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America's Civilian Operations Abroad *Understanding Past and Future Requirements*

By Nora Bensahel and Patrick M. Cronin
with data analysis provided by Caerus Associates



Center for a
New American
Security

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Cover Image

Haitians struggle over bottles of oil thrown from a food aid truck in the northeastern town of Gonaïves, Haiti, September 24, 2004. Tension mounted in northern Haiti where floods killed more than 1,100 people and residents clamored for food while relief workers battled mud and high water to deliver aid.

(ROBERTO SCHMIDT/AFP/Getty Images)

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AMERICA'S CIVILIAN OPERATIONS ABROAD: UNDERSTANDING PAST AND FUTURE REQUIREMENTS

By Nora Bensahel and Patrick M. Cronin
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I. EXECUTIVE SUMMARY

By Nora Bensahel and Patrick M. Cronin
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The State Department and the U.S. Agency for International Development (USAID) are likely to face a growing mismatch between the demand for contingency operations and the resources available to meet them.

The number of contingency operations – civilian operations abroad that respond to conflicts and humanitarian and natural disasters – has grown steadily over the past two decades. Since 1993, these civilian agencies have conducted 20 to 28 conflict response missions and 35 to 65 humanitarian assistance and disaster relief missions annually, which means that many operations are conducted simultaneously. Contingency operations also have grown more expensive over time, partly because the number of conflict response missions escalated greatly after 2000. Conflict response missions are, on average, far more expensive than humanitarian assistance and disaster relief missions.

While policymakers theoretically could reduce the number of contingency operations conducted by these civilian agencies, requirements for these types of operations will likely continue well into the future. The military withdrawals from Iraq and Afghanistan will actually increase the demands on the State Department and USAID in both countries. Yet, pressures to cut U.S. government spending will almost certainly reduce the resources available for these missions. These trends therefore suggest a growing mismatch between future resources and requirements.

Ideally, the State Department and USAID would develop better tools to match resources to missions. This will prove difficult until these agencies collect far better data. Unfortunately, it is very hard to determine trends in these operations over time and therefore to plan accordingly. Such a change would make the civilian agencies more effective at executing contingency operations. It would also help to make the case for more resources clearer to Congress.

In an era of tight budgets, the State Department and USAID will need to find new and innovative ways to distribute foreign assistance and conduct operations. However, there is no guarantee that innovation alone will prove sufficient to ensure that civilian agencies can effectively conduct both the routine foreign assistance and the sheer number and scale of operations that U.S. policymakers ask them to conduct. If and when that occurs, the ability of the United States to achieve its foreign policy objectives will be severely limited.

II. INTRODUCTION

The State Department and USAID have conducted hundreds of contingency operations around the world during the past two decades. Although their stabilization and reconstruction operations in Afghanistan and Iraq may have drawn the most attention, these agencies have also conducted many operations to deliver humanitarian assistance, respond to natural disasters and resolve or prevent conflicts. However, determining trends in these operations over time is a challenge because the U.S. government does not systematically collect reliable information about the costs and requirements of these missions.

This report seeks to identify trends in these contingency operations to the greatest extent possible. We gathered data from public records covering the period since the end of the Cold War and synthesized the data in new ways to identify how many operations these agencies have conducted, the types of missions involved and the total costs. We distinguish the general costs of owning and operating civilian agencies abroad from the additional costs of conducting contingency operations. We also identify different types of contingency operations to determine whether the types have changed over time and whether some types of operations have been more expensive than others.

There is no guarantee that future requirements for civilian agencies will match those of the past. Nevertheless, past trends do provide a helpful analytic baseline. In the third section of this report, we examine several trends that are likely to affect future requirements. We argue that there will likely be a growing mismatch between future resources and requirements, and we conclude with several recommendations for addressing this mismatch.

Origins of this Study

This study originated after a realization that the United States lacked a commonly accepted and rigorous analytical framework for determining resources that would be needed to succeed in future overseas contingency operations. While the U.S. government focused tremendous attention and resources on the number of military forces needed for stabilization and counterinsurgency operations, and while the vast size of the U.S. armed forces left ample flexibility for adapting to less-intensive humanitarian and crisis response missions, civilian agencies lacked those resources and flexibility.

The initiation of an internal review of the State Department and the United States Agency for International Development (USAID) – codified as a new Quadrennial Diplomacy and Development Review (QDDR) – responded to the need for analyzing and rationalizing civilian capability requirements for a range of operations. Yet, while the QDDR offered a series of positive recommendations, it did not develop the civilian equivalent of what the military calls a “force-sizing construct,” which would help determine and defend budget requests to the United States Congress for future operations.

This study was designed to advance the thinking of the QDDR and parallel studies calling for a more systematic way of thinking about requirements. We achieved this objective only partially, providing a review of available data and offer-

ing guidance for future planning. We immediately ran into a few insurmountable obstacles, however, when it came to developing a full-fledged force-sizing construct. The first and foremost hurdle concerned the paucity of data. Information was abundant, but not the information that remains essential for more rigorous planning: comparable, comprehensive and reliable data across the government’s full-time and contracted work force operating across a spectrum of overseas contingency operations. If the civilian agencies wish to better match resources to missions, collecting and analyzing this data more rigorously should be paramount.

A second obstacle to building a civilian force-sizing construct was the lack of conceptual consensus across the U.S. government over the typology of missions that are worth planning for, above and beyond the so-called routine or steady-state deployment of State and USAID personnel and their contractors. The QDDR did a better job of addressing this, but, unfortunately, it is extremely difficult to match available data about past operations to the new typology of missions.

A third and final obstacle to a force-sizing construct was the fact that civilian capacity for overseas contingencies and crises has remained a lower priority than preparing comparable missions within the Department of Defense. While serious progress has been made in recent years in the form of a new Assistant Secretary of State for Conflict

and Stabilization Operations and Coordinator for Reconstruction and Stabilization, the power and resources of that post have lagged well behind requirements. Such a high-level post has the potential to better align available resources across both State and USAID.

For these, as well as other practical reasons, we decided that trying to borrow the Department of Defense methodology of a force-sizing construct would be a bridge too far. A basic model for creating a civilian force-sizing construct is included as Appendix B, but we have opted in this report to stay within the boundaries of the empirical evidence we were able to assemble. This clear assessment of available data takes us further than where we began, and allowed us to focus on past performance, project future requirements and offer clear guidelines for future action. The U.S. government should take up these guidelines as a challenge and use them to create a still more comprehensive and rigorous planning construct for civilian capabilities.

III. REQUIREMENTS FOR CIVILIAN OPERATIONS, 1991-2009

Sadly, it is far easier to crunch basketball or baseball statistics in the United States than it is to acquire reliable and comparable data over time about civilian operations abroad. Available data are scattered, incomplete and inconsistent. Appendix A discusses this report's methodology, sources and data limitations in detail. Nonetheless, the data do provide a general picture of the costs and types of civilian operations that have occurred during the past two decades. All figures below are in constant 2009 dollars, unless otherwise noted.

We start by identifying the *baseline costs* of operation – the costs of owning and operating civilian agencies abroad, including operating expenses and routine foreign assistance programs. Baseline costs have increased substantially since 1998, largely because of the increased costs of building and maintaining U.S. embassies and other facilities abroad. We then identify the additional costs of conducting *contingency operations* – which involve a range of responses to conflicts, humanitarian crises and natural disasters. We also analyze the different types of contingency operations to determine whether certain types have become more frequent. Because the high costs of civilian operations in Afghanistan and Iraq make these operations outliers in many respects, we exclude such operations from this analysis and discuss them separately at the end of the section.

Baseline Costs

OPERATING EXPENSES

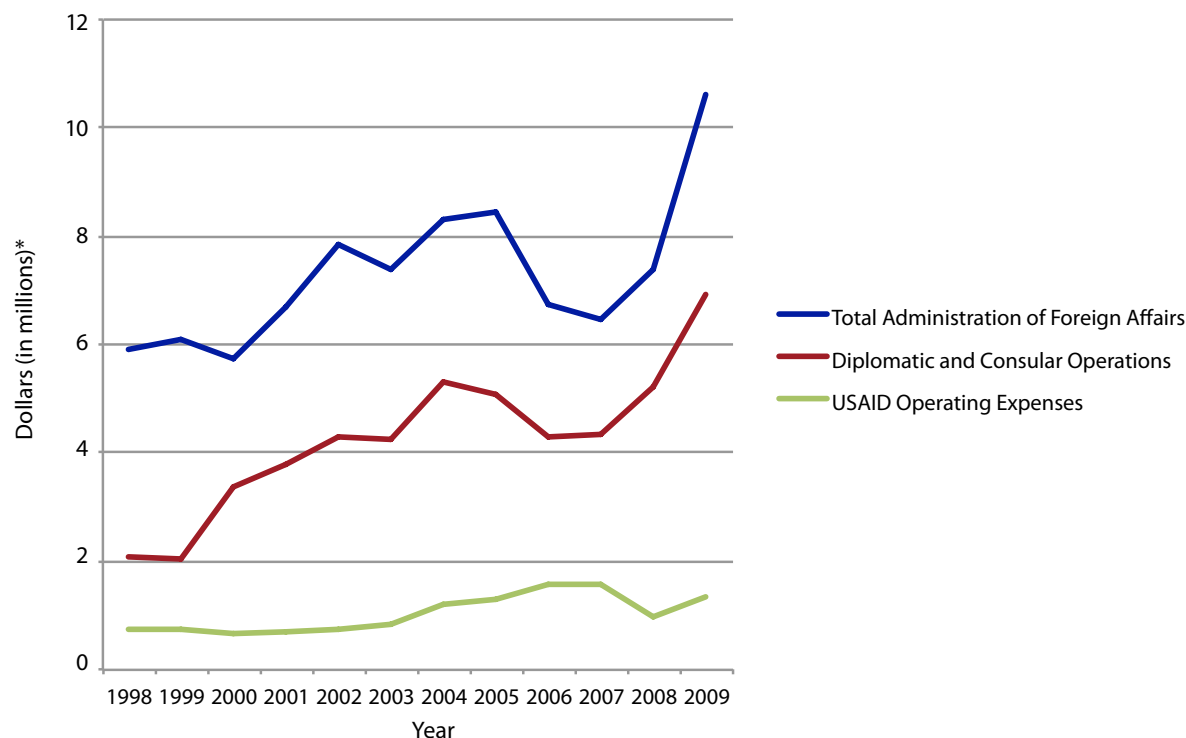
Before examining contingency operations in detail, it is important to view these activities in a broader context. Total State Department and USAID operating expenses grew by 80 percent between 1998 and 2009, as shown in Figure 1.¹ Most of this growth, however, came from the enormous increase in the State Department's

operating expenses during this time – from \$2.1 billion to \$6.9 billion (232 percent). There are three reasons why these costs have increased so much. First, the United States opened 11 new embassies and a number of smaller consulates between 1998 and 2009.² Today, the State Department maintains an extensive global footprint, operating 170 embassies, 76 consulates and 12 diplomatic missions abroad.³ USAID operates 97 missions abroad, which are normally collocated with a State Department post.⁴

Second, the facilities that house these embassies and missions have grown more expensive to build and maintain. After al Qaeda bombed U.S. embassies in Nairobi and Dar es Salaam in 1998, the State Department began a \$21 billion program to fortify its embassies, consulates and missions. Each new facility constructed since then has cost an average of \$180 million; in 1991, they cost one-third to one-sixth of that average.⁵ The new posts also cost more to maintain. A 2006 report by the Government Accountability Office, for example, noted that “once all 201 New Embassy Compounds are completed, these total annual operations and maintenance costs, adjusted to 2006 constant dollars, could increase by \$111 million over those posts’ previous facilities, and possibly by several times more.”⁶

Third, the new embassies in Iraq and Afghanistan have been particularly expensive because of their enormous size and workforce and their requirements for security and self-sufficiency. The United States spent \$736 million building a new embassy in Baghdad,⁷ and the State Department has issued a \$511 million contract to expand the embassy in Kabul.⁸ Future costs should decline because that construction has now been completed, but the costs of operating each embassy will still remain high – and may even increase as the United States completes its military withdrawals in both countries and transfers more responsibilities to its embassies.

