long-term building of partner capacity, security assistance once US forces are withdrawn, or longer term strategic partnerships should be planned and budgeted under State Department authority, with the local Chief of Mission as the initial planner.

Such a strategy would consider the rule of law, accountable institutions, honest and transparent public officials and processes, clear and responsive economic, fiscal, and revenue policies, adequate government resources, clear rules of the road for market development, and effective, efficient education, health, and other social support systems. Only such an approach will help ensure the social and political stability that is needed for security at home and regional peace.

From a *Governance* perspective, it is also important to recognize that the ability of the US to stimulate or create effective, efficient, and accountable governance in another country is limited, as experience in Iraq and Afghanistan has demonstrated. The relationship of the various elements of governance is complex and embedded in the social and economic context of the recipient country. Even the security sector, itself, is complex, involving legitimate, effective institutions, transparency and accountability, laws and courts that uphold the rule of law, trained and professional local police, and a capable, disciplined military.

The US experiences in Iraq and Afghanistan made these complexities clear. Trying to create governance through the *Security* perspective, using the military as the implementing institution, is not an effective approach. Putting the military in charge of such an enterprise can, itself, be counter-productive, and create resistance to the broader governance goals.

A *Governance* perspective can help escape this dilemma. The goal of US policy is to promote effective, efficient, and accountable governance. It does not, and should not, stop with strong militaries and police forces. Target countries may, for the most

part, be ones where a large US military presence is unnecessary or unwelcome. The policy focus should concentrate on countries needing assistance to strengthen governance, which may include support for security forces. At the end of the day, stronger, effective governance will meet local, long-term security needs, as well as US regional and national security goals.

Civil strife and military conflict in states of concern to the US can create urgent requirements for near-term support for security forces. It is critically important that such short-term responses be embedded in a longer-term focus on strengthening governance and the rule of law in general. Creating or re-enforcing a strong military or paramilitary force is not an end in itself and, in most cases, interoperability with US forces is not a priority requirement. Institutional leadership in the recipient country needs to be in civilian hands.

From the *Governance* perspective, the link between civilian and security institutions is as critical in the US as it is in the recipient country. Governance is not a military mission or objective. Only civilian leadership can ensure there is a close link between security and broader governance objectives. State and USAID have the overarching responsibility for US diplomatic relationships and foreign assistance programs that meet policy, governance, and development needs. Only civilian leadership can ensure that security assistance is embedded in this broader strategy.

Civilian leadership for these programs also can contribute to US security goals in two other ways. First, the receptivity of other countries to such assistance will be enhanced by efforts led by civilians, and embedded in a broader strategy of governance and development. Second, because the US cannot achieve these objectives alone, civilian leadership will maximize the opportunity to build international coalitions, international organizations, and the private sector to participate in such an effort.

Recommendations: Structure and Implementation in a Governance Context

A security assistance architecture based on a *Governance* framework should be built on three principles:

Reinforce US civilian leadership of security assistance programs: Security assistance programs should be strategically determined, recipient countries selected, and budgets planned in a way that is integrated into a civilian-led US strategy for near-term conflict prevention and resolution, stability, and the development of effective governance. These are civilian missions. The responsibility for strategy, planning, and budgeting should be in civilian hands – at the State Department and USAID. This requires a positive assertion of the State Department's leadership role, greater integration of security assistance programs into broader State/USAID planning, and budget planning that is tailored to strategic, regional, and country choices and strategies.

Maintain DOD implementation of train and equip programs: DOD clearly has the knowledge, contacts, experience, and infrastructure to help build partner militaries. While State should have responsibility for the planning, with DOD input, the military is the primary implementer of traditional train-and-equip programs. The Department of State does not need to develop its own implementation capacity for military assistance, but rather its internal capacity to plan, budget, and manage these programs. This ability has declined over the years and badly needs to be strengthened.

Task and empower civilian capacity to implement broader security sector assistance: DOD should step back from involvement in these programs, because it has little core expertise or experience with them. US aid to foreign police, constabulary forces, and judicial institutions are directly linked to improving governance capacity and should be embedded in broader country and regional strategies.

Legislative Responsibilities for Authorities and Funding

Restructuring security assistance programs in a context of *Governance* will require a thorough review and restructuring of existing authorities and funding.[20]

Goals and objectives: A restructured security assistance program needs clear goals and objectives. This includes explaining to the American people why programs

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[20]   See **Appendix 2** for detailed list of questions for Congressional and Executive staffs.

are in the US national interest and what it is trying to accomplish. Authorization language should explain the link between security assistance and support for civilian governance.

