Entrepreneurial Expeditionary Economics and the United States Military. Right Task, Wrong Tool?

A Monograph by
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14. ABSTRACT
Should the United States military alter current development practices by entwining entrepreneurial expeditionary economics into a new approach to the successful delivery of aid? This study explores whether the military is the right actor to deliver the policy of entrepreneurial expeditionary economics. Focusing on the current operational environment, evidence suggests that frustrations exist within the military over the progress of nongovernmental organizations and other government agencies in counterinsurgency environments, and this has resulted in a blurring of the military civilian relationship; this goes some way to explaining the move toward the militarization of aid that is inherent within the concept of entrepreneurial expeditionary economics, which is at a pivotal point of inception. Much work is required to place entrepreneurial expeditionary economics in context with governance, political, social, and security efforts before the military should ascribe to the concept in its current form. Notwithstanding the study's findings that entrepreneurial expeditionary economics has much potential in its relevance to current and future military operations, there is little evidence that the military is the credible owner of the tools to engage in this form of development and weaknesses arise in both the conceptual realm and the practical reality of the entrepreneurial model as the driver for developmental change in counterinsurgency operations.
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Abstract


Should the United States military alter current development practices by entwining entrepreneurial expeditionary economics into a new approach to the successful delivery of aid? This study explores whether the military is the right actor to deliver the policy of entrepreneurial expeditionary economics. Focusing on the current operational environment, evidence suggests that frustrations exist within the military over the progress of nongovernmental organizations and other government agencies in counterinsurgency environments, and this has resulted in a blurring of the military civilian relationship; this goes some way to explain the move towards the militarization of aid that is inherent within the concept of entrepreneurial expeditionary economics, which is at a pivotal point of inception. Much work is required to place entrepreneurial expeditionary economics in context with governance, political, social, and security efforts before the military should ascribe to the concept in its current form. Notwithstanding the study’s findings that entrepreneurial expeditionary economics has much potential in its relevance to current and future military operations, there is little evidence that the military is the credible owner of the tools to engage in this form of development and weaknesses arise in both the conceptual realm and the practical reality of the entrepreneurial model as the driver for developmental change in counterinsurgency operations.
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Introduction

Expeditionary economics is a concept first developed by the Kauffman Foundation in 2010. No definition of the concept yet exists, not least by the Kauffman Foundation and the United States military, yet as a tool to help commanders in post-conflict operations, it has received positive attention. There is a movement developing to create an addendum to FM 3-24 in order to incorporate expeditionary economics, and studies are being conducted by West Point, The Kauffman Foundation, and the Council for Foreign Relations, to ensure buy-in from senior military leaders in accepting the relevancy of expeditionary economics and its doctrinal importance.\textsuperscript{1} The concept is at a pivotal point of inception and much work is required to place the concept in context with governance, political, social, and security efforts. Expeditionary economics needs to be relevant to current and future operations, and be justified that the military is a credible owner of the tools to engage in this form of development.\textsuperscript{2}

Expeditionary economics’ background is traced to the economic models of Keynes and Hayek, and these must be understood to form any basis for combating economic crisis and


\textsuperscript{2} In 2010, Carl Schramm, the president and CEO of the Ewing Marion Kauffman Foundation, published a paper in Foreign Affairs entitled “Expeditionary Economics.” Arguing that the economies of Iraq and Afghanistan have shown few signs of progress, Schramm makes the case for the US military to engage broadly in mid-conflict and post-conflict reconstruction, using a variety of tools. Economic reconstruction must be a part of a three-legged strategy along with invasion and stabilization. To do reconstruction, the US Military needs to expand its areas of competence, rid itself of its central planning mentality and become a more flexible force that can facilitate economic growth at the same time that it is trying to stabilize the regions in which it is engaged. Schramm argues for modest yet effective projects, saying that “job diversity” in the private sector is very important and requires a wide range of interventions, well beyond the relatively narrow set of activities that the US Military currently funds in places like Iraq and Afghanistan. “Messy capitalism” requires the military to allow and even foster various forms of entrepreneurial activity to emerge, in an uncontrolled and even chaotic manner, from which a robust private sector can be created.” Gregory Johnson, Vijaya Ramachandran and Julie Walz, “The Commanders Emergency Response Program in Afghanistan & Refining US Military Capabilities in Stability and in Conflict Development” USMA Senior Conference XLVII http://www.dean.usma.edu/sosh/senior_conference/sc_papers/Ramachandran%20EE%20final%205%2019%202011.pdf (accessed 12 June 2012).
implementing potential solutions. Although these two economists disagree on the fundamental nature of why economies collapse, the essential point is that both Hayekian and Keynesian frameworks assert that once an economy has collapsed, recovery takes a long time. For Hayek, recovery from a crisis caused by over-consumption and under-saving has to run its course, and cannot be speeded up by a Keynesian fiscal or monetary stimulus. It requires time before consumers recover from under-saving and business gains confidence that profitability can be restored. 3

Keynesians believe that, once aggregate demand has subsided, a fiscal and monetary boost is the only way to get the economy growing again. Post-conflict environments are very different to the formal structures of the economies that Keynes and Hayek witnessed, and economic collapse in countries that have experienced conflict trace the roots not to the economic, but in the security and political sphere. Nevertheless, the model implied by expeditionary economics focuses on a western view of economic markets; how to impose this model into a non-Western framework is challenging, and arguably counterproductive. Essentially, the first part of the monograph will seek to define what expeditionary economics is, and why it is important.

FM 3-24 would appear to be the right document to express expeditionary economic doctrine. Current experience in Iraq and Afghanistan has shown that soldiers are increasingly forced to rebuild economies without proper doctrinal or institutional support. Commanders on the ground are often left with little guidance as to how to develop post-conflict economics and the concept of expeditionary economics is thus designed to encompass the instances in which military and civilian expeditions must implicitly rebuild an economy. Fostering economic success, the third leg in the stool of diplomacy, defense, and development, needs clarification in doctrinal form in order to become an effective dimension of American expeditionary capacity.