**FIGURE 1: STATE DEPARTMENT AND USAID OPERATING EXPENSES, 1998-2009
(IN MILLIONS OF DOLLARS)**



Source: State Department and USAID Congressional Budget Justifications * In constant 2010 U.S. dollars

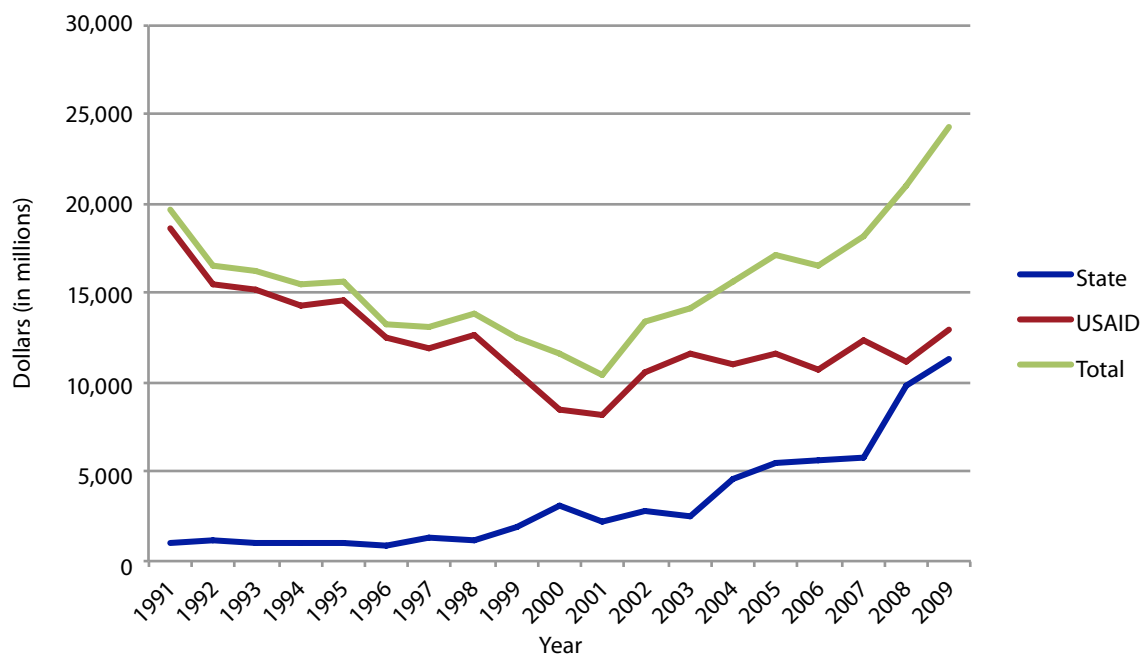
ROUTINE FOREIGN ASSISTANCE

The State Department and USAID foreign assistance budgets shrank significantly in the mid-to-late 1990s but have more than doubled in the past decade – from \$11.6 billion in 2000 to \$24.3 billion in 2009, as shown in Figure 2.⁹ Assistance to each recipient fluctuated annually, and the range of spending varied widely among recipients – from the low of \$10,000 to Equatorial Guinea in 2005 to the high of \$1.4 billion to Israel in 1991 (excluding Iraq and Afghanistan).¹⁰

Routine foreign assistance supports a wide range of programs. In 2009, the State Department's largest assistance programs were the Global Health and Child Survival Account and International Narcotics and Law Enforcement, which made up 54 percent and 24 percent of the State foreign assistance budget, respectively. USAID's largest

assistance programs were the Economic Support Fund¹¹ and Title II Food Aid, which made up 54 percent and 18 percent of the budget, respectively. Not all of these funds are used for program activities; on average, administrative costs make up 36 percent of total spending in each country receiving assistance.¹²

These resources are being allocated in new ways, because there has been a programming shift between the State Department and USAID. From 1946 until the late 1990s, the State Department was minimally involved in foreign assistance, but that has changed over the past decade. State now administers almost half of the foreign assistance budget (Figure 2). Levels of USAID-administered foreign assistance have trended downward since 1991, a process compounded by the creation of new agencies and programs outside the purview of

FIGURE 2: ROUTINE FOREIGN ASSISTANCE, 1991-2009
(IN MILLIONS OF DOLLARS)

Source: State Department Congressional Budget Justifications and USAID Greenbook

USAID. These include the President's Emergency Plan for AIDS Relief, the Millennium Challenge Corporation, the Merida Initiative and military-administered reconstruction and stabilization assistance.

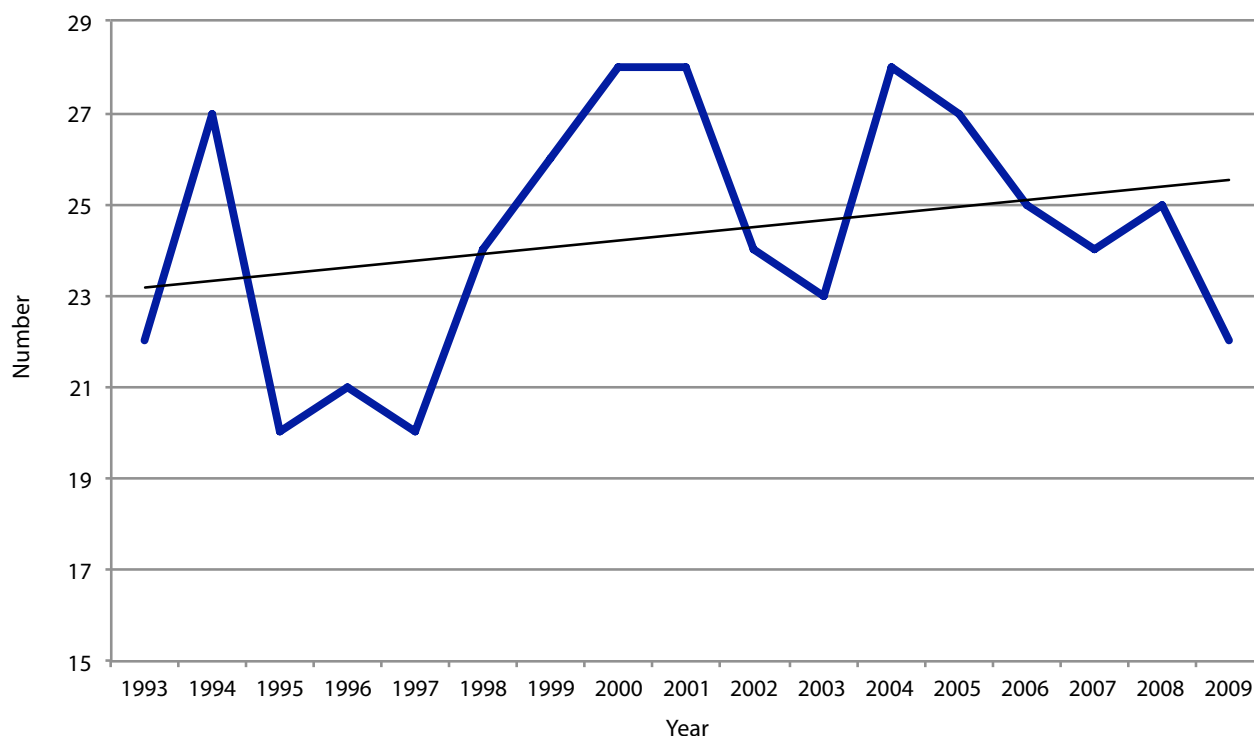
This programming shift has had two consequences. First, the United States no longer directly implements many foreign assistance programs. Instead, USAID manages these programs and leaves the implementation to others, including international organizations, non-governmental organizations, recipient countries and contractors. Aid delivery in conflict and crisis zones is very difficult, however, and ensuring aid effectiveness becomes even more challenging when so many different actors are involved. Second, the shift away from direct aid delivery and the proliferation of actors further complicates the problem of reliable, comparable and comprehensive data needed to plan for civilian requirements.

Both types of baseline costs are steady-state requirements, in that they are not linked to any particular crisis or contingency, but the costs have not remained static. As the data show, the cost of overseas presence has risen significantly over the past two decades as the number of overseas posts and the costs of each post have risen. Over the same period, foreign assistance has more than doubled.

Contingency Operations

Like baseline costs, the cost of contingency operations have increased substantially since the end of the Cold War. The 2010 Quadrennial Diplomacy and Development Review (QDDR) distinguishes between contingency operations with *conflict response* missions and those with *humanitarian assistance and disaster relief* (HADR) missions, and we do so here as well. Within each of these categories, we identify the number of missions, their costs and the different types of missions.

FIGURE 3: CONFLICT RESPONSES PER YEAR, 1993-2009



Source: Compiled from USAID Greenbook

CONFLICT RESPONSE

The number of U.S. conflict response missions has been consistently high during the past two decades. The State Department and USAID conducted between 20 and 28 conflict response missions per year from 1993 to 2009 (see Figure 3).¹³ The United States provided some form of assistance in 86 separate conflicts – or 98 percent of all conflicts worldwide during this time period.¹⁴ The average conflict response mission lasted five years, but those that involved higher levels of foreign assistance lasted an average of nine years. Given these time frames, it is not surprising that civilian agencies often respond to multiple conflicts simultaneously.

Not all conflict response missions are the same, however. Their requirements vary depending on the particular objective of the mission. We

identify four types of conflict responses: Conflict Management, Mitigation and Resolution (CMMR); Conflict Prevention (CP); Security and Justice Sector Assistance (SJSA); and Stabilization, Reconstruction and Recovery (SR&R).¹⁵

CMMR has consistently been the most frequent type of mission, constituting almost 70 percent of all conflict response missions from 1991 to 2009 (see Figure 4). However, the total number of CMMR missions has varied considerably over time and trended downward in the late 1990s.¹⁶ Civilian agencies did not conduct any SJSA missions until 1997, and they conducted only one CP mission before 1998. The number of SR&R missions varied considerably but averaged about five per year.

Although the number of conflict response missions has grown only gradually since 1993, their costs

TABLE 1: ANNUAL COSTS OF CONFLICT RESPONSES BY MISSION TYPE, 1991-2009
(IN MILLIONS OF DOLLARS)

RESPONSE TYPE	AVERAGE	MINIMUM	MAXIMUM	MEDIAN
Conflict Management, Mitigation and Resolution (CMMR)	\$90.49	\$0.04	\$1039.08	\$45.83
Conflict Prevention (CP)	\$302.10	\$4.14	\$1164.89	\$192.52
Security and Justice Sector Assistance (SJSA)	\$305.44	\$38.91	\$1292.51	\$113.64
Stabilization, Reconstruction and Recovery (SR&R)	\$115.79	\$4.14	\$881.23	\$64.44

Source: Compiled from USAID Greenbook

Four Types of Conflict Response Missions

Conflict Management, Mitigation and Resolution. CMMR missions aim to mitigate the impact of conflict on affected communities through activities that include providing refugee assistance and using diplomatic and economic incentives to encourage belligerents to peacefully resolve disputes. Recent examples include operations in Chad, Ethiopia, Georgia and Thailand.

Conflict Prevention. CP missions aim to keep conflicts from emerging, reemerging or escalating. Recent examples include operations in Bolivia, Indonesia, Sudan and Yemen.

