



# The Relationship Between Aid, Insurgency & Security: Part One

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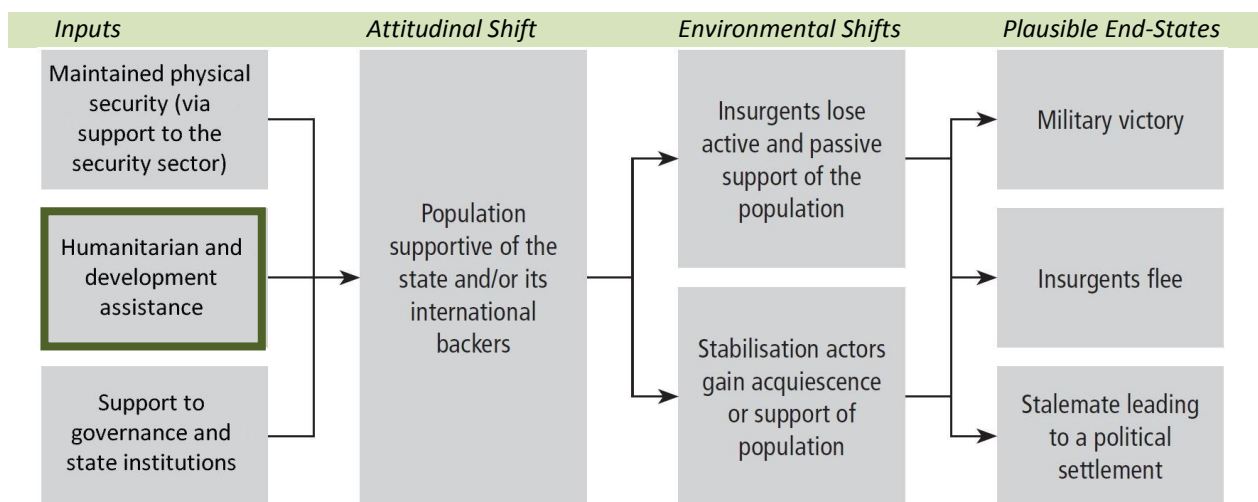
Comprehensive Information on Complex Crises

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*This document, which is the first in a series of reports on linkages between aid and security in Afghanistan, presents evidence concerning the impact of international development assistance on insurgent violence. Related information is available at [www.cimicweb.org](http://www.cimicweb.org). Hyperlinks to source material are highlighted in blue and underlined in the text.*

This report covers a variety of publications addressing the impact of international development assistance on insurgent violence. A recent [historical review](#) of mid-conflict stabilisation missions published in the journal *Disasters* noted that civilian and military actors have provided aid to locations in the midst of conflict for well over a century. Examining counter-insurgency (COIN) missions in the Philippines, Algeria, Vietnam and El Salvador from as early as 1898 to as recently as 1992, the authors suggested that stabilisation operations such as the one currently taking place in Afghanistan have been based on the belief that reconstruction and development projects as well as financial assistance – hereafter termed “foreign aid” or “aid” – have a beneficial impact upon security (i.e., reducing violence). This “[security-development nexus](#)” involved, in each of the historical cases as well as contemporary ones such as Afghanistan and Iraq, the logic of intervention outlined below (see Figure 1).<sup>1</sup> In short, by promoting the well-being of the local population – in addition to territorial security and sufficiently legitimate state institutions – stabilisation actors can win the favour of the host nation citizenry and erode insurgents’ ability to operate effectively. The result may either be a military victory for counter-insurgent forces, the flight and temporary withdrawal of the insurgents or the attainment of a negotiations-inducing stalemate.

Figure I. Stabilisation’s Underlying Logic of Intervention



Source: Adapted from S. Barakat, S. Deely & S.A. Zyck, “[A tradition of forgetting](#)”: stabilisation and humanitarian action in historical perspective”, *Disasters* 34:S3 (Sept. 2010): 297-319.

<sup>1</sup> For further discussion of the security-development nexus, see IPA, [International Assistance to Countries Emerging from Conflict: A Review of Fifteen Years of Interventions and the Future of Peacebuilding](#) (New York, International Peace Academy, 2006).