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The second section of the monograph will seek to define who the players are in expeditionary economics, and specifically, their capabilities, limitations, and roles. The Commander's Emergency Response Program and other development programs will be analyzed as well as it relates directly to the expeditionary economics movement.

Expeditionary economics encompasses and informs many larger ideas about national security, strategy, and the exercise of power, and leaves itself open to the criticism of being a form of militarization of foreign policy. In trying to operationalize the concept, the final part of the monograph will seek to explore whether the military is the right actor to deliver the policy of entrepreneurship in a post-conflict environment, and is the main reason why this current study is being conducted.

**The Importance of Economic Development**

Why should the United States military be concerned and tasked with economic development? The military has been engaged equally, if not greater, in non-kinetic operations in the counterinsurgency efforts in Afghanistan and Iraq and the most recent case of Haiti is truly an attempt at a non-kinetic, humanitarian aid/economic development operation, all within the framework of delivering strategic success, yet economic progress within the countries that current operations focus upon has been limited. More than a decade after the United States and her allies entered into the Balkans, the social and economic dimension of conflict provides sparse evidence of strategic success. No less so in the current fight. The foundation of expeditionary economics promotes post-conflict economic entrepreneurial development and seeks to operationalize the concept by providing doctrine at the non-kinetic level.

From a historical stance, military involvement in economic entrepreneurial development is consistent with post-conflict circumstances. The Marshall Plan centered upon economic activity in rebuilding a war-ravaged Western Europe, and economic planning was at the heart of the strategic formulation of the United States' foreign policy. Underpinning this strategy was the...
notion that growth "provides the central basis for secure and stable countries, helping to strengthen the security of surrounding nations and the United States." In an article in Foreign Affairs, Carl Schramm, the Chief Executive Officer of The Kauffman Foundation, argues that the United States military does not have these skills to partake successfully in the realm of economic development. He asserts, "Post conflict economic reconstruction must become a core competence of the U.S. military... It is imperative that the U.S. military develops its competence in economics. It must establish a new field of inquiry that treats economic reconstruction as part of any successful three-legged strategy of invasion, stabilization or pacification, and economic reconstruction. Call this 'expeditionary economics.'"

Whether or not expeditionary economics is a new field of inquiry is dependent on how one perceives the role of the United States military, from a historical perspective, in its role in nation-building. Engagement with economic activity has been an essential role of the military within, after, and contemporaneously with conflict, as was seen respectively with the Marshall Plan in Europe post World War II, the Balkans, and more recently in Afghanistan and Iraq. There is historical precedent for economic development to coexist as a mechanism to provide stability and security, but there has been little effort to provide a consistent approach to what the military’s role should be when approaching economic development.

The recently produced National Security Strategy describes how the "Joint Force will redefine America’s military leadership by enabling whole-of-nation approaches to address

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4 Command and General Staff College Entrepreneurship and Expeditionary Economics: Towards a New Approach to Economic Growth following Conflict or Disaster, proceedings, Command and General Staff College, Ft. Leavenworth, Kansas http://sites.kauffman.org/eee/resources/ee_summit_proceedings.pdf (accessed 1 April 2011).

national security challenges."\(^6\) The strategy states, "Military power complements economic development, governance, and rule of law – the true bedrocks of counterterrorism efforts."\(^7\) It continues to define a mutually sustaining relationship between defense, diplomacy, and development, by claiming, "We will support whole-of-nation deterrence approaches that blend economic, diplomatic, and military tools to influence adversary behavior."\(^8\) The whole-of-nation, or until recently termed whole-of-government approach, is viewed suspiciously by many within the United States military. Patterson and Stangler write, this "approach touted by the United States has usually meant an increase of bureaucracy as well as a focus on what can be measured: namely, the rate at which budgeted funds can be spent, irrespective of outcomes."\(^9\) Furthermore, the military has undertaken the role of development under the backdrop of conflict, often referred to as opposed development: defined by the United State Institute for Peace as "development activities undertaken in the presence of an armed opposition."\(^10\)

**Expeditionary Economics as an Economic Concept**

The majority of foreign aid is distributed through the means of government-to-government transfers. The services that this money is intended for not only seeks to affect intangible ideas, such as good governance, and the rise of civil society, but more importantly, seeks to contribute to economic growth. Foust demonstrates the skepticism concerning the practice of transfers of money to aid economic growth: "In practice... these money transfers tend

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\(^7\) Ibid.

\(^8\) Ibid.


to evade the reform of public services—negating their purpose. Studies of government behavior in aid relationships indicate that, often, the leadership of both donor and recipient governments instead tend to seek policies that protect their hold on power.”¹¹ Foust suggests that a way to alter the current modus operandi of developmental aid is to focus upon bottom-up, or community centered aid. Current models, focusing on top-down aid, support the host government and translate into intangible and ill-defined projects focusing on capacity building or major infrastructure projects. One such way of viewing the current developmental impetus is to categorize its focus on economic inputs as opposed to outputs. But a bottom-up approach can fall into the same trap; by continuing to measure success of community activity in terms of money spent over time devoted to a project, this approach misses a crucial element of considering areas such as the empowerment of civil society, and the needs of the non-politically aligned population. Ultimately, it is a truism to categorize the current thought on aid development, certainly in areas of the world in which there is a presence of United States forces, as being “driven by donor concerns and political arrangements in the recipient capital.”¹²

Working through established institutions, such as host nation governments, local and international based non-government organizations, is where the provision of services is offered, denies civic and formal institutions the ability to engage fully with economic development and entrepreneurship. Little effort is made to allow these fringe organizations, who are politically autonomous, to become an effective enabler to economic growth and developmental partners. Expeditionary economics fundamentally challenges the current thinking of aid and suggests that at the heart of economic growth is the entrepreneur and that the existence of this actor predicates


¹² Ibid.
economic growth, which in turns, translates into fulfilling the national security aims and outcomes and promotes the security agenda of American politics.

Expeditionary economics challenges traditional thought that growth stems from that capacity and the good governance of a political system, but that individuals and businesses within a society can generate the outputs necessary for economic growth and the fulfillment of United States foreign policy. Under the concept of expeditionary economics, localized business development and entrepreneurial incentivizing replaces the international community and the host nation governments.