Realign security assistance accounts and funding: The plethora of existing security assistance accounts should be restructured under State Department authorities, with the exception of those directly linked to forward-deployed US forces in combat. A single chapeau security assistance account should be created at the State Department, with sub-accounts for specific purposes. Those purposes should parallel the earlier discussion in this report of goals and objectives: internal stability, expeditionary capacity-building, cooperation and interoperability, and strategic partnerships. These internal sub-accounts should include both long-term funding and the necessary flexibility and contingency funding that will allow an agile response to emerging, unforeseen requirements for assistance. Congress needs to ensure a balance between adequate flexibility to respond to needs and the necessary accountability for programs and decisions.

Authorities: A consolidation of authorities will make decisions on countries and funding more straightforward and facilitate Congressional oversight. Restrictions on assistance, including the provisions of the Foreign Assistance Act, should be clear. Authorities should specify which senior officials, including the President, need to act or concur in security assistance decisions.

Lead budget responsibility: Funding for security assistance, including programs such as "Build Partnership Capacity" should be provided through the State Department budget. DOD should have input in the planning process and lead responsibility for implementation. Pooled funding, as proposed by the administration in the FY2012 budget request, should be rejected. Instead, there should be authority for DOD to transfer funds to State to implement all but that part of security assistance that is directly tied to the operational requirements of forward-deployed US forces in combat.

Presidential drawdown authority: The ultimate authority for security assistance decisions, especially for unforeseen requirements, is the President. The authority provided the President under Foreign Assistance Act Section 506(a) should be drafted to explicitly provide authority to President, on the recommendation of the Secretary of State (after consultation with the Secretary of Defense), to draw down capabilities, supplies, and funding from any federal agency (including both DOD and State) to provide rapid response security assistance.

DOD operational requirements: US troops forward deployed in combat could need the support of local and international forces, as discussed above. DOD should have drawdown authority to provide security assistance in situations where US forces

are so deployed and operating in combat.[21] The decision to use this authority should require Secretary of State concurrence, and a request to the President for a decision to use the drawdown authority.

Congressional oversight: Authorizing language for such accounts and authorities should include explicit requirements for regular notification to Congress about program decisions above a certain monetary threshold. Earmarks for specific countries should be avoided. Congress should legislate a requirement for regular reporting on strategy, goals, and objectives of the security assistance program, and systematic performance evaluation of past and present program activities.

Executive Branch Responsibilities for Program Architecture and Implementation

The executive branch needs a more systematic process for setting security assistance strategy, goals, and objectives; and making decisions on country and regional priorities, programs, and budgets. From a governance perspective, moreover, this restructuring of the process needs to ensure a close link between State, USAID, Justice, Homeland Security, and DOD.[22]

Strategic planning: Unlike the last five decades of security assistance planning, decisions on these programs urgently need to be set in the context of broader foreign policy, foreign assistance, and national security strategy, goals, and objectives. The national security strategy of the United States and US foreign policy strategy need to include security assistance goals and objectives. Overall security assistance policy should be the focus of an interagency group in the National Security Council, led by the Secretary of State, with the participation of the other involved agencies. Its deliberations need to focus on the relationship between security assistance policy and broader governance policies. It should be tasked with setting overall policy direction for State Department planning and decision making.

Assistance planning: The State Department should have responsibility for defining security assistance strategies, goals, and objectives, following the guidance provided by the National Security Staff. US embassies overseas should have responsibility for initiating proposed security assistance programs and activities. The Chief of Mission should be responsible for coordinating agency input at the embassy level, including other affected departments at the embassy, and the views of the Combatant Commanders. Embassy security assistance proposals should include a discussion of the linkage between agencies on the ground, the short and long-term goals of the proposed activity, the place of the proposed activity in overall country and regional strategy, and its linkage to broader governance and development objectives.

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[21]   Drawdown authority requires the directed agency to take goods or services out of its normal budget to execute the actions directed by the President.
[22]   See **Appendix 2** for detailed list of questions for Congressional and Executive staffs.

Civilian program planning and management capabilities: To ensure civilian leadership, the State Department and USAID need sufficient resources and trained, experienced personnel. This will include defining the appropriate roles of State's Political-Military Affairs Bureau, the International Narcotics and Law Enforcement Affairs Bureau, and the Regional Bureaus, as well as the capacity at USAID to provide input on the link between security assistance proposals and governance/development objectives. Both agencies need to ensure training, personnel assignments, and promotions provide adequate and appropriate staff.