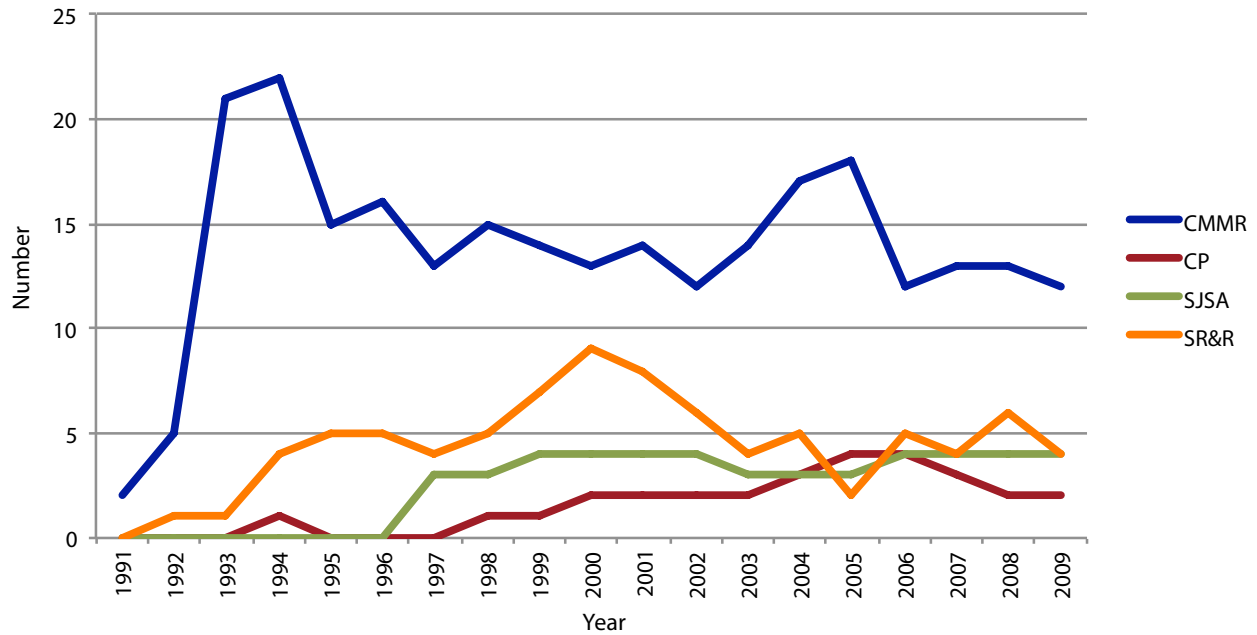
Security and Justice Sector Assistance. SJSA missions aim to secure the physical safety of citizens, facilitate peaceful resolution of civilian grievances and build capacities of foreign police, militaries and justice systems. Recent examples include operations in Colombia, Mexico, Pakistan and the Philippines.

Stabilization, Reconstruction and Recovery. SR&R missions aim to restore local security, justice systems, social services and infrastructure, as well as to provide humanitarian and economic assistance. Recent examples include operations in Haiti, Nepal, Lebanon and Uganda.

have skyrocketed. Even excluding Afghanistan and Iraq, the United States spent almost 13 times more on conflict response missions in 2009 than it had in 1993 (see Figure 5). In part, this increase stems from the changing mix of conflict response mission types over time. CP and SJSA missions were almost three times as expensive, on average, than CMMR and SR&R missions (Table 1). Yet in the early to mid-1990s, civilian agencies primarily conducted CMMR missions and conducted virtually none of the more expensive mission types. In the late 1990s, they started conducting expensive CP and SJSA missions more regularly, while the number of CMMR missions began to decline. It makes sense that conducting more expensive missions more frequently would increase total costs.

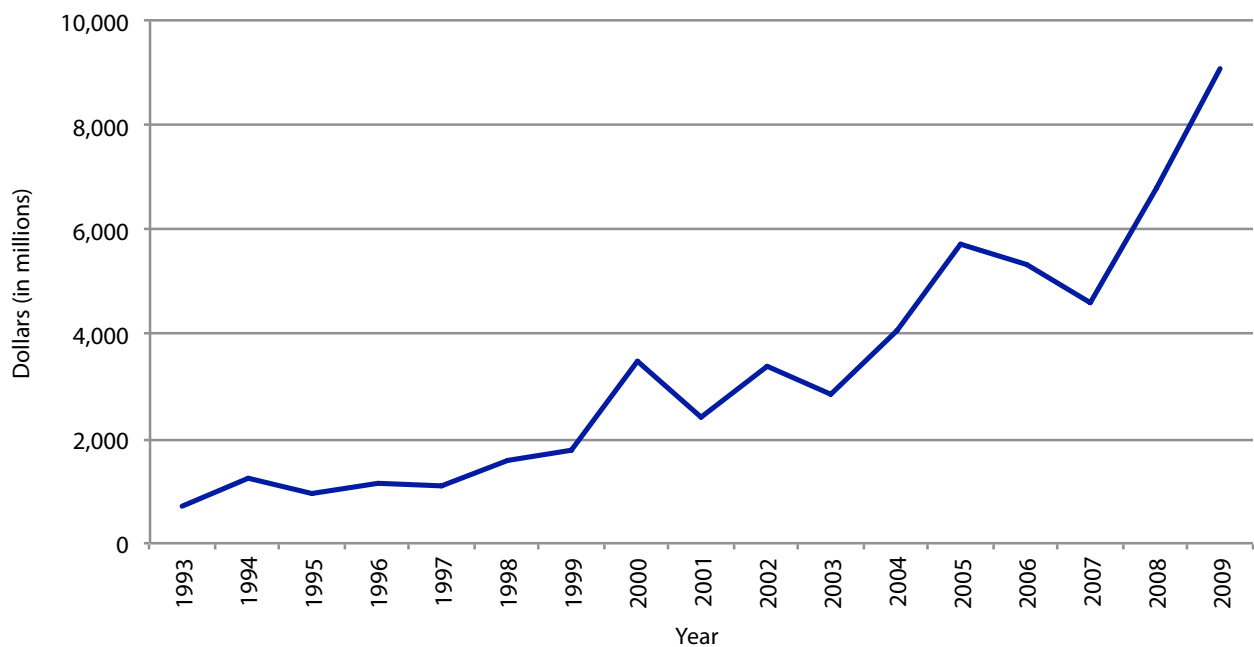
However, the changing mix of missions cannot fully explain why costs have increased so much. Figure 6 shows that *all* types of conflict response missions grew more expensive over time, and existing data do not clearly demonstrate why. They do not capture whether civilian agencies are conducting more complex missions with more demanding objectives, the missions are taking place in more insecure environments, or efficiency is declining, as well as a range of other factors that would affect total costs. However, it is true that the vast majority of the most expensive

FIGURE 4: NUMBER OF CONFLICT RESPONSES BY MISSION TYPE, 1991-2009

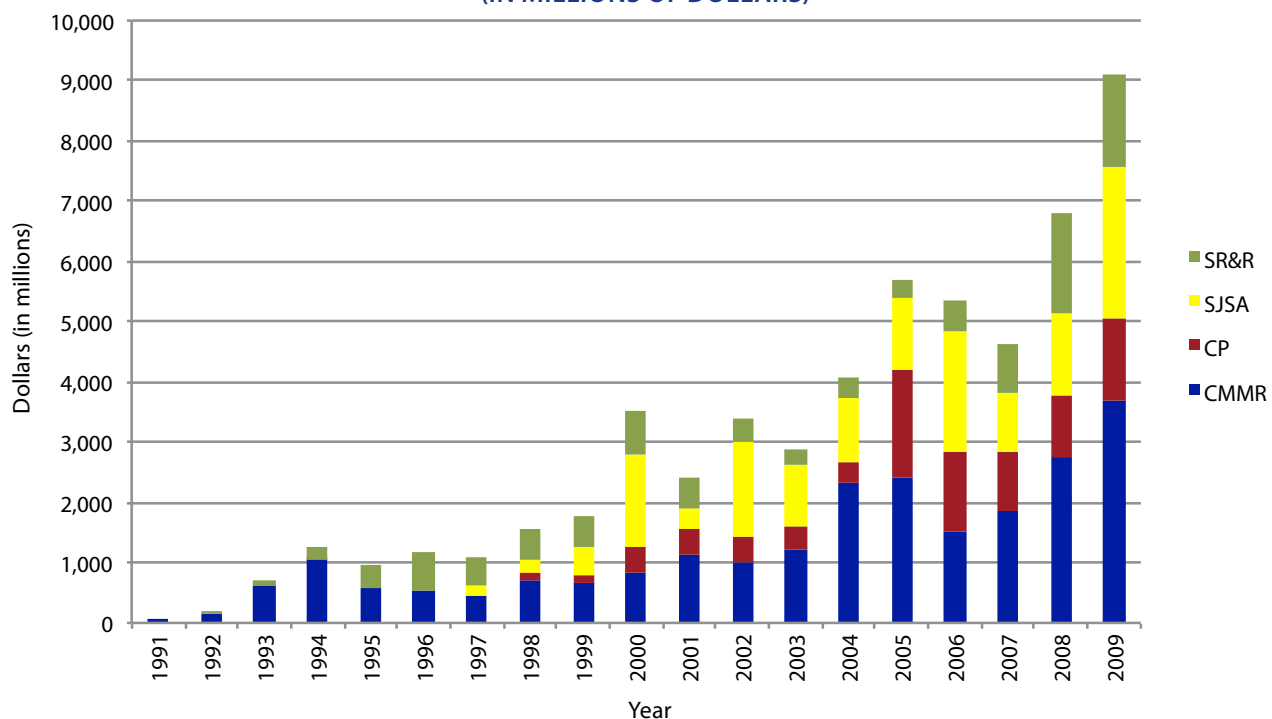


Source: Compiled from USAID Greenbook

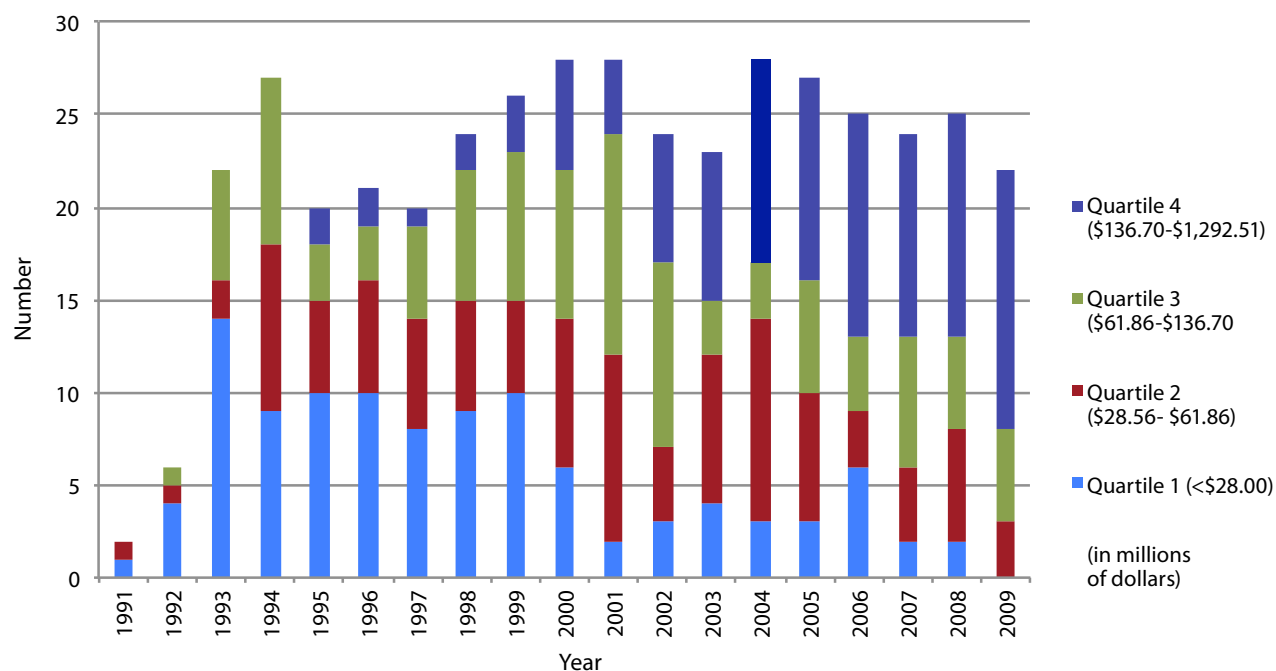
FIGURE 5: CONFLICT RESPONSE COSTS, EXCLUDING IRAQ AND AFGHANISTAN, 1993-2009
(IN MILLIONS OF DOLLARS)