Carl Schramm loosely defines expeditionary economics as a new field of study that focuses on the delivery of assistance within a neatly defined threefold military strategy of invasion, stabilization, and economic reconstruction. He purports to the view that “The U.S. military is well placed to play a leading role in bringing economic growth to devastated countries.”13 Carl Schramm is the President and CEO of the Ewing Marion Kauffman Foundation, a non-profit organization charged with pursuing the field of entrepreneurship. Schramm is perhaps the first to suggest the concept of expeditionary economics, and he has steered clear of in-depth attempts to formulize a doctrine for the military or a clear modus operandi for policy makers to incorporate this concept into a meaningful method of delivering foreign policy aims. The Kauffman Foundation continues to explore this concept in conjunction with officers and academics aligned to the Department of Defense and a clear and unambiguous challenge has been given to the United States military in particular: “The U.S. military must therefore formulate a doctrine of expeditionary economics designed to spur solid growth as rapidly and effectively as possible. For this, it should draw on some of the more recent wisdom of the international development community -- a growing number of scholars are rejecting the

decades-old doctrine of big plans and dictated reforms and turning instead to more modest yet more effective projects. Some military officers, in fact, have already been doing work along these lines. The military could then use the various means of influence at its disposal to steer international development practices in the direction of the new doctrine.14

What is interesting about Schramm’s gauntlet, thrown to the military, is the implicit notion that the United States military are in the position, or more accurately, should be in the position, to alter current development practices and to weave expeditionary economics into a new approach to the successful delivery of aid. Schramm is cynical in regards to the comprehensive approach in the post-invasion of Iraq; he cites an example of the United States Agency for International Development as bypassing local civilians in the quest to hire American contractors for development projects. Although the Coalition Provincial Authority in Iraq sought to promote free trade and the development of a market economy, current developmental practice precluded an approach that created jobs and companies – the basis of his economic understanding of entrepreneurship.

Other economic areas which have failed to promote entrepreneurship lie in the field of micro-finance, which although creating individual employment, fails to generate the type of high-growth economy that Schramm seeks, and in developing economics, Schramm dismisses the view that micro-finance, as well as venture capital, is effective in inducing and sustaining entrepreneurship. The need for a new approach to development is highlighted by Schramm’s dismissal of the Commander’s Emergency Response Program, used by Commanders in Iraq and Afghanistan to rapidly disperse funds to infrastructure projects, often to rebuild infrastructure damaged by coalition war fighting activity. Employment is created by the Commander’s

14 Carl J. Schramm, “Expeditionary Economics: Spurring Growth after Conflicts and Disasters,” Foreign Affairs 89, no. 3 (April/May 2010), 90.
Emergency Response Program, but at the neglect of long-term priorities, and creates a culture of dependency within the local populace.

Although it is difficult to discern what expeditionary economics ultimately calls for, it fundamentally rejects the notion that it is a blueprint for direct foreign investment by the United States. Ownership of businesses and the economic environment is implicitly tied to the local population, and although the presence of foreign direct investment and the positioning of multinational corporations in host countries may provide an economic backdrop, it denies the chances of local businesses to exist by creating barriers to entry removing incentives for entrepreneurial activity. Schramm is also critical of previous attempts to boost the prospects of an economic recovery in areas of conflict by citing the example of Operation Adam Smith in Baghdad in 2004. CNN, reporting on this operation, highlight that that local Iraqis who actually participate in this operation were "within the embrace of U.S. security and sell primarily to Americans," not who "the U.S. government have in mind when they talk about rebuilding the country 'one business at a time.'"\textsuperscript{15} The concept of expeditionary economics not only eliminates the need for the formalization of economic planning, but implicitly preludes the use of top down authoritarian initiatives, instead relying upon the local communities to have the knowledge and expertise to promote economic growth through their own initiative rather than that of a foreign entity.

Unlike in Operation Adam Smith, the concept of expeditionary economics rejects the need to dictate the process of privatization and to dictate best practices. Expeditionary economics fundamentally seeks to create economic growth by removing the current developmental tools, which provide barriers to economic growth. Inherent in Schramm's argument, is that current development models need to withdraw from the areas of aid in which support to business activity

are delivered, and let the natural processes of economic growth occur, and focus development to those who conduct business, and support the entrepreneur.

It is equally important to understand what is implicitly missing from Schramm’s ideas surrounding the concept of expeditionary economics. Of note, is the lack of “details necessary to pragmatically integrate ‘expeditionary economics’ into a working doctrine relevant and useful to military leaders.” Thus, for the military to embrace the idea of expeditionary economics, not only has it to agree on the strategic and operational relevance of the concept, but also to identify the “specific conditions under which the military might conduct “expeditionary economics” and the specific objectives toward which the military applies the use of “expeditionary economics.”

The military face many challenges in both understanding of the concept and integrating the principles to the operational environment. If the United States military are to embrace Schramm’s ideas, then doctrinal integration at the strategic, operational, and tactic level will be fundamental to the success of applying this development model.

**The Military as an Expeditionary Economic Actor – a Path to Victory?**

If the United States military is to take the lead during conflict for the imposition of expeditionary economics, as Schramm indicates, the question that should first be asked, is whether the military is the right actor to fulfill these developmental objectives? The evidence from recent stability operations point to the fact the United States military is already engaged in

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17 This idea is expanded upon on by Jeff Peterson and Mark Crow “Expeditary Economics: Towards a Doctrine for Enabling Stabilization and Growth” USMA Senior Conference XLVIII http://www.dean.usma.edu/sosh/senior_conference/sc_papers/USMA%20February%20Conference%202011-Paper.pdf (accessed 5 June 2012).
development and thus further questions must arise as to how to better use and adjust the current military practices?