Implementation of assistance: Assistance programs should be implemented on the ground by the appropriate federal agency possessing the skills and knowledge of the specific program. This can and should include DOD, USAID, DOJ, DHS, and State's International Narcotics and Law Enforcement Bureau (as discussed in the QDDR). There are clear personnel implications of this recommendation. The effectiveness of security assistance programs and of program oversight has been compromised by over-reliance on contractor providers. State, in particular, will need to provide leadership, informed oversight, and considered decisions about whether the assistance provider should be in the public sector, rather than in the private sector.

Program performance evaluation: Security assistance programs must undergo more systematic evaluation to measure success in achieving State Department objectives. Under State Department leadership, the executive branch needs to develop metrics for such evaluation, aligned to purposes and outcomes, rather than current output measures. A Congressionally-mandated reporting and performance evaluation requirement will incentivize a more systematic evaluation in the executive branch.

The Transition to a Restructured Security Assistance Program

Restructuring the currently dispersed security assistance authorities, funding, and processes will take time. Building effective capacity at the State Department will also take time. However, its new responsibility for Pakistan counter-terror assistance and, soon, for Iraq assistance, will provide incentives for State to develop the needed capabilities. Continually extending current, temporary security assistance authorities for DOD (e.g., Section 1206 Authority), crafting new authorities *ad hoc* (e.g., the recently authorized Yemen authority), and jerry-rigging pooled funds to solve the funding problem at State only add to the confusion and procrastinate on defining a solution. Several interim actions are needed to build toward a more sensible, permanent structure, based on a *governance* framework.

Congressional responsibility: Congress needs to make it clear that there will be a transition to State Department leadership. This means transferring responsibility, step-by-step for some of the DOD portfolio to State, particularly Section 1206 programs. A transition entails allowing DOD authorities to expire, while crafting new

DOD authorities more narrowly focused on the requirements of forward-deployed forces in combat. Such a transition also requires focused hearings in the Foreign Relations/Foreign Affairs committees to define a more integrated security assistance program with clear objectives. Congress must provide adequate operational funding to State, along with clear guidance that will incentivize it to strengthen its security assistance capacity. And, pending the creation of adequate State Department capacity, a transition of authorities could mean providing temporary authority for the transfer of DOD funding to State, similar to the now-terminated Section 1207 Authority, to provide interim funding for State's emerging responsibilities.

Executive branch responsibility: If State is to have a leadership role, it must assert that role. Proposals for pooled funds with DOD are an opportunistic step, but do not re-enforce civilian leadership and responsibility. State needs to build its own capacity and credibility for managing these programs. It is State's responsibility to propose budgets that would incorporate the personnel requirements and training for these programs, and enhance the capabilities of the PM Bureau and the Regional Bureaus to take this responsibility in hand.

An enhanced State Department role also means initiating a substantial near-term effort to define performance matrices and begin an evaluation of security assistance programs. The newly transferred responsibilities for Pakistan and Iraq programs will provide valuable experience. State also would be responsible for creating planning capacity and processes with USAID for linking security assistance goals, objectives, countries, and programs to broader development, governance goals, and programs. The Executive Branch also might require DOD to provide staffing to State on a non-reimbursable basis, for training and interim support, as State builds its capacity to plan, budget, and manage the newly integrated program.

The importance of acting now: For years, both the executive and legislative branches deferred decisions on ownership of and responsibility for the new security assistance architecture. Both branches seem to prefer extending temporary authorities or creating additional new ones that buy time for a more fundamental restructuring. Deferral, however, simply embeds the current, dispersed architecture, with new authorities growing at DOD independent of fundamental review.

With the drawdown of US combat forces in Iraq and Afghanistan, the security assistance architecture of tomorrow must address the challenges and opportunities of a post 9/11 world, rather than rely on the uneven experience in those two countries. A *Governance* perspective provides the opportunity to integrate overall US security strategy with broader foreign policy goals, aiming particularly at strengthening stable, long-term capacity in fragile states. It would also help strengthen civilian capacity at home, a goal both the Secretary of Defense and the Secretary of State have supported.

