

THE USAID VS SIGAR PISSING CONTEST

Reuters has a riveting exclusive today in which they have been given a treasure trove of documents from which they have reported on documentation that a contractor involved in USAID highway construction in Afghanistan is employing a subcontractor who is a member of the Haqqani network:

Much of the evidence against Zadran is classified, but the cache of documents given to Reuters by U.S. officials on condition of anonymity show that he has close business ties with the Haqqani network's leader, Sirajuddin Haqqani.

The Haqqanis, Islamist insurgents who operate on both sides of the Afghanistan-Pakistan border, are believed to have introduced suicide bombing into Afghanistan.

The links between Zadran and the insurgency include him teaming up with Saadullah Khan and Brothers Engineering and Construction Company (SKB), believed to be one of Sirajuddin Haqqani's companies.

Together they won a \$15 million contract to help build a road between the towns of Gardez and Khost in Afghanistan's east for the U.S. Agency for International Development (USAID) in 2011.

"The owners of these companies are facilitators and commanders of the Haqqani Network," one U.S. government memorandum says.

This problem fits into the overall work that SIGAR has been doing recently in which they comment on the lack of control and auditing on

funds once they are turned over from USAID and other agencies to the Afghan government for disbursement. And huge amounts of money are involved:

The inability over many years to stop firms believed to be supporting the insurgency from winning multi-million-dollar contracts exposes the lack of control that donors have over cash once it is handed over to the Afghan government.

Those transfers make up an increasing proportion of aid. U.S. federal agencies want more than \$10.7 billion for reconstruction programs in 2014, SIGAR says, and the government has promised at least half will be granted directly to Afghan institutions to spend as they see fit.

SIGAR has clearly upset a number of folks with their work on this front. Back on October 10, the Atlantic carried a hit piece against SIGAR (I owe Marcy a huge thank you for alerting me to the article) in which we are supposed to believe that USAID has built a public health system in Afghanistan that in just a few years has added 20 years to life expectancy while dropping child mortality by half. And the article would have us believe that this wonderful new system is at risk of being shut down because of SIGAR's campaign against funds being disbursed by the Afghan government without an audit trail:

John Sopko is the U.S. government's chief auditor for Afghanistan and a former prosecutor with years of experience on Capitol Hill. In September, Sopko's office—the Special Inspector General for Afghanistan Reconstruction, or SIGAR—issued a report calling for the suspension of USAID's \$236 million in aid for basic health care in Afghanistan.

Why shut down such a successful program?
The short answer is that SIGAR's is a peculiar concept of caution.

Strikingly, the auditors' report calling for the funding freeze for the health program doesn't claim any evidence of serious fraud or waste. Instead, it raises hypothetical concerns about the Afghan government's ability to manage aid money well, including evidence that some salaries were paid in cash, as well as the absence of double entry bookkeeping.

There is a huge problem with the underlying premise of "such a successful program", though. It is fabricated bullshit. Here is how the hit piece frames their argument on the successes:

While the U.S. military can win wars with overwhelming firepower, the conventional wisdom is that the U.S. lacks effective civilian tools to win the peace. Afghanistan's public health care system provides a powerful counterpoint: financed largely by American foreign aid, it has produced the most rapid increase in life expectancy observed anywhere on the planet. What went right? And why do American auditors and Congressional overseers suddenly want to pull the plug?

In late 2011, the U.S. Agency for International Development announced some astonishing news about progress in health and mortality in Afghanistan. The new findings came from the release of the 2010 Afghanistan Mortality Survey, the largest survey of its kind ever undertaken in Afghanistan. The survey showed that from 2004 to 2010, life expectancy had risen from just 42 years—the second lowest rate in the world—to 62 years, driven by a sharp

decline in child mortality. As a result, nearly 100,000 Afghan children per year who previously would have died now don't.

What is this magic elixir of life that has added nearly 50% to life expectancy in Afghanistan in only a six year time period? Hint: it involves fruit. Specifically, it involves apples and oranges, because to get this life expectancy increase, USAID is comparing separate studies with differing methodology. The study carried out by USAID only addressed mortality at one time point, 2010. The study can be found here (pdf). Clearly, USAID has enabled those in the press who wish to embellish USAID's accomplishments on the public health front. While the Atlantic hit piece would have us believe that the life expectancy of 42 in 2006 and 62 in 2010 both come from the USAID study, when the study was first released, the Guardian at least provided hints that other studies must be relied on for developing an idea of how life expectancy has changed:

Conducted by the Afghan health ministry in 2010, the survey was sponsored and funded by international organisations such as Unicef, the World Health Organisation, the US government and the British Department for International Development. It was the most comprehensive to date in Afghanistan, despite the exclusion of some rural areas in the south where international forces are fighting insurgents.

It showed that estimated life expectancy is up to between 62 and 64 years for both men and women. That compares with previous studies showing life expectancy from 47 to 50 – the latter figure reported by the WHO in 2009.

As for the claims of cutting child mortality in half, the graph presented in the Atlantic is not

supported even within the USAID study. It seems to come from an "independent" assessment of the effectiveness of USAID's work on Afghanistan's public health system carried out by Johns Hopkins, although the article doesn't directly state it. The graph suggests that the death rate before age 5 per 1000 children was in the 160-190 range between 2002 and 2004 and then magically dropped to 90-100 in 2005 and 2006. The USAID study itself developed an estimate (see Table 5.1.1 on page 91 of the study) of 80 deaths per 1000 in 1996-2000, 72 in 2001-2005 and 71 in 2006-2010. It appears that child mortality rate estimates in Afghanistan vary over a huge range. This article cites a UNICEF study from 2008 that puts the death rate at an astonishing 257 per 1000 in 2008. But the chart here plots a steady decrease in mortality rate from 373 per 1000 in 1960 to 101 in 2011, with remarkably few bends in the curve given the periodic upheavals in Afghanistan over that time period.

The bottom line is that the Atlantic article clearly has been very selective in presenting what it claims to be data supporting the most remarkable progress the world has ever seen in life expectancy. The claims are so outlandish and laughable that they completely distract from the point the author was trying to make regarding denying funding to public health efforts in Afghanistan. Sadly, though, SIGAR's response has been to try a somewhat similar approach by funneling a pile of documents to a select group of journalists, putting their message on the perils of lack of accountability in disbursing funds at risk of also being overlooked. SIGAR would have been better served to merely carry out their standard analysis of documents they post publicly to point out the flow of USAID funds to the Haqqani network. Engaging in a public pissing contest is not advisable, especially in a desert country.