In the post-Cold War environment, humanitarian, security, and peacekeeping operations became more prevalent, and the geographical footprint of the United States military expanded. A debate as to whether the military’s involvement in operations other than war were a distraction to their main role of full combat operations, was ongoing when the events of 9/11 altered the parameters of the argument. Threats from unstable and weak states were directly addressed in the 2002 National Security Strategy. The strategy called upon the need for development to work side by side with diplomacy and defense to achieve the nation’s security aims. The counterinsurgencies in Iraq and Afghanistan that followed the events of 9/11 created the operational tool of the Commander’s Emergency Response Program (CERP) and Provincial Reconstruction Teams (PRTs). As Johnson, Ramachandran and Walz acknowledge:

The US Military responded diligently, incorporating the use of seized Iraqi funds to create a program that was designed to fund projects that would help stabilize military units’ operating. This program evolved into the Commander’s Emergency Response Program, which was formally initiated in late 2003, utilizing US appropriated funds, for both Iraq and Afghanistan. Units consisting of both civilian and military officials termed Provincial Reconstructions Teams (PRTs) were established in Afghanistan and later in Iraq, designed to enhance inter-agency cooperation, improve stability, and build capacity by working closely with local officials.18

Stability Operations subsequently became recognized as being a core mission for the United States Military, incorporating the need to provide security, to restore essential services, and to meet the humanitarian needs of the local populace, whilst fostering the long term development of indigenous capacity, promoting a viable market economy, democratic institutions, and the rule of law. “In short, in a span of just over 15 years, the US Military

significantly altered its operational framework, increasing its responsibilities and requirements in an effort to improve stability where it is employed and engaged.” 19

The Commander's Emergency Response Program – Funding and Entrepreneurship.

The use of financial aid in current operations in Afghanistan is realized in CERPs, which are a discretionary pool of money that the commanders on the ground can use in order to fund projects that improve the security environment in their area of operations. Security gains are paramount when commanders assess potential projects to inject capital, yet the assumption that security and economic growth are mutually reinforcing suggest that CERPs have a continued role in providing economic development within Afghanistan. Patterson and Robinson give an example of the usage of CERPS:

During the invasion of Iraq, U.S. forces seized approximately $900 million from various locations across Iraq. In a brilliant military innovation in the aftermath of the invasion, many of the U.S. military’s first reconstruction projects used these seized funds in what was the genesis of the Commander’s Emergency Response Program. The initial success of CERP was in large part due to its flexibility and responsiveness to the unique situations commanders faced on the ground. Over time, CERP has been increasingly burdened by process (the new standard operating procedure is 165 pages), degrading some of its early benefits. Its usage also expanded from smaller scale projects that could be effectively overseen by the military to larger scale development efforts that outstripped the military’s oversight ability. 20

In Iraq, the practice of using CERPs has expanded, and by 2010, the program received nearly $4 billion in appropriations, and had become a fundamental tenant of counterinsurgency


campaigns.\textsuperscript{21} The ability to choose projects with CERP funding that fosters long-term economic growth is challenging, and a gap exists within the military in terms of expertise—creating problems with implementation and project oversight. The projects too, had to be aligned with the COIN objectives in the commander's area of operations. With increased understanding, fueled by experience, CERP has evolved to meet not only the emergency and security needs, but to encapsulate spending on water and sanitation infrastructure, food production and distribution, agriculture, electrical power generation and distribution, health care, education, telecommunications infrastructure, transportation infrastructure, rule of law and governance improvements, irrigation, civic cleanup activities, repair and construction of civic and cultural facilities, as well as incentivizing entrepreneurship and small businesses formation.\textsuperscript{22}

Crucially, a centrally managed process has not brought about obvious success to within the delivery of aid through CERPs'. Rather, commanders on the ground have used their judgment to determine which projects are likely to aid security, and in turn, harness the potential for the entrepreneurial economic progress that Schramm posits in his quest to have the United States military embrace expeditionary economics. The evidence from CERPs suggests that there is not the entrepreneurial vacuum that Schramm postulates.


Schramm’s ideology has an important role to play when assessing CERPs, and his insight gives those commanders who are involved with CERPs the opportunity to reevaluate the long-term implications of the projects that are identified. Schramm’s view of expeditionary economics is a useful conceptual tool to impose upon commanders when aspiring to make the programs as effective as possible. His theory also correctly asserts that the role of the military in economic development should not be limited to the current fight, and the current CERP model has inherent internal flexibility to be used in future conflict. As Johnson, Ramachandran, Walz, rightly assert, “The US Military is already substantially engaged in the development realm beyond stability efforts, and it is likely that the military will continue conducting development-like projects in parts of Afghanistan, the Philippines, and in other areas of the globe, for years to come.”

The discussion of whether the United States military is involved in development is not disputed, and the examination of how to make this involvement as effective as possible is inherent within the debate surrounding expeditionary economics.

The Center for Army Lessons Learned in the United States have gathered a comprehensive set of data on CERPs and advises upon what works and what is likely to fail in the provision of security and economic development. A thorough evaluation of the data is needed, with statistical quantitative analysis brought into the economic development realm. Until this effort is achieved, and further research carried out, it will be difficult to draw tangible lessons from Iraq and Afghanistan, and subsequently apply them to future conflict areas where CERP is administered.

Opposed Development

Whilst we have asserted that the United States military already practice expeditionary economics to some degree in Afghanistan and Iraq, other scholars have coined the current approach by the military in engaging with economic development, as that of opposed development. Kilcullen is a leading counterinsurgency expert and served as Senior COIN Advisor to General David Petraeus, Commanding General, Multi-National Force, Iraq. Kilcullen coined opposed development as the scenario that faces coalition forces in Iraq and Afghanistan. 24

Opposed development incorporates an operational environment where not only is there an active presence of terrorist actors, but these actors compete for our own development programs, thus offering the target population a choice between the development procedures and objectives as the coalition effort, and those offered by the insurgents.