Based on the assumption that aid is an effective means of promoting security, the British government's national security council introduced policy guidance in 2010 which requires that aid projects make the "[maximum possible contribution](#)" to the UK's national security, according to *The Guardian*. Of course, the linking of aid with security is not unique to Britain; nor is it a new concept. As the aforementioned study from the journal *Disasters* noted, the United States had used reconstruction projects as a [tool of countering insurgency](#) in the Philippines as early as the late 19<sup>th</sup> century. The US Army's 2008 Field Manual ([FM 3-07](#)) on "Stability Operations" notes that the military's pursuit of security must move beyond kinetic operations and more fully embrace reconstruction and stabilisation efforts. Similarly, the British military's Joint Doctrine Publication ([JDP 3-40](#)) on "Security and Stabilisation" suggests that aid and reconstruction activities are intended to "boost support for the host nation government" and hence erode popular support for (or tolerance of) insurgencies.

The perceived link between aid and security has also emerged in the work of multilateral civilian institutions. The [2004 report](#) of the United Nations Secretary-General's High-Level Panel on Threats, Challenges and Change noted that foreign aid was a key accompaniment to promoting security by solidifying peace agreements and preventing conflict recurrence.

#### Box I. Definitions/Key Terms

**[Aid and Development Assistance](#):** For the purposes of this report, the terms "foreign aid" and "development assistance" are used interchangeably. Both terms may be defined as "financing administered with the promotion of the economic development and welfare of developing countries as the main objective", in the words of the Development Assistance Committee ([DAC](#)) of the Organisation for Economic Cooperation and Development ([OECD](#)). Aid or development assistance may comprise monetary grants and loans with "easy" repayment conditions as well as technical support (e.g., advisors) and in-kind assistance (e.g., food or medical supplies). It may be for humanitarian purposes (e.g., famine relief) or more for long-term improvements in governance as well as socio-economic development.

***Security*:** While security is defined in different ways, this report adopts the general approach to security reflected in many of the studies outlined below. Namely, security is the absence of violent incidents and attacks associated with conflict, insurgency or terrorism. As such, security does not necessarily – but may – include non-conflict violence such as criminality.

In light of the attention which the aid-security relationship has received, and given the centrality of this relationship to the stabilisation mission in Afghanistan, it is worth asking the following question: to what degree has the impact of aid on security been validated through objective, evidence-based research? Answering this question requires moving beyond anecdotes and beyond Afghanistan, where conflict impedes thorough research, to see what studies from other countries have revealed.

In the first section, the reader will be introduced to several quantitative studies that focus on the relationship between aid and security in several different conflict zones. While these studies are not all Afghan specific, each study presents findings regarding the aid-security relationship that are likely to be useful in the Afghan context. The second and third sections present the reader with detailed studies specifically about the aid-security relationship in Afghanistan. In total, the quantitative studies of other conflict zones and qualitative reviews of the Afghan environment present a variety of perspectives on the aid-security relationship that are useful to the design and implementation of the stabilisation mission in Afghanistan.



## Quantitative Evidence on the Aid-Security Relationship

This section presents the findings of recent empirical studies on the impact of aid on security in places such as the Philippines and Iraq. While all research has its limitations – which are noted below – the studies suggest that the beneficial impact of foreign aid upon stability and security is not necessarily automatic or inherent. Rather, it is conditioned by local circumstances and those factors which motivate the local population to either join, support, tolerate or oppose insurgent groups.

**Study One:** Benjamin Crost and Patrick B. Johnston, *Aid Under Fire: Development Projects and Civil Conflict* (Cambridge, MA: International Security Program, Belfer Center for Science and International Affairs, Harvard University, November 2010).

This study examines the impact of a large, community-driven development ([CDD](#)) programme, similar to the National Solidarity Programme ([NSP](#)) in Afghanistan, upon insurgent violence in the Philippines.<sup>2</sup> The goal of the research project was to determine whether any change in security occurred in assisted or non-assisted communities as a result of the development programme.