Appendix I:
Definition and Accounts for
Security Assistance

This report defines security assistance as US foreign assistance that is provided with the goal of strengthening the security forces of a foreign country in order to advance US national security and foreign policy objectives. Foreign security forces can include regular armed forces (army, navy, coast guard, infantry, air force), national guard type forces, border security forces, paramilitary forces (gendarmerie or equivalent), counterterrorism and maritime forces, interior ministry forces, and the national police and local police. These forces may be located in the Ministry of Defense or Ministry of the Interior of the recipient country.

The authors do not discuss US assistance programs that advance US national security interests without strengthening the security institutions of a foreign country (e.g., US overseas military operations, or the deployment of a Civilian Response Corps). Nor does our definition include US humanitarian, reconstruction, or development activities in fragile, failing, failed, or post-conflict states, though they may be carried out by the military or in support of US stability operations and could be linked to security assistance efforts.

The authors' definition includes police, but does not include assistance programs for other components of the criminal justice sector, such as the judiciary or corrections institutions. Hence, it is narrower than the framework used in some policy discussions, which include these institutions. Since it is based on public information, the report also excludes US support to foreign intelligence services.

The following accounts provide funding for the programs and activities discussed in this report:

- Foreign Military Financing (FMF): The State Department account that provides grants and loans to friendly and allied countries for the acquisition of US defense equipment, services, and training;

- International Military Education and Training (IMET): The State Department account that provides grant support for the military education and training of foreign military officers and related civilian personnel.

- International Narcotics, Crime, and Law Enforcement (INCLE): The State Department account that supports programs and activities that combat

narcotics production and trafficking, international crime, and terrorism, in part by strengthening the security forces of recipient countries.

- International Criminal Investigative Training Assistance Program (ICITAP): A Department of Justice program that supports training for foreign law enforcement forces, focusing on international terrorism and transnational crime.

- Peacekeeping Operation (PKO): The State Department account that supports training for foreign military forces that could participate in multilateral peacekeeping and regional peacekeeping operations.

- Nonproliferation, Anti-Terrorism, Demining, and Related Programs (NADR): The State Department account that supports anti-terrorism training and strengthens border controls.

- The Pakistan Counterinsurgency Capability Fund (PCCF): The State Department account that provides support to the government of Pakistan to strengthen its security forces for counterinsurgency operations.

- DOD's Lift and Sustain authorities (Section 127c of Title 10 US Code and Section 9000 of the FY2007 NDAA): Authorizes DOD to provide logistical support, airlift, and sustainment support for coalition and partner nations participating in military operations in Iraq and Afghanistan, among other areas.

- Coalition Support Funds (CSF): Authorizes DOD (funded through supplemental or war budgets) to reimburse foreign nations for support provided to US military operations or coalition partners in Iraq and Afghanistan. Includes the Coalition Readiness Support Program, which is funded through DOD's Defense-Wide Operations and Maintenance Account. While not technically an assistance program, CSF can provide budgetary support to recipient countries to acquire equipment, train, and operate, which strengthens their overall capability.

  CRSP authority allows the Pentagon to purchase equipment on a non-reim-bursable basis to coalition forces supporting US military operations in Iraq and Afghanistan.

- DOD's counternarcotic authorities (Section 1033 and Section 1004): Through these authorities DOD supports training, education, equipment, and coordination with foreign countries' counternarcotics efforts.

- Iraq Security Forces Fund (ISFF) and Afghanistan Security Forces Fund (ASFF): DOD accounts, funded through supplemental or war budget requests that provide training, equipment, and services to Iraq and Afghan military and other security forces.

- DOD's Global Train and Equip (Section 1206 Authority): DOD program to strengthen the capacity of foreign military forces to conduct counterterrorism operations and/or participate or support military and stability operations in which the US Armed Forces are a participant, addressing urgent and emerging threats.

- Section 1207 Authority and the Complex Crises Fund (CCF) Fund: Initially a DOD authority to transfer funds to the State Department in support of stabilization, reconstruction, and security programs in a number of countries. CCF is the State Department successor account to be used for the same purposes. This report considers only those Section 1207 and CCF activities that address foreign security institutions.

- Loan of Significant Military Equipment – Section 2350(1) of title 10, United State Code allows significant military equipment to be provided for temporary use, not to exceed one year, to security forces of nations participating in combined operations with the US armed forces.

- Drawdown Authority – Section 506(a) of the Foreign Assistance Act allows the President to "draw down" defense articles and services from the Defense Department for unspecified emergencies that require immediate military assistance.