Kilcullen’s theory of opposed development is relevant to the debate over expeditionary economics for the principle reason that it challenges the notion that development and stability work in harmony. This challenge, in turn, questions the philosophical underpinnings of CERPs and the current modus operandi of the United States military in Afghanistan and Iraq. His arguments resonant with the logic of General Rupert Smith who argues, “There is no such thing as impartial governance or humanitarian or humanitarian assistance. In this environment, every time you help someone, you hurt someone else.” 25 Smith accurately pinpoints the problematic

24 David Kilcullen argues that there is a threefold framework in which development activity occurs: in environments of peace or post conflict, environments where active terrorist organizations exist, and environments where an added layer of complexity is introduced by the terrorists vying for population support through their own development activity. This framework draws from the comments of Gregory Johnson, Vijaya Ramachandran and Julie Walz, “The Commanders Emergency Response Program in Afghanistan & Refining US Military Capabilities in Stability and In-Conflict Development.” USMA Senior Conference XLVIII http://www.dean.usma.edu/sosh/senior_conference/sc_papers/Ramachandran%20EE%20final%205%2011%202012.pdf (accessed 12 June 2012).

nature of development in the midst of an insurgency. Development, especially in the form that CERPs currently practice, creates winners as well as losers, which has the potential to fuel destabilization.

If development is to be successful, then the practitioners, no matter which theory provides the fundamental philosophical basis of their development model, must realize that the actions, be it of non-government organizations, government development workers, or militaries, exist as a direct challenge to the grass-roots control of the local population, and their efforts will necessarily react with the ensuing violence. Regardless of the cognitive backdrop to any development activity, there is a complex interaction between the political characteristics of the insurgents’ movement, the population, the local and national governance, the counterinsurgent, and all other external actors, which drive the characteristics of a particular counterinsurgency campaign.

There is a fundamental difference between conducting counterinsurgency operations in a hostile or occupied foreign country, and conducting counterinsurgency operations in a territory one seeks to control. Kilcullen describes counterinsurgency operations as “an armed variant of domestic politics in which numerous challengers compete for control over the population.”

Galula seeks to codify the military’s role in counterinsurgency by asserting that essentially, “A revolutionary war is 20 per cent military action and 80 per cent political”, thus placing military action as secondary to political action, and relegating the military’s role as primarily being within the realm of affording the political power enough freedom to work safely with the population.

Galula expounds on this idea by arguing that in giving the soldier authority over the civilian:

would contradict one of the major characteristics of this type of war. In practice, it would inevitably tend to reverse the relative importance of military versus political action and

26 Ibid.
move the counterinsurgent’s warfare closer to a conventional one. Were the armed forces the instrument of a party and their leaders high-ranking members of the party, controlled and assisted by political commissars having their own direct channel to the party’s central direction, then giving complete authority to the military might work; however, this describes the general situation of the insurgent, not of his opponent. 28

Kilcullen notes that in 2006, United States spending in Iraq for the year 2003 to 2006, accorded to 1.4 percent civilian, and 98.6 percent military. 29 This seems out of kilter with the fundamental tenants of counterinsurgency warfare as laid out by David Galula. Although much of the military spending in Iraq was, and continues to be, directed at political programs and military operations supporting political objectives, thus distorting the statistic, 1.4 percent spending on civilian programs is an alarming figure, no matter how one interprets the data or Galula’s ratio for the successful prosecution of counterinsurgency warfare.

Furthermore, if the fundamental requirements for a successful counterinsurgency campaign, as identified by United States Field Manual 3-24, is that of control, then the current development practices of the United States military, in its use of CERPs, engages in a much wider set of objectives that it seeks to influence; CERPs are currently used to legitimate some of the US military’s actions, and are also designed to create local population good will as well as development assistance.

The multiple objectives for CERPs underline the cognitive tension that exists between stability and development. This tension is embodied by the relationship between United States Agency for International Development and the United States military, and described by Johnson et al, as a continuum of activities.


The continuum identifies that there is no clear delineation between stability and development activity and as a result, the activity of the United States Agency for International Development and the United States military operate concurrent of time, space, and purpose.

Another way of understanding this cognitive tension is by describing the tension that exists between visibility and viability, as suggested by Andrew Natsios, a former administrator of United States Agency for International Development. Natsios suggests that visible development projects, such as road construction and food aid, identified as being direct from the United States government, aid the process of legitimization, and are designed to win the hearts and minds of the local population. These projects are easily identifiable by the insurgents, and as such, the local population will become inevitable targets. Development aid projects that are not visible to the local population, de facto the insurgents, blend into the local economy, and the identification of the intended and realized recipient becomes difficult. The invisibility of aid tackles General Rupert Smith’s aforementioned dilemma of every time you help someone you hurt someone else.


The continuum does not seek to resolve this cognitive tension between development and stabilization; rather, it seeks to make practitioners aware of the challenges that CERPs and other development projects face in a counterinsurgency environment, in which control is the underlying principle. The challenges presented by this cognitive tension run through the heart of Galula’s definition of victory in counterinsurgency: “A victory is not [just] the destruction in a given area of the insurgent’s forces and his political organization... A victory is that plus the permanent isolation of the insurgent from the population, isolation not enforced upon the population but maintained by and with the population.”

Operationalize or Decouple? Other Actors in Expeditionary Economics

Some of the major doubts about the concept of expeditionary economics occur in the realm of the practical realities of operationalization. Whether or not the United States military should expand upon its current role within Afghanistan and Iraq, to incorporate Schramm’s ideas, and harness its capabilities to include taking on the role of developing economies as a central part of their activities, lies at the heart of the debate over expeditionary economics.

The 2011 National Military Strategy affirms, “Our military power is most effective when employed in support and in concert with other elements of power as part of whole-of-nation approaches to foreign policy.” The Chairman of the Joint Chiefs of Staff emphasizes in the document that whilst there is continual refinement of how we counter violent extremism and

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32 David Galula, Counter-Insurgency Warfare: Theory and Practice (New York: Oxford University Press, 1964), p. 54. David Galula further states that victory is not just the destruction in a given area of the insurgent’s forces and his political organization, for if either or both are destroyed, it will be re-created either from within, or by insurgents from outside. He cites the numerous examples of mopping-up operations by the French in the Plain of Reeds in Cochinchina throughout the Indochina War. A complete victory, the isolation of insurgents maintained by and with the population, is exemplified by David Galula in the defeat of the FLM in the Oran region in Algeria (1959-1969).

deter aggression, the is emphases on military power as most effectively employed when in concert with other elements of national power. Reinforcing a whole-of-nation approach to foreign policy, the strategy cites that civilian leadership is appropriately at the helm, as is fundamental to addressing the complex characteristics of the security challenges faced.