### *Background Information*

The development intervention in question was the KALAHI<sup>3</sup> Comprehensive and Integrated Delivery of Social Services (KALAHI-CIDSS) programme. This USD 180 million programme, which was financed by a loan from the [World Bank](#), targeted the poorest 25% of municipalities within selected provinces in the Philippines. Eligible municipalities – each of which contained around 25 villages – received grants of approximately USD 150,000 per tranche between the start of the programme in 2003 and the end of the programme in 2009. Between three and four tranches were provided to each municipality. In the end, each municipality received somewhere from USD 450,000 to 600,000 over the course of the project (or USD 18,000-24,000 per village). These grants were then used by communities to implement local development projects which they themselves designed and helped implement.

While the KALAHI-CIDSS programme was developed to enhance service delivery and alleviate poverty, it was also viewed as a means of improving security by promoting development and demonstrating the benefit of government presence in locations affected by conflict. While insurgency and conflict within the Philippines is complex, the two main opposition groups are the New People's Army (NPA) and the Moro Islamic Liberation Front (MILF). The NPA operates across the Philippines and includes an estimated 8,000 members, while MILF and its estimated 10,500 members seek autonomy for a predominantly Muslim part of the country in Mindanao. While periods of intense conflict have taken place, fighting is currently considered to be “low intensity”, with approximately 2,100 security incidents per year and an average of around 1,000 casualties per year.

To determine the influence the KALAHI-CIDSS programme had upon conflict-related violence, the study carefully selected communities which were and were not eligible for assistance. To eliminate the chance of differing poverty levels affecting the data, the study only examined municipalities within a defined poverty level

<sup>2</sup> The National Solidarity Programme ([NSP](#)) in Afghanistan is a CDD programme operated by the Afghan government's Ministry for Rural Rehabilitation and Development ([MRRD](#)). It involves the mobilization of communities and formation of elected local community development councils (CDCs) which create development plans and implement small infrastructure rehabilitation projects. These small projects receive financial support via the NSP, though communities are required to contribute to the projects by providing materials, labour or money.

<sup>3</sup> KALAHI stands for “Kapit Bisig Laban sa Kahirapan”, a term which means “Linking Arms Against Poverty” in Filipino.



range. Steps were taken to ensure that other factors, such as ethnicity and pre-existing levels of insecurity, did not invalidate the results of the study.<sup>4</sup>

### *Results of the Study*

The study ultimately found that aid provided via the KALAHY-CIDSS programme did not improve the security of the assisted communities. In fact, during the implementation phase of the programme, eligible communities (i.e., those which received assistance via the programme) experienced an increase in conflict. In other words, examining municipalities which started with similar levels of conflict and insecurity, those which received aid via this programme became less secure while un-assisted municipalities experienced no change in their levels of insecurity. Over the course of the project, each assisted municipality experienced an added 0.9 casualties per year, or 2.7 added casualties during a typical three-year implementation period.<sup>5</sup> However, in a strong indication that the uptick in violence was linked to the programme, the assisted municipalities recorded a decline in security incidents once implementation of KALAHY-CIDSS projects in their area came to an end. Indeed, the number of security incidents in eligible communities returned to the average, pre-programme level; no improvement in security was recorded either during or after implementation. Ultimately, those municipalities which received greater levels of assistance via the programme experienced correspondingly greater levels of insecurity.

The authors of this study suggest, to put it simply, that opposition groups recognise that aid programmes such as KALAHY-CIDSS are intended to extend the reach of the government and gain greater popular support for the government (hence diminishing support for rebel/insurgent fighters). As such, they attempt to hinder the implementation of development programmes and to prevent the government and partner agencies from fulfilling promises of development assistance.

**Study Two:** Eli Berman, Joseph H. Felter and Jacob N. Shapiro, *Do Working Men Rebel? Insurgency and Unemployment in Iraq and the Philippines*, working paper for the National Bureau of Economic Research, November 2009.

The second study reviewed in this section of the report concerns both the Philippines and Iraq. In this case, the study did not focus specifically on aid levels or a particular programme but rather on one of the chief outcomes of development programmes – the generation of employment for local populations. The authors attempt to assess the degree to which employment creation affects security (i.e., the level of insurgent violence).