Excluded Accounts

- The Commander's Emergency Response Program (CERP): DOD account that provides funds for military commanders to provide small-scale humanitarian relief and reconstruction projects in Iraq and Afghanistan. CERP does not support the military or paramilitary institutions of the central government, but addresses local, non-institutional activities, even though it was created to support overall stability and security.

- Economic Support Fund (ESF): The State Department account that provides economic assistance to foreign governments to meet US foreign and strategic policy objectives largely for policy, rather than developmental reasons. In general, ESF funds are provided with policy, even security goals in mind, but do not support foreign security forces as defined in this report.
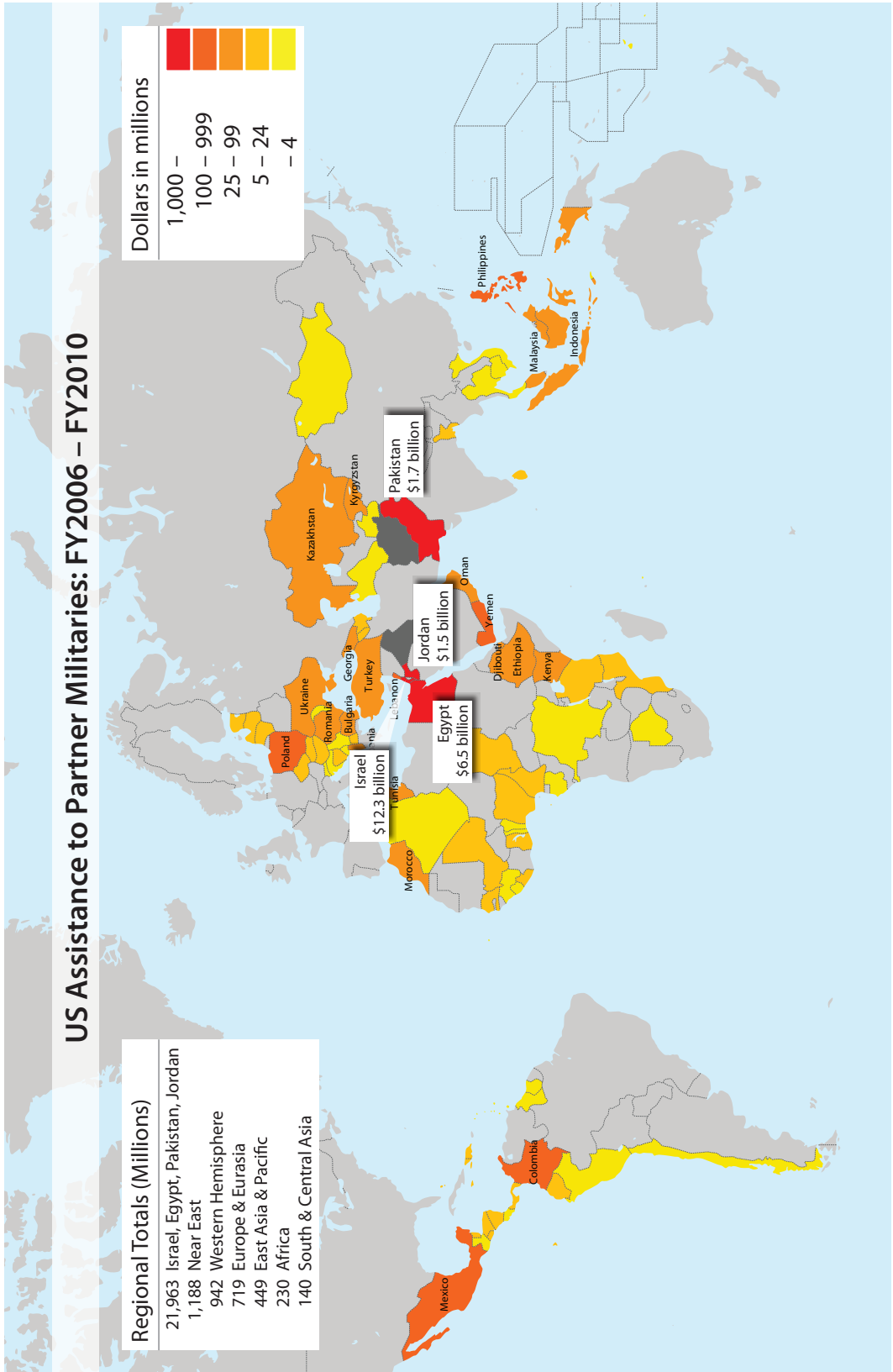
Appendix II:
Key Question Set for Restructuring the Security Assistance Architecture