The National Security Strategy was updated in 2011 for the first time in seven years. The whole-of-nation approach is designed as a broad strategy, which not only includes security forces to counter specified and non-specified security challenges, but also incorporates the diplomatic and development communities too. In a sweeping rebuke of the employment of United States Agency for International Development, Kori Schake argues, "The military is the only part of the 'whole-of-government operations' that is doing its job well... When the country has soldiers, sailors, airmen, and Marines in harm’s way, the nonmilitary agencies have an ethical responsibility as well as a practical need to get good at their jobs, and fast."34 For Schake, the civilian arms of our government must engage with the world as they are central to the successful delivery of the tasks American national security policy outlines. Rather than encapsulating the United States military into conducting tasks that are in the realm of the United States Agency for International Development, civilian agencies should realize their capacity and engage with the challenges of the current security environment instead of leaving the military to do what is essentially the responsibility of civilian agencies. In essence, Schake argues that instead of making the United States military the United States Agency for International Development, civilian agencies should become good at they are designed to do.

Schake’s argument does not imply that the military should take on more responsibility because of its successes. Rather, the whole-of-nation approach, as identified in the 2011 National

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Security Strategy, should be reinforced at the operational level. The problem with Schake’s stance, is that explicit within the argument, is the assertion that “Economic development is not the work of the Department of Defense.” This disregards the cognitive tension that exists between stabilization and development, and implies that the two conceptual realms are mutually exclusive, rather than mutually reinforcing, as has been shown through Johnson, Ramachandran, and Walz’s continuum. Furthermore, it is equally problematic to assess that the Department of Defense’s current practices that engage with economic development occur as a direct result of nonmilitary agencies, in particular United States Agency for International Development, having failed to “deliver on their responsibilities of creating a foundation for economic prosperity.”

Nevertheless, Schake invokes the right question: should the United States military be the agents to deliver Schramm’s concept of expeditionary economics. If economic development is an aid to victory in a counterinsurgency, then military participation, heightened understanding of the principles governing economic aid, and an acute awareness of what contextually works and what does not, is fundamental to success. However, this does not necessarily imply a lead role for the military. If Schramm is correct in his assertion that the “U.S. military planners and U.S. troops on the ground often turn to U.S. and international development agencies or nongovernmental organizations (NGOs) for practical guidance on improving local economic conditions only to find that the putative experts are little help,” then perhaps what is being identified, is the cognitive tension between stabilization and development, rather than a call to arms for the military to autonomously conduct development.

36 Ibid.
Schalke is right to question Schramm’s notion that “it is not enough merely to restore the economy to a level resembling the pre-crisis status quo. The economy is part of the problem.”38

The implication of Schramm comments here suggest that the military should engage in development tasks long after the security environment is stable. Heightened military engagement in economic development could, however, led to what Kilcullen describes as the kiss-of-death scenario. This scenario depicts the military surging into areas and introducing civil programs, which, in turn, exposes moderates and cooperative leaders to insurgents. As security improves, the military reduce their presence, and consequently, the insurgents kill those who cooperated with the initial military surge.39

The use of existing power structures in Iraq and Afghanistan, combined with other government agencies are more likely to avoid the kiss-of-death scenario. In Iraq, evidence suggests that the Sheik’s proactive stance discourages Sunni insurgent activity, and in Afghanistan, warlords are also in a position to prevent Taliban incursions.40 This suggests that there may be better-suited actors than the military to set the conditions for both stabilization and development; it does not purport to Schramm’s notion that the military are the key players to set these conditions.

Schramm goes much further than suggesting that the military should be the prime actor in the stabilization and development continuum. Schramm states:

The U.S. military must therefore formulate a doctrine of expeditionary economics designed to spur solid growth as rapidly and effectively as possible. For this, it should

38 Ibid.


draw on some of the more recent wisdom of the international development community—a growing number of scholars are rejecting the decades-old doctrine of big plans and dictated reforms and turning instead to more modest, yet more effective projects. Some military officers, in fact, have already been doing work along these lines. The military could then use the various means of influence at its disposal to steer international development practices in the direction of the new doctrine.”

The notion that the military will be in a position to demonstrate both practice and procedures, to not only the development community and nongovernmental organizations, but to agencies such as the World Bank and the IMF, is stretching to the limit, the realms of operational and conceptual possibilities. It also places an unnecessary burden on the United States military, whom possess limited technical, strategic, or operational experience, and renders non military organizations as periphery and unimportant to the current operational environment. This would further challenge the assertion that the whole of nation approach in the newly updated National Security Strategy is out of kilter with how the operational environment in counterinsurgency should be orchestrated.

The military should not be seen in isolation within the whole-of-nation approach. Neither should the military be ignorant to other government agencies and nongovernmental organization’s capability and capacity to serve as the mechanism for coordinating “unique departmental activities, correcting for the current militarization of activity in theaters of military operations.”

**Blurring the Civil-Military Divide**

There has been criticism of the United States strategy in Afghanistan that points to the heart of the debate surrounding the militarization of aid. Following the initial intervention in

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Afghanistan in 2001, stabilization and development objectives were arguably sidelined in favor of pursuing Islamic terrorists.\(^{43}\) If indeed, the “consequent lack of success in developing a functional and effective Afghan government, and in promoting development, especially in rural areas, has... contributed to the deterioration in security conditions,” then it follows that Schramm’s emphasis in using the military as the solution to the counterinsurgency fails to match the opinion that military solutions alone are unable to create long term economic development and stabilization in Afghanistan. There is little agreement about how and whom the actors involved should orchestrate operations in Afghanistan, yet the international focus has tended to lean heavily on the military capabilities, or perceived capabilities, at the expense of other worthy actors. The existence of community defense initiatives, and the expansions of PRTs, suggests that there is a creeping militarization of aid. An Oxfam report highlights that overall United States spending on current military operations in Afghanistan is twenty times that of spending on development; the US military currently spends $35 billion a year, nearly $100 million a day, whilst spending for USAID is $1.6 billion a year, $4.4 million a day.\(^{44}\)

Further opposing Schramm’s view on the military as the prime conductors of expeditionary economics is the evidence from Afghanistan’s recent checkered past, where foreign militaries have yielded only short-term security advances and have failed in the quest for long term stability. A truly comprehensive strategy, or to use the National Security Strategy parlance, whole of nation approach, to the long-term development and security of the current


countersurgency fight in Afghanistan, is surely the right approach to enable the stabilization and development continuum to permeate all activities by coalition nations operating in Afghanistan.