### *Background Information*

The authors analysed large datasets including employment figures and numbers of security incidents in 76 provinces in the Philippines (2001-2003) and 104 districts in Iraq (2004-2007). Using various quantitative approaches (see the original study for details), the researchers attempted to ensure that extraneous factors (i.e., those not related to employment) such as ethnicity, sectarianism or religion did not influence the findings. In addition, the authors took steps to ensure that changes in security levels were not overly influenced by particular political and security developments such as the so-called “Anbar Awakening” or the 2007 troop “surge” in Iraq.

<sup>4</sup> Given the complexity of these methodological issues, readers interested in learning more about this process are advised to refer to the original text of the study. This same point applies not only to the first study but to all of the studies discussed in this report.

<sup>5</sup> While the project lasted approximately six years, the actual implementation of the programme in each municipality lasted three years. Some municipalities were assisted relatively early in the programme, while others were assisted as part of a later phase.



Overall, the study was attempting to test the hypothesis that greater employment leads to fewer security incidents given that employed individuals are more difficult to recruit into armed groups and will have more to lose in the event of expanded conflict.

### *Results of the Study*

The study ultimately found that less employment corresponded to fewer security incidents and that greater levels of employment were statistically correlated to increased insurgent violence. In other words, fewer jobs resulted in fewer attacks. In Iraq, the authors found that a 10% increase in net unemployment (e.g., growing from 10% to 11% unemployment) within a district would result in 5.4% fewer security incidents. A similar trend – more unemployment leading to fewer attacks – was found in the Philippines. Ultimately, the study found that livelihood-supporting schemes may not improve security – but rather undermine it. Of course, the authors note that statistical correlates are only part of the study and that further research is necessary to see why unemployment is correlated with improved security (i.e., fewer attacks). They propose the following three possible explanations:

1. Insurgents may attack those areas which are more prosperous on the basis that they will be able to extract a higher level of resources from those locations. Such a finding particularly applied to parts of Iraq which provided opportunities for ‘capturing’ oil revenues.
2. Major COIN campaigns that may limit the number of insurgent attacks could, at the same time, increase unemployment by making it difficult for local populations to travel or trade. In this scenario, the drop in insurgent attacks is not a result of unemployment but rather the presence of military kinetic operations.
3. Unemployed people might be more willing to sell information about insurgents to governments or military forces. Hence, COIN operations are more successful in reducing attacks where employment rates are lowest and where more people are willing to sell intelligence on insurgents (as a source of income).

The study concludes by providing the following note of caution to stabilisation and development actors: “[D]evelopment efforts that seek to enhance political stability through short-term job creation programs may well be misguided. Development funds might be directed instead at improving the quality of local government services, thereby inducing non-combatants to share intelligence about insurgents with their government and its allies”.

**Study Three:** Eli Berman, Jacob N. Shapiro and Joseph H. Felter, [\*Can Hearts and Minds Be Bought? The Economics of Counterinsurgency in Iraq\*](#), working paper for the National Bureau of Economic Research, Dec. 2009.

The final study sought to answer the following question: did reconstruction spending reduce levels of insurgent violence in Iraq? In particular, this study focuses upon citizens’ decision whether or not to provide information regarding insurgents to Iraqi government forces (which presumably would lead to the defeat of insurgents and to improvements in security).

### *Background Information*

Rather than focusing upon large aid projects, the researchers considered the USD 2.9 billion spent primarily on small-to-mid-scale projects via the United States military’s Commander’s Emergency Response Programme ([CERP](#)) and “related smaller programs” in Iraq. Unlike large-scale reconstruction projects in Iraq – where funds commonly trickle down from contractors to sub-contractors and so on – far less money is lost to overheads and complex sub-contracting arrangements in the case of CERP initiatives. In addition, the authors note that CERP



projects are often viewed as tools of promoting stability and countering insurgency. Given that reducing insurgent violence is part of CERP's objectives, it is valid to question how effective they have been in improving security.

This study views aid as one means by which the Iraqi government (and its international military allies) tried to convince local communities that they should oppose the insurgency by selling intelligence concerning insurgent fighters and their activities. The authors admit that such an approach, which has rationalised CERP spending and much of the 'hearts and minds' approach to COIN, assumes that community members make a decision to support or oppose the insurgency based primarily if not strictly on a rational assessment of their self-interest.