Legislative Branch: Authorization and Appropriations	Purpose of Assistance Program	• What are the goals and objectives of the assistance? • Can goals and objectives be set that will allow the development of performance metrics? What is the definition of success? • What is the timeframe for the assistance and the evaluation?
	Budget	• What is the needed funding, and what methodology led to that amount? • For what account/department is the money requested? • How much of the funding is provided for specific planned programs? How much is contingency funding?
	Authorities	• What forces is the program designed to support and under what circumstances • Who has decision authority over the program? (e.g., Secretary of State, Secretary of Defense, the President) • Is the authority located in US Code Title 22 or Title 10? Does there need to be authority for implementation or policy input in the other title? • What flexibility does the account have? Is there contingency authority? What Congressional notifications are required? • Is there authority to transfer funds between or within accounts? Are there Foreign Assistance Act or other restrictions on the funds? • Is there any waiver authority in the relevant statute?
	Congressional Oversight	• Which committees can conduct oversight on the programs, agencies, and authorities? Are Congressional notifications required? • What are the fiscal thresholds, and do they need to be adjusted? • Are there earmarks? • Are there reporting requirements?

Executive Branch: Policy and Management Practices	Strategy Development	• Where is the overall strategy for the program developed? How does it fit with regional and functional priorities? • How does it fit with other strategic reviews and planning efforts?
	Policy Decision Process	• Who initiates proposals for assistance programs? • What clearances are required for proposals? Is there an interagency process? Who participates and chairs that process? • Who has final decision authority on the program? • Where and how does the program fit into ongoing budget and planning cycles, processes, and broader decisions on assistance? How does the process address emerging, off-cycle needs? • What are the relative roles of field agencies and Washington, DC in the process?
	Planning	• Who has the lead on planning program implementation? • How does planning coordination occur with other relevant agencies? • Who has responsibility for oversight/evaluation of programs?
	Management Capabilities	• What human and fiscal capabilities are needed to carry out stated objectives? • Can detailees from other departments play a role? Who has responsibility for planning/oversight function? What training is necessary to staff sufficiently and address new missions? • How should contractors be used and managed?
	Metrics/ Evaluation	• What are the appropriate performance metrics? What is the definition of success? • Are some metrics appropriate to the short term and others to the long term? • Do the metrics correspond with legislative intent? • How should one monitor performance and end use? • What are the Inspector General responsibilities for oversight of security assistance?
	Implementation	• Which agencies/departments are responsible for implementing these programs? • What units/offices/personnel conduct the program?

Appendix III:
US Assistance to Partner Militaries, Funded Out of Foreign Military Financing and Section 1206 Authority

The US financially assists other countries' militaries using numerous accounts managed by both the State and Defense Departments. This map visually displays two of those accounts: Foreign Military Financing from the State Department and Section 1206 Train-and-Equip managed by the Defense Department. Those accounts overlap significantly in a few countries: Albania, Djibouti, Georgia, Indonesia, Lebanon, Tunisia, Pakistan, Philippines, and Ukraine. It is far more common, however, for the State and Defense Departments to prioritize different countries for their military assistance spending. This is largely due to the differing purposes the accounts serve. Section 1206 focuses on immediate counter-terrorism issues while FMF addresses longer-term military development. Foreign Military Financing is a standing authority, but Section 1206 is authorized temporarily and will have to be reconsidered by Congress for FY2012.

US Assistance to Partner Militaries: FY2006 – FY2010

Dollars in millions

1,000 –
100 – 999
25 – 99
5 – 24
– 4

Regional Totals (Millions)

21,963 Israel, Egypt, Pakistan, Jordan
1,188 Near East
942 Western Hemisphere
719 Europe & Eurasia
449 East Asia & Pacific
230 Africa
140 South & Central Asia

Israel
$12.3 billion

Egypt
$6.5 billion

Jordan
$1.5 billion

Pakistan
$1.7 billion

Philippines
Malaysia
Indonesia
Kazakhstan
Kyrgyzstan
Oman
Yemen
Djibouti
Ethiopia
Kenya
Georgia
Turkey
Ukraine
Romania
Bulgaria
Lebanon
Poland
Morocco
Tunisia
Colombia
Mexico

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