Source: Compiled from USAID Greenbook

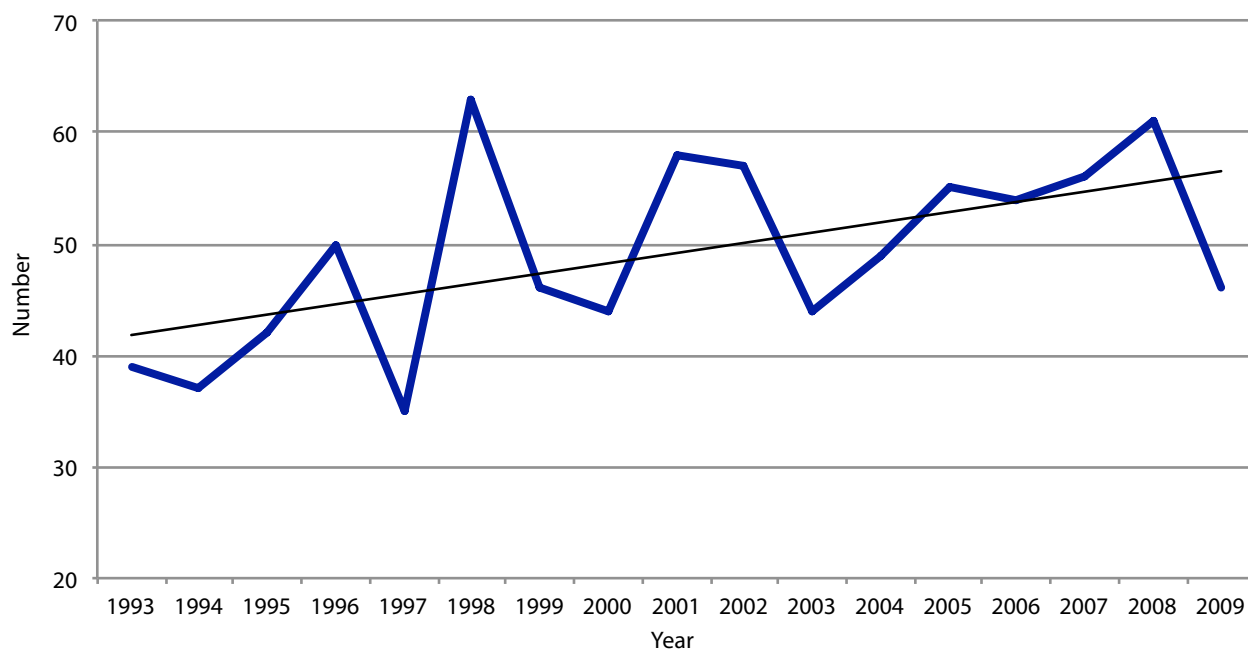
FIGURE 6: COSTS OF CONFLICT RESPONSES BY MISSION TYPE, 1991-2009
(IN MILLIONS OF DOLLARS)

Source: Compiled from USAID Greenbook

FIGURE 7: CONFLICT RESPONSES PER YEAR BY COST, 1991-2009

Source: Compiled from USAID Greenbook

FIGURE 8: HUMANITARIAN ASSISTANCE AND DISASTER RELIEF MISSIONS PER YEAR, 1993-2009



Source: Compiled from OFDA annual reports

missions, regardless of type, occurred in the mid-to-late 2000s. This is shown in Figure 7, which ranks all conflict response missions by cost and then shows the most expensive quartile in dark blue and the least expensive quartile in light blue.¹⁷

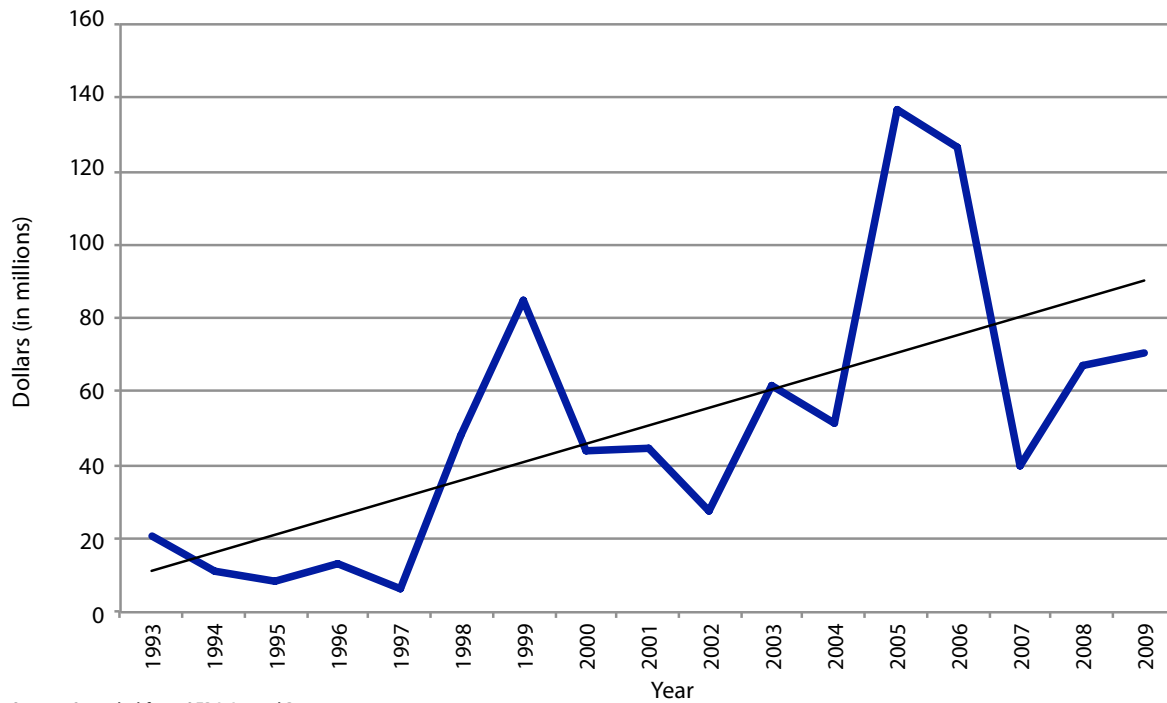
These data all show a clear pattern: The United States has steadily conducted more conflict response missions, accelerating in the first decade of this century from an already significant base level. Since the early 1990s, civilian agencies increased assistance beyond baseline spending levels 20 to 28 times per year, and the number, size and duration of these responses has significantly increased over time.

HUMANITARIAN ASSISTANCE AND DISASTER RELIEF

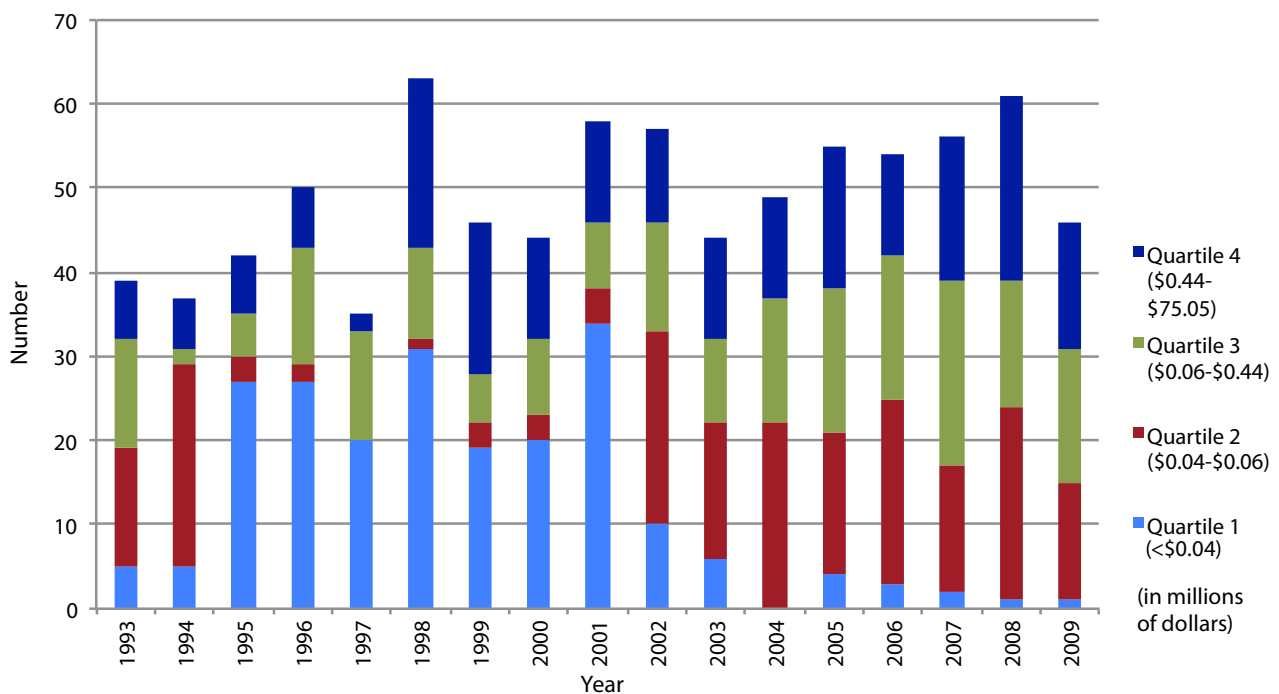
On average, civilian agencies have conducted 49 HADR missions each year – more than twice the average number of conflict responses. However, the number of annual missions has varied more widely,

from a low of 35 in 1997 to a high of 63 in 1998 (see Figure 8). HADR missions tend to be shorter than conflict responses – typically, less than one year – which might explain why the United States conducts them more frequently.

Like conflict response missions, HADR missions have grown more expensive over time, although their costs have varied considerably. HADR mission costs peaked in 2005 at \$137 million, which was almost seven times the cost of these missions in 1993 (see Figure 9). However, the costs then declined by almost half, to \$70.6 million in 2009, which was just over 3.5 times the total costs in 1993. Figure 10 shows that civilian agencies have conducted more expensive HADR missions (shaded in dark blue) more frequently since 1993, while the less expensive missions (shaded in light blue) have declined. As was the case for conflict response missions, the data do not enable us to determine why recent HADR missions have been more expensive.