Accepting the theory above, the authors use data from the World Food Programme ([WFP](#)) and other sources to assess the level of security incidents as well as the volumes of CERP spending in per capita (rather than net) terms. In addition, as in study two, the researchers attempted to isolate the influence of non-CERP or non-reconstruction-related factors such as ethnicity, sectarianism, national conflict trends and local economic conditions through a number of statistical approaches.

### *Results of the Study*

The study found that provinces which received aid dollars tended to be highly insecure, thus giving an initial – but likely false – impression that reconstruction spending led to insecurity (in reality, aid was provided to areas which were already insecure in hopes of bringing security, building the local government or safeguarding international actors). When the researchers looked deeper, they found that aid did ultimately reduce levels of insurgency and that an *additional* USD 1 per person for every six months (or an additional USD 2 per person per year) reduced the number of “violent incidents” by 1.59 per 100,000 people.<sup>6</sup> In other words, in a province of one million people with 1,000 attacks per year, security could *theoretically* be achieved by increasing the volume of aid by USD 125.77 per person per year (relative to the level of assistance prior to the ‘aid surge’). The study noted that this ‘aid surge’ only applies to assistance *which reaches the people* rather than total aid spent, which might be subject to overheads, contractor and sub-contractor expenses and other factors. In addition, the study found that the link between aid spending and improved security became significantly stronger following January 2007 with the launch of the troop ‘surge’.

### **Case Study Evidence on the Aid-Security Relationship in Afghanistan**

Quantitative and empirical evidence may only capture a part of the aid-security nexus. A team from the Feinstein International Center ([FIC](#)) at Tufts University has recently been exploring the impact of aid upon security through a number of province-level case studies in Afghanistan. Using interviews with international military personnel, foreign and Afghan aid/development workers, Afghan officials and ‘ordinary’ Afghans, the study is attempting to consolidate people’s perceptions regarding whether aid has made a difference on the insurgency. The case studies thus far conducted in [Balkh](#) and [Faryab](#) provinces suggest that the impact of aid upon security is multifaceted.<sup>7</sup> In Balkh, for instance, 93 Afghans and 78 international actors were interviewed about the [impact that development projects](#) have had upon security. While a small number of respondents indicated that aid projects helped to discourage attacks against aid workers and foreign soldiers in some cases, the majority felt that development assistance was simply unrelated to the sources of conflict or perhaps even worsened security. For instance, the report cites a [NATO military official](#) as stating that “[a] diverse group of people are creating problems for a variety of reasons (power, money, ideology, religion) and are not affected by development . . . We can hold the

<sup>6</sup> Here a violent incident is one which was included in the US military’s significant activity (SIGACT) database. The SIGACT database includes only violent incidents which were initiated by opposition forces (e.g., insurgents) and which took place when a coalition soldier was present.

<sup>7</sup> Future case studies will be conducted in Helmand, Paktiya and Uruzgan provinces.



area longer if we spend more money, but eventually insecurity will take hold. The things working against us are not affected by development”. The same conclusion was reached in a [case study of Faryab](#) which found that the uneven provision of development assistance across Afghanistan – especially between neighbouring communities – was a major source of frustration and anger for many residents of Faryab. When one community receives aid, the others perceive themselves as being marginalised or slighted and may be increasingly inclined to permit or engage in insurgent attacks in their areas. This dynamic has been further described as “[perverse incentives](#)” by a recent report from the UK’s Department for International Development ([DFID](#)). According to this report, a “perverse incentive” exists when a population perceives itself as benefitting from insecurity and losing opportunities from peace and stability.

The aforementioned [Faryab case study](#), published in January 2011, found that government legitimacy and, hence, opposition to the insurgency, were primarily influenced by the effectiveness of aid projects and senior government officials rather than by the amounts or type of aid being provided. Populations were, in short, more likely to oppose the insurgency if they felt that aid workers and Afghan government officials were performing well. In addition, the case study’s author found that short-term projects implemented in order to increase stability rarely had any effect upon security. Instead, long-term programmes with stable staffs which had built a close relationship with local communities were likely to have a greater impact upon security. Some NGOs and the Norwegian Provincial Reconstruction Team (PRT) in Faryab were found to have met these criteria. The report concluded that “communities need to trust that there will be prolonged cooperation and focus on their needs, rather than finding that aid is being used to achieve outsiders’ political goals”. Indeed, trusted aid actors not only bolster stability by delivering appreciated forms of assistance but also because they are able to bring together people and communities in order to allow them to build relationships and diffuse tensions, according to the evidence from Faryab. Finally, both the Balkh and Faryab case studies also make another point regarding aid’s ability to influence security: ordinary Afghans may not have the ability to stand up to Taliban or other insurgent elements even if they are appreciative of development assistance implemented by NGOs, PRTs or others; the potential for a violent reprisal is frequently too great.