This view reinforces ISAF’s approach to acknowledging the inherent limitations to the suitability and legitimacy of their prosecution of operations in Afghanistan. The military’s prime focus should be on providing security; civilian actors should, in partnership with security operations, focus on the implementation and long-term ownership of reconstruction, development and humanitarian challenges that are mutually reinforcing to the stabilization of the country. There exists the further complexity of regional stability that both directly and indirectly affects the strategy in Afghanistan.

Just as military and civilian tensions exist in Afghanistan, so too is the tension in Pakistan. As Auil Shah argues that although Pakistan is unlikely to collapse, the imbalance of power between its civilian and military branches must be addressed if it is to fulfill security demands and become a normal functioning modern state that is able to effectively governing its territory. “For its part, the United States must resist using the generals as shortcuts to stability, demonstrate patience with Pakistan's civilian authorities, and help them consolidate their hold on power.”

This does not negate the need for reform, and further suggests that much of Schramm’s philosophy should be embraced within the civilian organizational realm. Nongovernmental organizations and other government agencies must enhance the effectiveness of aid, thereby diminishing the dependency effect. They must also allow for governance reform that both supports the stabilization and development continuum, and achieves Afghan accountability and transparency at all levels. In sum, policy-makers must recognize the lack of clarity and coherence in the existing international approach to Afghanistan, especially in the pursuit of critical

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development, governance and stabilization objectives. “In order to succeed, a comprehensive strategy urgently requires a substantial, coordinated and long-term international commitment, both in terms of resources and political will.”46

Civil Military Synchronization

There are guidelines for civilian and military agency interaction endorsed by the Commander of ISAF and the United Nations. Waldman et al cite that these guidelines maintain, “A clear distinction between the role and function of humanitarian actors from that of the military [which] is a determining factor in creating an operating environment in which humanitarian organizations can discharge their responsibilities both effectively and safely.”47 Due in part to the frustrations of the military over progress that nongovernmental organizations and other government agencies are making in counterinsurgency environments, a blurring of the military civilian relationship has occurred. These frustrations, felt on behalf of the military, may explain to a certain degree, the militarization of aid that is contained within Schramm’s concept of expeditionary economics.

The frustration is not just borne by actors in the military community; in the nongovernmental organizations and other government agencies, there is a suspicion of the relevancy and effectiveness of military progress within Afghanistan. One such “egregious example of military forces acting contrary to the Civil-Military Guidelines is the use by military personnel of certain contingents, apparently including the US, France and Spain, of unmarked,
white vehicles, conventionally used by humanitarian organizations. These actions breach the
guidelines of civil military activity as well as a potentially more serious breach of international
humanitarian law, which demand that combatants must distinguish themselves from civilians in
conflict. These accusations underline the friction between the military and their civilian partners.

If this friction is to lead to the military taking on the prime responsibility to deliver
economic developmental aid in the current counterinsurgency environment, the operational reach
of nongovernmental organizations and other government agencies will diminish, and attempts to
implement the direction of the National Security Strategy will falter. Furthermore, ISAF’s current
understanding of the shared responsibility for delivering stabilization and development in
partnership with nongovernmental organizations and other government agencies should become
more transparent if other actors outside of the military were more, rather than less, involved in an
integrated approach to operations that seek to deliver the framework of expeditionary economics.

Identifying Success – Comprehensive Economic Development

Expeditionary economics’ call for harnessing an entrepreneurial environment lacks an
accompanying practical implementation model, but addresses some of the military failures of
operational conduct over the previous ten years of conflict. One example of this is identified by
Riegg, who states that in Iraq:

The Army not only put $10.8 billion into infrastructure, and only a pittance toward
entrepreneurial stimulation, it also gave everything to the Iraqi government (or to ill-
structured local cooperatives) at no cost and with no conditions attached. Such largesse
simply breeds contempt. It conveys the impression that the United States owes Iraq
restitution for the invasion and undermines the message that countries that act the way
Iraq acted under Saddam Hussein will suffer the consequences. Also, by simply giving

\[48\] Matt Waldman, “Caught in the Conflict – Civilians and the International Security Strategy in
Afghanistan” A Briefing Paper for the NATO Heads of State and Government Summit, 3-4 April 2009.
everything away, we missed a great opportunity to help Iraq develop a more powerful private, entrepreneurial sector within its economy.\textsuperscript{49}

Conditionality attached to aid has been practiced by the development community for many years and is enshrined within the Washington Consensus approach to developmental assistance.

Giving away aid, with little accountability of conditions attached, circumnavigates potential opportunities to strengthen local economic environments. The Provincial Reconstruction Teams are not immune from criticism in this regard, even with the imbedded civilian actors that are currently employed. Provincial Reconstruction Teams have employed a method in Iraq of asking village and community leaders what infrastructure they need to improve economic conditions. "The Army or USAID then goes in, builds what is needed, and simply turns it over to the local community, free of charge. If instead we insisted that the community pay for some or all of these projects, we might get more respect and more active participation by the community in them."\textsuperscript{50} These programs have the capability of stimulating the development of municipal bonds and bond markets, allows for charging adequate user fees, properly maintains new infrastructure, facilitates more efficient, cost-effective approaches to construction, and critically, uses local talent and resources.

Capital dispersed through Provincial Reconstruction Teams may undermine the local economy's ability to provide such goods and services and undercut the natural efficient markets that Schramm is so keen to foster. These projects may serve to also build upon the culture of dependency and entitlement, undermine the work ethic, and build the illusion that the Afghan government will be in a situation to continue to provide many services which expeditionary


economics would rather encourage through pure entrepreneurial capitalism, that feeds back to the government through taxation, and provides revenue for the host country to provide essential public provision.