**FIGURE 9: HUMANITARIAN ASSISTANCE AND DISASTER RELIEF COSTS, 1993-2009
(IN MILLIONS OF DOLLARS)**

Source: Compiled from OFDA Annual Reports

FIGURE 10: HUMANITARIAN ASSISTANCE AND DISASTER RELIEF MISSIONS PER YEAR BY COST, 1993-2009

Source: Compiled from OFDA Annual Reports

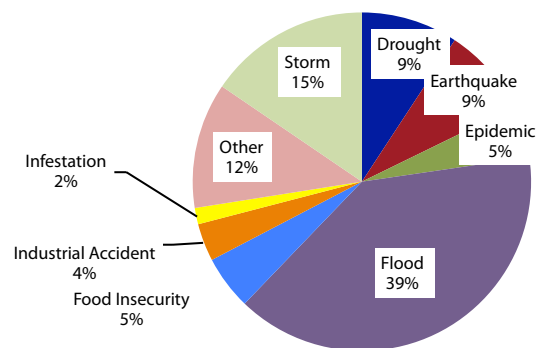
The Office of Foreign Disaster Assistance (OFDA) at USAID, which is primarily responsible for HADR missions, sorts them into eight types: infestation, industrial accident, food insecurity, earthquake, epidemic, drought, storm and flood. Between 1993 and 2009, civilian agencies conducted flood relief missions far more frequently than any other type of HADR mission (as shown in Figure 11). Yet even though flood relief constituted 39 percent of all HADR missions, OFDA only spent 11 percent of its resources on flood relief (Figure 12). By contrast, OFDA spent 20 percent of its funds on the 5 percent of its missions that involved food insecurity. This is partly because Title II Food for Peace assistance involves agricultural surplus products from U.S. farmers and therefore enjoys strong Congressional support and partly because famines and food shortages tend to draw a great deal of media coverage and public attention.

Given the level of Congressional interest, it is not surprising that food insecurity missions have been the most expensive, averaging just over \$10 million per year. Yet Table 2 shows that all HADR missions are far less expensive than any conflict response mission. According to Table 1, the *least* expensive type of conflict response mission (CMMR) cost, on average, over \$90 million a year – is far more expensive than the *most* costly HADR mission.

The Outliers: Afghanistan and Iraq

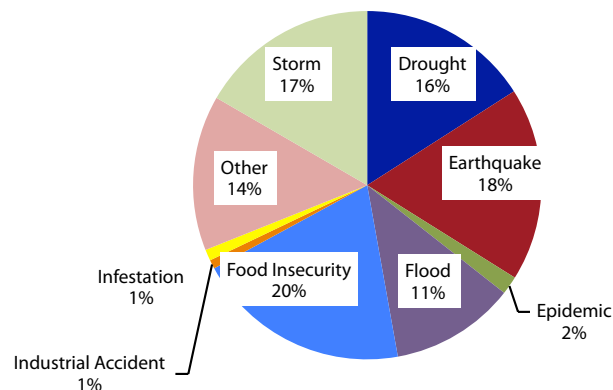
During the past two decades, the most expensive and demanding contingency operations have taken place in Afghanistan and Iraq. Since 2003, annual foreign assistance to both countries has averaged almost \$3.9 billion per year, with a high of \$5.4 billion in 2004. Yearly spending on Iraq varied considerably, whereas spending on Afghanistan steadily increased since 2001 (Figure 13). The size and scope of these two operations placed great requirements on the State Department, USAID and other civilian agencies, and these agencies frequently failed to meet those requirements. Years

FIGURE 11: HUMANITARIAN ASSISTANCE AND DISASTER RELIEF MISSIONS BY TYPE, 1993-2009



Source: Compiled from OFDA Annual Reports

FIGURE 12: TOTAL COSTS OF HUMANITARIAN ASSISTANCE AND DISASTER RELIEF MISSIONS BY TYPE, 1993-2009



Source: Compiled from OFDA Annual Reports

of reporting from the Special Inspector General for Iraq Reconstruction and the Special Inspector General for Afghanistan Reconstruction outline the many shortfalls of the civilian effort in great detail,¹⁸ but the basic problem was that the civilian agencies did not have the skills, capacity, resources or personnel to support demanding operations in two conflict zones.¹⁹

The experiences in Iraq and Afghanistan remain outliers, however. The problems encountered

TABLE 2: ANNUAL COSTS OF HUMANITARIAN ASSISTANCE AND DISASTER RELIEF BY MISSION TYPE, 1993-2009 (IN MILLIONS OF DOLLARS)

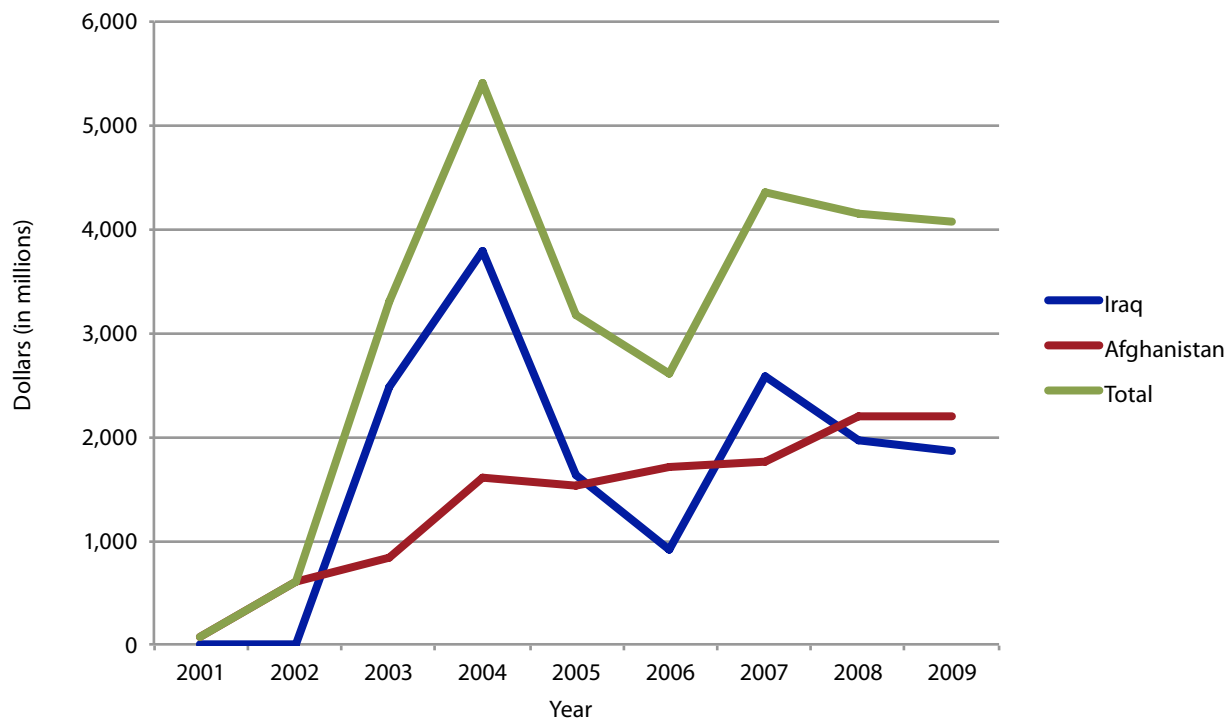
RESPONSE TYPE	AVERAGE	MINIMUM	MAXIMUM	MEDIAN
Drought	\$1.78	\$0.013	\$37.68	\$0.26
Earthquake	\$2.17	\$0.013	\$75.05	\$0.12
Epidemic	\$0.35	\$0.010	\$7.43	\$0.05
Flood	\$0.30	\$0.001	\$13.05	\$0.06
Food Insecurity	\$3.98	\$0.004	\$36.34	\$1.24
Industrial Accident	\$0.24	\$0.002	\$3.56	\$0.05
Infestation	\$0.69	\$0.036	\$4.15	\$0.35
Other	\$1.24	\$0.001	\$41.16	\$0.05
Refugees	\$2.04	\$0.030	\$4.04	\$2.04
Storm	\$1.11	\$0.015	\$26.77	\$0.12

Source: Compiled from USAID Greenbook

during these two major civilian operations should not obscure the fact that civilian agencies have consistently conducted many other types of conflict response missions during the past two decades – including many that were simultaneous with operations in Iraq and Afghanistan. In fact, from 2001 to 2009, combined spending on all other conflict response missions consistently dwarfed spending in Iraq and Afghanistan (see Figure 14). Furthermore, that spending gap increased over time, so that by 2009, the United States spent more than three times as much on other conflict response missions than on Iraq and Afghanistan. As discussed in the next section of this report, future operations are much more likely to resemble the conflict response missions

discussed previously; the need for major civilian operations on the order of those in Iraq and Afghanistan will likely decline once the withdrawals from those nations are complete.

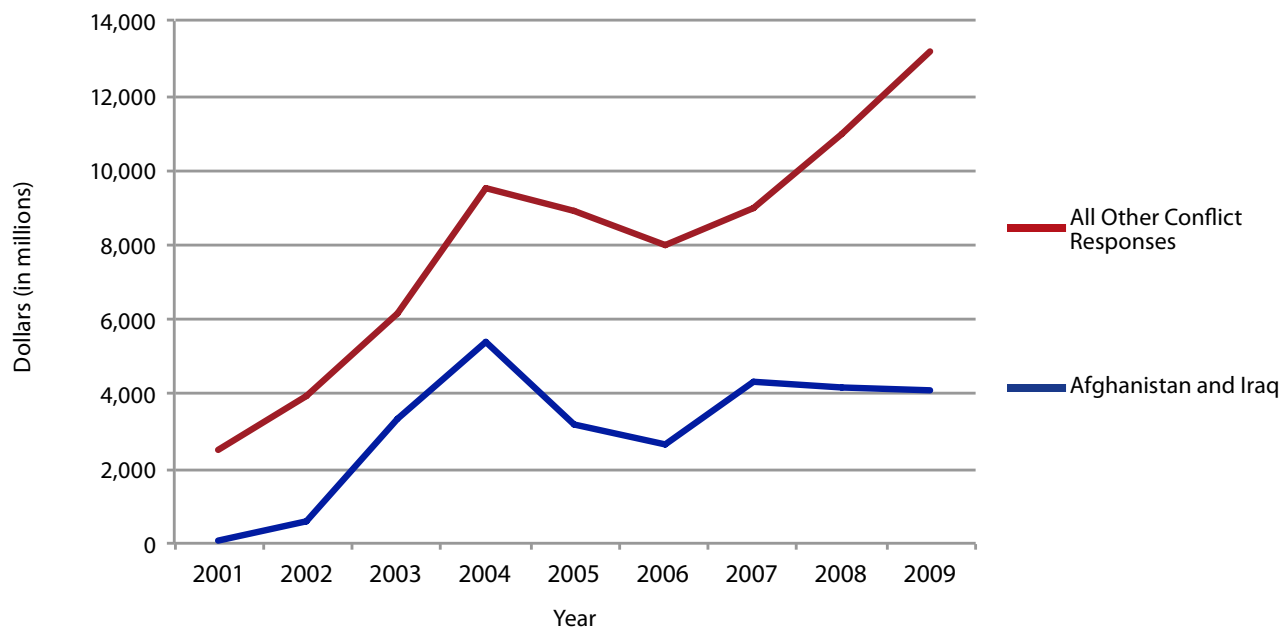
**FIGURE 13: ANNUAL FOREIGN ASSISTANCE TO IRAQ AND AFGHANISTAN, 2001-2009
(IN MILLIONS OF DOLLARS)**



Source: Compiled from USAID Greenbook

Note: Excludes a one-time supplemental budget for Iraq in 2004.

FIGURE 14: COSTS IN IRAQ AND AFGHANISTAN COMPARED TO COSTS OF ALL OTHER CONFLICT RESPONSE MISSIONS, 2001-2009 (IN MILLIONS OF DOLLARS)



Source: Compiled from USAID Greenbook

IV. FUTURE REQUIREMENTS

Future requirements for civilian operations will not necessarily be the same as past requirements.²⁰ Nonetheless, three broad trends are likely to affect future requirements for civilian agencies: reduced funding for civilian agencies, continued requirements for most contingency operations and increased requirements in Afghanistan and Iraq. Taken together, these trends suggest a growing mismatch between future resources and requirements. Even if the total number of contingency operations declines, U.S. policymakers will likely continue to require civilian agencies to conduct a wide range of contingency operations around the world, yet fewer resources will be available to do so.