### **An Alternative Perspective on the Aid-Security Relationship in Afghanistan**

A leading military scholar and counterinsurgency expert, [Mark Moyar](#), recently published a report, entitled *Development in Afghanistan’s Counterinsurgency: A New Guide*. This [document](#) is designed to provide development stakeholders in Afghanistan with a theory to demonstrate how assistance may be more effectively mobilised in order to support COIN objectives. The author suggests that this new theoretical approach is necessary because traditional theories on development and COIN are based on a fundamentally flawed set of assumptions. First, these include the perception that insurgencies emerge as a result of grievances and, second, that COIN strategies should attempt to win the support of the local population as a whole. These assumptions are part of a basic formula that pre-supposes, without adequate evidence, that “popular grievances cause insurgency, so counterinsurgents should adopt a set of methods that gain the support of the people by redressing these grievances”. As other [development and COIN experts](#) have noted – and given the seeming inability of several billion US dollars in aid to ‘win hearts and minds’ of Afghans and defeat the insurgency – it is appropriate to question the underlying assumptions of commonly-accepted COIN strategies.

In contrast to current development-COIN thinking, this alternative perspective revolves around a ‘[leader-centric](#)’ [COIN](#) model. This approach is focused on finding the right leaders to support with aid to institute improvements in security, governance and development. As Moyar states, “mountains of cash will provide no benefit to a counterinsurgency unless the right leaders are in command”. The guide continues to provide the reader with a framework for determining the appropriate beneficiaries of development aid. Additionally, the new methodology emphasises the differences between ‘the people’ in any given COIN environment and suggests that recognizing a



local population as an undifferentiated mass is not useful; rather, focusing aid on the elites of a group is a more effective COIN technique. As Moyar notes, only a small minority of a population group has the talent, resolve and social status to organize activities that will antagonise and lead to the defeat of insurgents.

### Conclusion: Reviewing the Evidence

The fundamental objective of this report has been to present, as objectively as possible, the recent research that has been conducted into the impact of aid and development assistance upon security, and more specifically insurgency. As reflected in the studies outlined above, the evidence produces a clearly mixed portrait. In the first study, the provision of development assistance by civilian actors, in hopes of supporting military COIN activities in the Philippines, provoked added insurgent attacks and worsened security. Researchers found that in fact, insecurity actually flared during assistance delivery and fell sharply when programme implementation ended. The second study also failed to support the belief that added employment – and, by extension, livelihood-oriented and job-creation schemes – contributed to improved security. This second study was unable to determine why a positive correlation between employment and insecurity existed in the Philippines and Iraq, though it did provide several hypotheses to be further examined in future research. The third study, which focused strictly upon local-level military aid spending in Iraq, did find a positive relationship between small-to-mid-scale projects and security (i.e., the absence of insurgent attacks).

This research suggests that aid may support security specifically in those situations in which the local populations can be provided with sufficient motivation and freedom from retribution to provide information on insurgents to the government and its COIN allies. Finally, the case study evidence specifically from Afghanistan suggests that aid may not actually have a significant impact, either positive or negative, upon security when insurgents' motivations and community members' attitudes are not readily influenced by development assistance. Additionally, research supposes that development aid funnelled through local elites directly impacts security, but traditional distribution of aid to benefit 'the people' may have little influence on the degradation of the insurgency in Afghanistan.

Indeed, if there is a key message which emerges from each of the studies, it is that aid cannot be presumed to improve security in a context of conflict or insurgency and should be cautiously integrated into broader stabilisation interventions based upon a clear understanding of how it will influence insurgents' tactics, host nation governance, support among local populations and other contextual dynamics.

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