Reduced Budgets for Civilian Agencies

Given the state of the U.S. and global economies and pressures to reduce government spending, there is little chance that resources for civilian agencies will increase and every likelihood that their budgets will be cut.

Such cuts will result more from political dynamics than from operational needs. Foreign assistance is particularly vulnerable to cuts because it can be controversial and lacks a natural domestic political constituency. Many Americans mistakenly believe, for example, that foreign assistance consumes 25 percent of the federal budget, when it is actually just over 1 percent.²¹ Congressional leaders have sharply questioned humanitarian assistance funds, such as the \$250 million that the United States provided to Pakistan in 2010 following devastating floods, given that many areas of the United States also suffered significant damage from floods, hurricanes and tornados that year. President Obama echoed this theme when he concluded his June 2011 speech on the U.S. military withdrawal from Afghanistan by stating, "America, it is time to focus on nation building here at home."²²

The data show that during the past 20 years, U.S. political leaders in both parties chose to conduct a steadily increasing number of contingency operations because they believed either that U.S. national interests were at stake or that the United States had a moral responsibility to respond to humanitarian crises.

Pressures to reduce government spending have already led to cuts in the foreign assistance budget. The federal budget for Fiscal Year (FY) 2011, which was passed in April 2011 on the eve of a government shutdown, cut the State Department's foreign assistance budget by \$8 billion, or approximately 15 percent, compared with its FY 2010 budget (even though it simultaneously increased the Defense Department's budget by \$5 billion).²³ Since then, the pressure to cut spending and reduce the deficit has grown even further. As a result, routine foreign assistance budgets are sure to be reduced, and there may well be even bigger cutbacks to the funds for contingency operations that have risen so steeply in the past decade. This means that U.S. civilian agencies will be less prepared to conduct operations, especially unexpected ones that require rapid responses.

Continued Requirements for Contingency Operations

Despite declining budgets, there is nothing to suggest that political leaders – in Congress or in the White House – intend to abandon long-standing U.S. goals of global engagement and influence or to relinquish a strong U.S. role in international conflict mitigation and disaster response. The data show that during the past 20 years, U.S. political leaders in both parties chose to conduct a steadily increasing number of contingency operations because they believed either that U.S. national interests were at stake or that the United States had a moral responsibility to respond to humanitarian crises. Reduced budgets may cause the number of contingency operations to stabilize, or even reverse to some extent, by forcing policymakers to choose more carefully when to conduct such operations. Yet it is hard to imagine that policymakers will dramatically reduce the number of contingency operations, given that both Democrats and Republicans generally support an active global role and have therefore chosen to conduct dozens of these operations every year for the past two decades.²⁴

What types of contingency operations are most likely in the future? Although it is extremely difficult to predict future trends, global demands for HADR missions are likely to increase, especially due to the effects of climate change. According to the Intergovernmental Panel on Climate Change, natural disasters will become more common as climate change causes increasing sea levels, droughts, flooding and storms, among other effects.²⁵ This will pose particular problems for urbanized areas and regions with weak infrastructure. Of course, U.S. policymakers will not automatically ask civilian agencies to respond to all of these projected natural disasters with HADR missions, but they will face considerable political pressure to do so because disaster relief has always been a high U.S.

foreign policy priority. As the 2010 QDDR notes:

When disaster strikes – whether floods in Pakistan or an earthquake in Haiti – the United States has always responded to the call for help. And our diplomats, development professionals, and military have the capability to answer that call as no other nation can. For both moral and strategic reasons we will continue to do so, building and focusing on our comparative strengths. This way, we will make certain that when other nations face their day of need, America responds with swift, meaningful aid that reflects the full measure of our compassion.²⁶

As noted earlier, HADR missions are much less expensive, on average, than conflict response missions. To the extent that the number of conflict response missions decreases, civilian agencies may be able to conduct more HADR missions without requiring a net increase in resources.

Increased Requirements in Iraq and Afghanistan

Although the U.S. military withdrawals from Iraq and Afghanistan will signal the end of two long and costly wars, they will actually *increase* the requirements on civilian agencies operating in both countries for two reasons. First, U.S. military forces have conducted a wide range of reconstruction and development tasks throughout their deployments in both countries, primarily through the Commander's Emergency Response Program (CERP). U.S. commanders spent approximately \$6.8 billion on CERP activities from FY 2004 to FY 2010,²⁷ leading to some Congressional concerns that "CERP has grown from an incisive counter-insurgency tool to an alternative U.S. development program with few limits and little management."²⁸

The State Department and USAID cannot – and should not – replace all of the CERP activities, and indeed, State and USAID have been conducting their own programs in these areas for many years,

as previously discussed. Yet as military forces withdraw, civilian agencies will become responsible for managing all ongoing assistance and diplomatic programs, and these programs will become the primary way that the U.S. government interacts with and influences both countries. Civilian agencies may therefore be required to expand their programs to fill some of the gaps created by withdrawing military forces. Furthermore, the U.S. embassies in Iraq and Afghanistan will become responsible for many security assistance programs previously conducted by U.S. military headquarters, especially the training of military and police forces, which is likely to remain a demanding mission in both countries for years to come.

Second, once U.S. military forces withdraw, they will no longer be able to protect or support State Department and USAID activities. Since 2003 in Afghanistan and 2005 in Iraq, U.S. military forces have provided protection and support for U.S. civilians operating as part of Provincial Reconstruction Teams (PRTs), which help strengthen local and provincial governance capacity. At one point there were as many as 22 PRTs operating in Iraq,²⁹ and in November 2011, there were 27 PRTs in Afghanistan.³⁰

Civilian agencies will not be able to maintain the current level of presence after U.S. military forces withdraw because they will not be able to protect themselves. Contractors can be hired to provide security for U.S. civilians, but hiring enough contractors to maintain a presence in every province would be prohibitively expensive given current funding levels. Civilian agencies will therefore have to manage their country-wide programs from a smaller number of locations. To the extent that security conditions or a lack of security contractors prevents U.S. civilians from working with locals and monitoring program implementation, efficiency and effectiveness of these programs is likely to suffer.³¹

These trends are already underway in Iraq, where the U.S. military withdrawal was completed in December 2011. PRTs ceased to exist at that time, and U.S. civilians will largely operate from the embassy in Baghdad and two planned consulates, in Basra and Irbil.³² The ability of diplomatic personnel to travel has already been severely curtailed by insecure conditions, even within the heavily protected International Zone in Baghdad.³³ The State Department plans to employ as many as 16,000 people in Iraq, but up to 80 percent of these people will be private security contractors, leaving only 3,200 civilians to manage all U.S. assistance programs.³⁴ For FY 2012, the State Department and USAID have requested \$5.2 billion in supplemental funds for their activities in Iraq.³⁵ However, as wartime supplemental funds are phased out, ongoing civilian requirements in Iraq will migrate to the regular foreign assistance budget. If that budget does not increase to support these additional requirements, funding for civilian contingency operations around the world will become even further constrained.

V. CONCLUSIONS AND RECOMMENDATIONS

How can U.S. policymakers address this likely mismatch between future resources and requirements? In principle, they could stabilize or even increase the budgets of the State Department and USAID, or they could decide that U.S. interests are best served by conducting far fewer contingency operations. Both of these developments are unlikely. Thus, these civilian agencies will need to develop new and innovative ways to distribute foreign assistance and conduct contingency operations. We present some suggestions below.

Build greater global capacity for humanitarian assistance and disaster relief missions. Demand for HADR missions is likely to increase in the coming years, largely due to the effects of climate change. The United States can and should work with its allies and partners to improve the global capacity to conduct these missions. A wide range of countries – including Australia, the United Kingdom, Brazil, China and India – are investing in their international assistance capacities. In particular, HADR is one of the most promising areas for regional cooperation in Asia because it is much less political than issues that directly engage national interests. Regional states are already moving in this direction through bilateral and multilateral initiatives, as well as through regional mechanisms such as the Association of Southeast Asian Nations and the East Asia Summit. In addition, some countries – such as China, India, Japan and Korea – seem willing to conduct HADR missions in Africa.³⁶ The United States should support these efforts to the greatest extent possible, so that other countries can help respond to these increasing demands. The United States supported several practical steps in this direction during the 2011 East Asia Summit, including advancing a common legal framework for responding to crises, conducting more multilateral exercises to improve readiness and supporting the recently established Pacific Rim Coordination Center.³⁷

Reform civilian agencies and consolidate responsibility for foreign assistance. The State Department and USAID conduct too many overlapping programs and have too many stove-piped and redundant bureaucratic structures to effectively administer foreign assistance programs. The creation of a new Assistant Secretary for Conflict and Stabilization Operations is an improvement that will ease State-USAID coordination. Yet, it does not address the fundamental problem that foreign assistance programs remain so fragmented at a time of resource scarcity. One possible solution, which admittedly runs counter to the current trend, would be to restore USAID to its earlier role as the organization that manages all foreign assistance programs – which would also give it responsibility for many recently established programs, such as the Millennium Challenge Corporation and the Office of the U.S. Global AIDS Coordinator. However, USAID would need to reform its internal operations in order to manage these programs effectively. For example, USAID might need to move away from administering traditional development assistance (small project-oriented programs in virtually every developing nation) to conducting fewer, larger projects in better-performing developing countries that show the most promise. USAID should also consider strengthening the Office of Foreign Disaster Assistance and the Office of Transition Initiatives, the two parts of the organization designed to address crises and emergencies.

Increase private-sector investment flows and private humanitarian and development assistance. Reduced public funding for development necessitates harnessing greater private-sector funding, both through public-private partnerships and through incentives for greater private trade and investment. Meanwhile, programs like the Millennium Challenge Corporation, which provides conditional aid based on objective criteria of good governance and tries to promote direct

capacity building within the recipient country, may become an increasingly important element of foreign assistance efforts.

Establish regional hubs and increase virtual presence. As they confront the challenges of having to do more with less, civilian agencies should consider the potential advantages of strengthening the ability to plan and act within regions and subregions rather than making decisions on a country-by-country basis. Bilateral relations remain the firmest basis for conducting foreign policy, but foreign assistance programs can, at times, yield far more bang for the buck if decisions and tradeoffs are not constrained by national boundaries. This could entail creating regional embassy hubs, for example, or establishing regional ambassadors who assume greater authority, possibly commensurate with the military's Combatant Commanders. This would not necessarily reduce the authority of the assistant secretaries of state responsible for regional bureaus; instead, these regional ambassadors could help the assistant secretaries look across a range of countries and actors to find the best ways to use scarce resources and effectively implement programs. Meanwhile, country teams and the sizes of embassies, missions and consulates would have to be reduced in some places. Although virtual presence posts were primarily designed in order to expand outreach into new areas, they can also be an important cost-saving measure. The State Department should identify areas where it may be cost-effective to replace a physical presence with a virtual presence.

Finding new and innovative ways to distribute foreign assistance and conduct contingency operations may be necessary in the current fiscally constrained environment, but there is no guarantee that this will be sufficient to ensure that civilian agencies will be able to meet future requirements. Indeed, the greater the future budget cuts, the greater the chance that no amount of innovation

will enable the State Department and USAID to effectively conduct routine foreign assistance and the contingency operations requested by U.S. policymakers. If and when that occurs, the ability of the United States to achieve its foreign policy objectives will be severely limited.

ENDNOTES

1. Before 1998, the State Department and USAID reported their operating expenses by region, instead of using the categories presented in Figure 1. Therefore, we only show data from 1998 to the present to ensure that we are using consistent data.
2. Between 1998 and 2009, the United States opened embassies in Equatorial Guinea, Iraq, Kosovo, Kyrgyzstan, Libya, Monaco, Montenegro, Palau, Serbia, Sudan and Timor-Leste (East Timor). The United States also opened a new embassy in South Sudan in 2011. Data on new embassies was obtained from the Department of State's Office of the Historian, <http://history.state.gov/countries/all>.
3. The total number of State Department facilities abroad is slightly less than this number because many U.S. missions are collocated in the same buildings as U.S. embassies. The State Department also operates 32 Virtual Presence Posts, which allow an embassy or consulate to provide a low but formal level of diplomatic engagement with important cities or regions within a country through the Internet, targeted visits from mission personnel and other outreach activities. Yet these do not significantly increase overall operating costs because they do not require dedicated facilities. U.S. Department of State, Websites of U.S. Embassies, Consulates, and Diplomatic Missions, <http://www.usembassy.gov/>.
4. All USAID missions are listed at <http://www.usaid.gov/locations/missiondirectory.html>.
5. See General Accounting Office, *State Department: Status of the Diplomatic Security Construction Program*, GAO/NSIAD-91-143BR (February 1991).
6. Government Accountability Office, *Embassy Construction: State Has Made Progress Constructing New Embassies, but Better Planning is Needed for Operations and Maintenance Requirements*, GAO-06-641 (June 2006), 3, <http://www.gao.gov/new.items/d06641.pdf>.
7. Congress initially allocated \$592 million for constructing the new U.S. embassy in Baghdad, but various cost overruns increased the cost by an additional \$144 million. Glenn Kessler, "Iraq Embassy Cost Rises \$144 Million Amid Project Delays," *The Washington Post*, October 7, 2007, <http://www.washingtonpost.com/wp-dyn/content/article/2007/10/06/AR2007100601450.html?hpid=topnews>; and Warren P. Strobel, "New U.S. Embassy in Baghdad Ready – Six Months Late," *McClatchey Newspapers*, April 14, 2008, <http://www.mcclatchydc.com/2008/04/14/33682/new-us-embassy-in-baghdad-ready.html>.
8. U.S. Department of State, "Contract Awarded for Construction at the U.S. Embassy in Kabul, Afghanistan," October 14, 2010, <http://kabul.usembassy.gov/pr1410.html>.
9. These figures do not include budgets for independent agencies, such as the Peace Corps or the Millennium Challenge Corporation, nor do they include assistance programs executed by international organizations or the Departments of Defense, Treasury or Agriculture. A full list of State Department and USAID foreign assistance programs can be found in U.S. Department of State, *Congressional Budget Justification, Vol. 2: Foreign Operations*, various years.
10. See data from USAID, *U.S. Overseas Loans and Grants, Obligations and Loan Authorizations (Greenbook)*, 1991-2009, <http://www.usaid.gov/policy/greenbook.html>.
11. According to the State Department, the Economic Support Fund "advances U.S. interests by helping countries meet short- and long-term political, economic, and security needs. These needs are addressed through a range of activities, from countering terrorism and extremist ideology to increasing the role of the private sector in the economy; assisting in the development of effective, accessible, independent legal systems; supporting transparent and accountable governance; and the empowerment of citizens. Programs funded through this account are critical to U.S. national security by preventing wars and containing conflicts, and foster economic prosperity at home by opening markets overseas, promoting U.S. exports, and helping countries transition to developed economies." U.S. Department of State, *Congressional Budget Justification, Vol. 2: Foreign Operations, Fiscal Year 2012*, 99.
12. See data from USAID, *U.S. Overseas Loans and Grants, Obligations and Loan Authorizations (Greenbook)*, 1991-2009.
13. As noted in Appendix A, multi-year missions are counted as having been conducted in each individual year they occurred.
14. Data on the total number of conflicts worldwide comes from the Major Episodes of Political Violence database. See Appendix A.
15. These categories, developed for this study, are a simplified version of the QDDR response categories of Security and Justice Sector Assistance, Conflict Prevention, Genocide and Mass Atrocities Prevention, Crisis Management, Conflict Mitigation and Resolution, Stabilization and Reconstruction, and Recovery.
16. The total number of conflict response missions is slightly larger than the total number of conflicts. As explained in Appendix A, when a mission type evolved in response to conflict dynamics, we categorized it as a new mission.
17. These data exclude a one-time State/USAID appropriation of \$19.7 billion in 2004 for Iraq reconstruction operations. Annual State/USAID spending for Iraq, except in 2004, hovered between \$2 billion and \$3 billion.
18. Reports from the Special Inspector General for Iraq Reconstruction are available at <http://www.sigir.mil/publications/index.html>; and reports from the Special Investigator General for Afghanistan Reconstruction are available at <http://www.sigar.mil/reports.asp>.
19. See, for example, Nora Bensahel et al., *After Saddam: Prewar Planning and the Occupation of Iraq* (Santa Monica, CA: RAND Corporation, 2008); Stuart W. Bowen, Jr., *Hard Lessons: The Iraq Reconstruction Experience* (Washington: U.S. Government Printing Office, 2009); and Terrence Kelly, Larry Crandall and Laurel Miller, "Fixing Foreign Assistance for Counterinsurgency," in *Counterinsurgency: The Challenge for NATO Strategy and Operations*, ed. Christopher M. Schnaubelt, NDC Forum Paper 11 (NATO Defense College Research Division, November 2009), 209-240.

20. See Richard Danzig, *Driving in the Dark: Ten Propositions About Prediction and National Security* (Center for a New American Security, October 2011).

21. Interestingly, the same data shows that most Americans think that foreign aid should be “decreased” to only 10 percent of the federal budget, which suggests some opportunity to convince the public that foreign aid should at least remain at its current levels or even increase. Alex Palmer, “A Small Price to Pay,” *Harvard Political Review*, October 24, 2011, <http://hpronline.org/arusa/13510/>.

22. President Barack Obama, “Remarks by the President on the Way Forward in Afghanistan,” June 22, 2011, <http://www.whitehouse.gov/the-press-office/2011/06/22/remarks-president-way-forward-afghanistan>.

23. For Fiscal Year 2011, the State Department requested \$16.4 billion for operations and \$36.4 billion for foreign assistance, a total request of \$52.8 billion. The \$8 billion cut therefore constitutes 15 percent of the total requested budget. According to *The Washington Post*, “much” of the cut involves foreign assistance, which means that the foreign assistance budget may have been cut by as much as 22 percent. Office of the Secretary of State, *Congressional Budget Justification Vol. 1: Department of State Operations Fiscal Year 2011*, February 1, 2010, vi, <http://www.state.gov/documents/organization/136355.pdf>; and “What’s Getting Cut in the FY 2011 Budget,” *The Washington Post*, April 12, 2011, http://www.washingtonpost.com/blogs/federal-eye/post/whats-getting-cut-in-the-fy-2011-budget/2011/04/11/AFMlynLD_blog.html.

24. For an examination and critique of this active global role, see Barry R. Posen, “The Case for Restraint,” *The American Interest*, 3 no. 2 (November/December 2007).

25. Intergovernmental Panel on Climate Change, *Climate Change 2007: A Synthesis Report*, November 2007, http://www.ipcc.ch/pdf/assessment-report/ar4/syr/ar4_syr.pdf. The 2010 QDDR also emphasized this point: “The impact of climate change will likely constrain our own economic well-being and may result in conflicts over resources, migrant and refugee flows, drought and famine, and catastrophic natural disasters.” U.S. Department of State, *Leading Through Civilian Power: The First Quadrennial Diplomacy and Development Review*, 2010, 12, <http://www.state.gov/documents/organization/153108.pdf>.

26. *Ibid.*, 90.

27. Amy Belasco, *The Cost of Iraq, Afghanistan, and Other Global War on Terror Operations Since 9/11*, RL33110 (Congressional Research Service, March 29, 2011), 34.

28. See Report of the U.S. House of Representatives Committee on Appropriations, Department of Defense Appropriations Bill 2010, July 24, 2009, 349, http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_reports&docid=f:hr230.111.pdf.

29. These included 15 U.S.-led PRTs, one Italian-led PRT and six PRTs that were embedded with U.S. forces. There was also one Regional Reconstruction Team, which worked with the three Kurdish provinces in the north. U.S. Department of Defense, *Measuring Stability and Security in Iraq*, March 2010, 6, http://www.defense.gov/pubs/pdfs/March%209204%20SecDef%20signed%2029%20Apr%202010_1D80.pdf.

30. Kenneth Katzman, *Afghanistan: Post-Taliban Governance, Security, and U.S. Policy*, RL30588 (Congressional Research Service, November 22, 2011), 88, <http://www.fas.org/sgp/crs/row/RL30588.pdf>.

31. For more on the challenges facing civilian operations in Iraq after the military withdrawal, see U.S. Senate Committee on Foreign Relations, “Iraq: The Transition From A Military Mission to a Civilian-Led Effort,” January 31, 2011, <http://foreign.senate.gov/press/chair/release/?id=de3f68c1-2db2-4c9b-b062-935955ce9019>.

32. Kenneth Katzman, *Iraq: Politics, Governance, and Human Rights*, RS21968 (Congressional Research Service, November 10, 2011), 33.

33. In early December 2011, the U.S. embassy prohibited its personnel from traveling inside the International Zone without security guards due to threats of kidnappings and terrorist attacks. See Liz Sly, “Iraq Kidnapping Threat Threatens U.S. Civilian Effort,” *The Washington Post*, December 5, 2011, http://www.washingtonpost.com/world/middle_east/iraq-kidnapping-threat-threatens-us-civilian-effort/2011/12/05/gIQAOT1bX0_story.html; and U.S. Department of State, Bureau of Diplomatic Security, “Emergency Message for U.S. Citizens: Baghdad (Iraq), Continued Severe Threat of Kidnapping of U.S. Citizens,” December 5, 2011, <https://www.osac.gov/pages/ContentReportDetails.aspx?cid=11741>.

34. Many of these contractors will conduct activities that were previously conducted by the military, including security force training. See Sly, “Iraq Kidnapping Threat Threatens U.S. Civilian Effort.”

35. See U.S. Department of State, Bureau of Resource Management, “FY 2012 State and USAID – Overseas Contingency Operations,” February 14, 2011, <http://www.state.gov/s/d/rm/rls/fs/2011/156555.htm>.

36. For instance, in 2011 Indonesia hosted the new ASEAN Coordinating Center for Humanitarian Assistance on Disaster Management. In addition, various Asian countries have increased their role in regional and international crisis response. Japan recently decided, for example, to establish a long-term base of operation in Djibouti in order to support international responses to piracy, anti-terrorism and stabilization efforts in and around the Horn of Africa. Moreover, China and Australia recently conducted Exercise Cooperation Spirit 2011, a humanitarian and disaster relief exercise involving the militaries of the two countries. By doing so, China indicated both a willingness to expand its crisis response capabilities as well as to do so in conjunction with other regional partners. See ASEAN Secretariat, “Jakarta Ready to Host ASEAN Humanitarian Assistance Centre,” January 28, 2011, <http://www.asean.org/25890.htm>; Mohamed Osman Farah, “Japan Opens Military Base in Djibouti to Help Combat Piracy,” Bloomberg News, July 8, 2011, <http://www.bloomberg.com/news/2011-07-08/japan-opens-military-base-in-djibouti-to-help-combat-piracy.html>; and “Joint Australia-China Disaster Relief Exercise Ends,” Australian Government Department of Defence News, December 9, 2011, <http://www.defence.gov.au/defencenews/stories/2011/dec/1209b.htm>.

37. The White House, Office of the Press Secretary, “Fact Sheet: East Asia Summit,” November 19, 2011, <http://www.whitehouse.gov/the-press-office/2011/11/19/fact-sheet-east-asia-summit>.



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J A N U A R Y 2 0 1 2

America's Civilian Operations Abroad
Understanding Past and Future Requirements



APPENDIX A: METHODOLOGY, SOURCES AND DATA

As discussed in the section on historical requirements, this report identifies three types of civilian capacity requirements: baseline costs, contingency operations and outliers like the missions in Iraq and Afghanistan. This appendix describes the sources and methods used to research each type, and some of the limitations of these data.

Baseline Costs

We collected basic foreign assistance data from the U.S. Agency for International Development's (USAID) annual report on U.S. Overseas Loans and Grants – also known as the Greenbook – from 1991 until 2009, the latest year for which data was available. For more recent years, we also collected data from the State Department and USAID annual Congressional Budget Justifications (CBJs) and data sets found within reports by the Government Accountability Office (formerly the General Accounting Office), the State Department Inspector General, the Congressional Research Service and the State Department Historian's Office. We only included accounts administered by State and USAID; we did not include foreign assistance programs administered by the Department of Defense, including Foreign Military Financing, International Military Education and Training, and Peacekeeping Operations.

The annual CBJs include data on the baseline costs of the U.S. overseas presence. However, USAID relies on program funding to support most administrative costs, whereas the State Department does not. Furthermore, the CBJs only illuminate global administrative costs; understanding the different “unit” costs of individual posts abroad required a data source with more granular information. State Department Inspector General reports (available from 2002 onward) provided the necessary detailed data, but annual records were not complete for each embassy or mission. These sources also do not identify the number of personnel needed to operate

U.S. embassies, consulates and missions abroad.

Contingency Operations

Data on contingency operations came from reports by USAID's Office of Transition Initiatives and Office of Foreign Disaster Assistance, the Congressional Research Service and the Government Accountability Office, as well as from the State Department's Bureau of Population, Refugees, and Migration, the USAID Greenbook, BBC country timelines and the Major Episodes of Political Violence data set maintained by the Center for Systemic Peace.

CONFLICT RESPONSE

This report identifies four categories of conflict response missions: Conflict Management, Mitigation and Resolution (CMMR); Security and Justice Sector Assistance (SJSA); Conflict Prevention (CP); and Stabilization, Reconstruction and Recovery (SR&R). These categories are loosely based on the seven types of missions highlighted by the Quadrennial Diplomacy and Development Review (QDDR), but some similar missions are combined here for analytic simplicity.

These four mission types do overlap. SJSA, for example, is a key component of many SR&R operations. In such cases, we chose the mission type that was closest to the primary U.S. objective. When stated goals were unavailable, we categorized missions by their primary source of funding. For example, we categorized missions that utilized International Narcotics and Law Enforcement funds as SJSA. Mission types also change in response to conflict dynamics. When this occurred, we categorized each mission separately.

Yearly budget documents from State and USAID show how much money the Office of Transition Initiatives, the Office of Foreign Disaster Assistance, and International Narcotics and Law Enforcement spend on conflict response but

do not identify which conflicts were involved. Congressional appropriations – and, therefore, program accounting records – do not specify when funds are being used specifically for conflicts (except in the relatively rare instances when supplemental budgets are authorized). Furthermore, State and USAID tend to use a variety of different accounts to develop and implement their relief programs. As a result, parsing out what was specifically allocated to conflict response (versus longer-term development programs or HIV/AIDS relief) in a given country is extremely difficult.

We therefore used a publicly available data set maintained by the Center for Systemic Peace, called Major Episodes of Political Violence, to identify when and where conflicts occurred. Its threshold for determining conflict is relatively low, and it includes a wide variety of conflict types. We then compared the Major Episodes of Political Violence list of conflicts to yearly State and USAID spending trends and historical timelines for each conflict-affected country between 1991 and 2009. We used that information to create data points called “country years,” which identify resources allocated to a conflict-affected country in a given year. We then refined our data set using mission descriptions from the Office of Transition Initiatives, Office of Foreign Disaster Assistance, and International Narcotics and Law Enforcement, which also ensured that we included any conflicts identified by State and USAID.

HUMANITARIAN ASSISTANCE AND DISASTER RELIEF

The QDDR does not identify the specific types of disaster relief missions that the United States will pursue. The Office of Foreign Disaster Assistance keeps detailed records on its relief activities worldwide, but it does not account for all types of humanitarian assistance provided by State and USAID. Thus, we also included data from the State Department’s Bureau of Population, Refugees, and Migration and from U.N. records of U.S.

humanitarian relief. We then sorted the data into eight categories: infestation, industrial accident, food insecurity, earthquake, epidemic, drought, storm, and floods.

The Outliers: Afghanistan and Iraq

Data on foreign assistance in Afghanistan and Iraq came from the USAID Greenbook.

APPENDIX B: TOWARDS A CAPABILITY-SIZING ANALYTICAL FRAMEWORK

This report originated as an attempt to create a capability-sizing analytical framework for civilian contingency requirements abroad. However, the inadequacy of the data available made that exercise extremely difficult, and probably even unachievable, until the data collection improves. Nonetheless, we can establish the basic questions that need to be addressed by any future planning framework and offer an outline of a general framework that we consider the most useful starting point for any future capability-sizing efforts.

First, one must establish a general model into which goals and costs (or ends and means) can be meaningfully related – what might be called a “Capability-Sizing Analytical Framework” (or framework, for short), and would be analogous to the military conception of a force-sizing construct.¹ Such a framework would have four characteristics:

1. Enable policymakers to understand and differentiate between:
 - The *cost of maintaining an organization* (what it costs to maintain the civilian agencies, whether or not any overseas operations are conducted).
 - The *cost of operation* (what it costs to maintain an overseas presence and conduct routine operations, along with discretionary contingencies and crisis responses).
2. Allow planners to differentiate between *capability* (types of assets and personnel of various kinds) and *capacity* (numbers of assets and personnel, or amounts of resources required), allowing low-density, high-demand capabilities to be identified and additional resources to be allocated to weak areas.

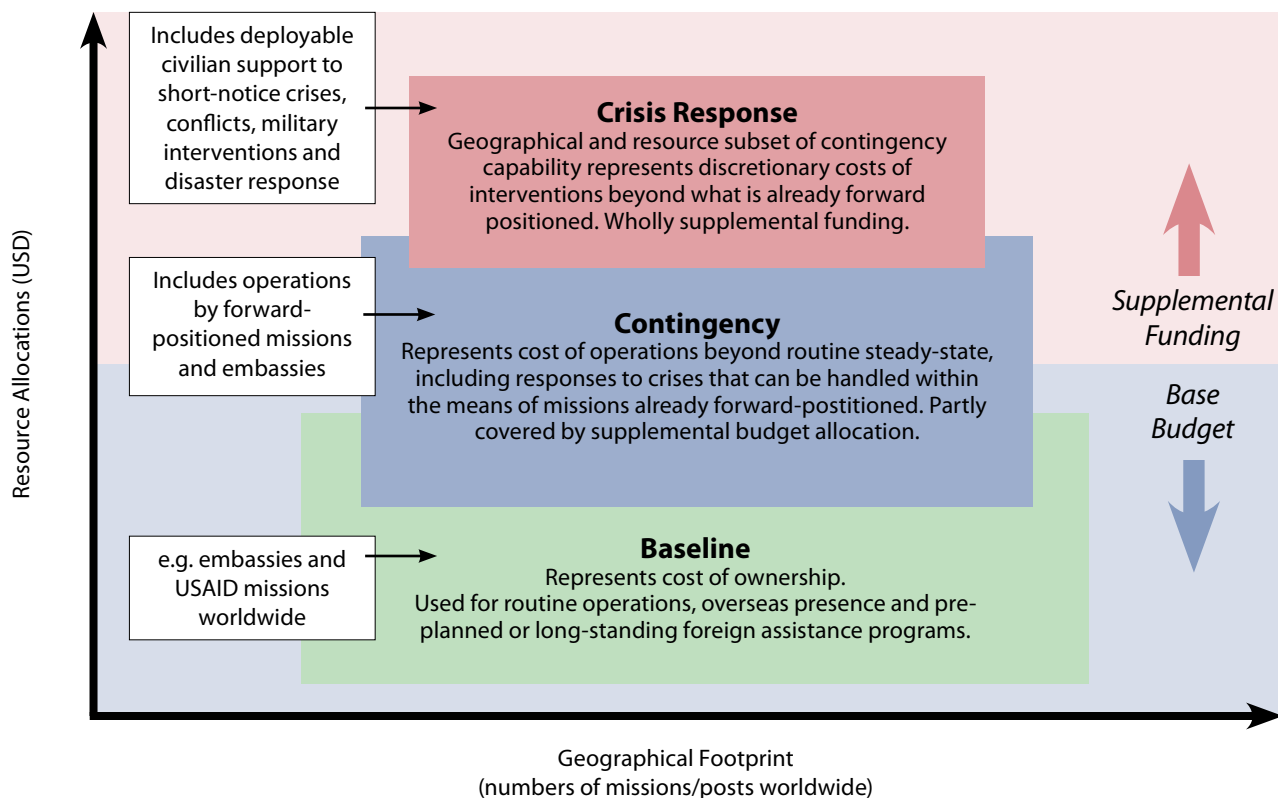
3. Make explicit the *funding distribution* between fixed and variable costs, between mandatory and discretionary expenditure, and among base budget, foreign assistance and supplemental funding for contingency and crisis response.

4. Provide sufficient detail for policymakers, members of Congress and others to determine cost-benefit *tradeoffs* between resourcing and operational decisions.

An illustrative framework is shown in Figure 1. In this model, the overall area represents a civilian capability space. The x-axis represents geographical footprint, expressed as a number of overseas posts or missions. The y-axis represents resources, in U.S. dollars, expended in a given time period. Thus the total cost of owning and operating the civilian agencies reflects the geographical spread (how many operations and diplomatic posts are being supported) and the level of resource allocation associated with each. The lower portion of the capability space, depicted in blue, represents the base budget. In a properly resourced analytical framework, all routine foreign assistance and permanent overseas presence would be funded from the base budget. The red-colored portion represents supplemental funding. Contingencies would be partially funded from supplemental budgets.

Nesting within the baseline capability, and covering a narrower geographical spread, are contingency operational requirements. Some of these are funded from the base budget (as when an already forward-positioned USAID mission uses existing resources to respond to a short-notice emergency) while others rely on supplemental funds. Within the overall contingency capability, crisis response represents an even narrower geographical spread and range of functional activities, but involves a higher cost

FIGURE 1: CIVILIAN CAPABILITY-SIZING FRAMEWORK



which is likely to be funded through supplemental budgets.

This illustrative framework would capture the general costs of routine diplomatic and development operations overseas, as well as the unexpected costs of dealing with contingencies and crises. Testing and refining this construct requires understanding both the historical demands on civilian agencies, and how these demands might differ in the future – an exercise that will require far more reliable data than are currently collected by the State Department and USAID.

1. For a description of the military's force-sizing construct, see U.S. Department of Defense, *Quadrennial Defense Review Report*, February 2010, 41-45, http://www.defense.gov/qdr/images/QDR_as_of_12Feb10_1000.pdf.



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Production Notes

Paper recycling is reprocessing waste paper fibers back into a usable paper product.

Soy ink is a helpful component in paper recycling. It helps in this process because the soy ink can be removed more easily than regular ink and can be taken out of paper during the de-inking process of recycling. This allows the recycled paper to have less damage to its paper fibers and have a brighter appearance. The waste that is left from the soy ink during the de-inking process is not hazardous and it can be treated easily through the development of modern processes.





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