In addressing the debate surrounding the activity of Provincial Reconstruction Teams, eight non-governmental organizations, currently working in Afghanistan (and have been for up to fifty years) have written a report highlighting the dangers of the militarization of aid. The report goes further than Riegg in criticizing Provincial Reconstruction Teams, and calls for their complete, though gradual, removal from theater. The report states that, Military-dominated institutions, such as Provincial Reconstruction Teams, often “lack the capacity to manage effective development initiatives, even where civilians are inserted into these structures. They are unable to achieve the level of local trust, engagement and community ownership required to achieve positive and lasting improvements to Afghan lives.” In so many cases, Provincial Reconstruction Teams in insecure environments rely on local contracting companies who have limited capacities, and weak links to communities. They are often wasteful, ineffective and corrupt.

Inherent within the report is the suggestion that the military approach to aid in Afghanistan focuses directly on winning the loyalty of the local populace rather than incorporating the alleviation of poverty and other humanitarian focuses. The report cites a United States army manual for troops in Afghanistan and Iraq, to highlight the military’s definition of aid as a nonlethal weapon that is utilized to “win the hearts and minds of the indigenous population to facilitate defeating the insurgents.” Criticisms of the current military approach are levied at the unintended consequences for governance reform and the validity and sustainability of Afghan

51 The signatories to this report are: Action Aid, Afghanaid, CARE, Christian Aid, Concern Worldwide, Norwegian Refugee Council, Oxfam and Trocaire.

institutions. "In assuming some of the responsibilities that the Afghan government should be fulfilling, PRTs may weaken government accountability to the Afghan people." Perhaps the most damming conclusion of the report, is the assessment that "There is also increasing evidence that military involvement in development activities may be putting Afghans on the frontlines of the conflict." The British and Irish Afghanistan Group (BAAG) that monitor activity in Afghanistan endorse this view.

As a sweeping rebuff to the suggestion by Schramm that expeditionary economics should be seized by the military as a tool to provide economic development, the BAAG recommends the phasing out of Provincial Reconstruction Teams whilst simultaneously increasing the capacity and funding of civilian organizations and increasing the footprint on the ground. Furthermore, the coordinating authority for economic development is suggested as being most beneficial under the auspices of the United Nations.

The opposition to the militarization of aid comes not only from the development community, who stand much to lose if the path to increased military power over developmental aid is affected, but also from the United Nations. The Special Representative of the Secretary-General, Kai Eide, asserts that the international community needs to demilitarize their overall approach in Afghanistan if it is to reverse the current trend of unsuccessful economic development.

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55 BAAG provides regular information on the political, economic and security situation in Afghanistan and is an effective network for international NGOs operating in Afghanistan. The BAAG project was set up by British NGOs in 1987 as an umbrella group to draw public attention to the humanitarian needs of the population of Afghanistan and of Afghan refugees in Iran and Pakistan. BAAG’s endorsement of Oxfam’s views is found in An Alternative View: Afghan Perspectives on Development and Security, http://www.baag.org.uk/news/7-latest-news/31-live-video-streaming-of-an-alternative-view-afghan-perspective-on-development-and-security.
Speaking to journalists in Kabul, Eide said: "We have to get into a mode where our strategy is politically driven and not militarily driven, where the political and civilian components become an appendix to a military strategy," Eide is skeptical of the increase in military forces in Afghanistan, especially where military forces engage in the political, civilian and humanitarian realms. "When you have an increased number of troops coming in, there will always be a trend for those forces to demonstrate quick results and take upon themselves political tasks. That leads to quick impact... quick impact very often becomes quick collapse".57

Eide’s concern regarding the military engaging in the political, civilian, and humanitarian realm, are explicitly addressed in the new Field Manual 3.0 (FM 3.0), Operations. This Field Manual presents the United States military’s overarching doctrinal guidance and direction for conducting operations. FM 3.0 states:

The foundations for Army operations are contained in its operational concept—full spectrum operations. The goal of full spectrum operations is to apply land power as part of unified action to defeat the enemy on land and establish conditions that achieve the joint force commander’s end state. The complexity of today’s operational environments requires commanders to combine offensive, defensive, and stability or civil support tasks to reach this goal. Commanders direct the application of full spectrum operations to seize, retain, and exploit the initiative and achieve decisive results."58

Within the area of stability or civil support tasks, the engagement in the political, civilian, and humanitarian realm is both necessary and prescribed.


Figure 2. Stability Tasks and Department of State Technical Sectors

Figure 2, from FM 3.0, demonstrates that the core army stability tasks are linked to that of the Department of State’s post-conflict reconstruction and stabilization technical sectors, security, justice and reconciliation, humanitarian assistance and social well-being, governance and participation, and economic stabilization and infrastructure. “Normally, Army forces act to support host-nation and other civilian agencies. However, when the host nation cannot provide basic government functions, Army forces may be required to do so directly.”

Full spectrum operations conducted by the United States military in accordance with FM 3.0 require continuous, simultaneous combinations of offensive, defensive, and stability (for operations outside of the United States) or civil support tasks (for operations inside the United States). The practice of the simultaneous combination of offensive, defensive and stability elements require military officers to work within the political, civilian, and humanitarian realm.


60 Ibid.
United States military officials must put aside the Special Representative of the United Nations Secretary-General’s criticism of their approach during this current insurgency, if they are to follow the tenants of FM 3.0.

This continual tension that remains between the military planners and those in civilian authority are charged by the National Security Strategy to practice a comprehensive approach to operations, and any debate that calls for more civilian input, or more military input, into the realm of economic developmental aid, too often miss the central and partnered ground that a comprehensive approach offers.

In forming a comprehensive approach to the implementation of expeditionary economics, the military, nongovernmental organizations, and other government agencies, may partner to determine priorities for a free market system that operates conceptually within a counterinsurgency environment. How much integration is needed will depend upon at what stage of the campaign the current environment dictates; yet within the framework of full spectrum operations, simultaneous comprehensive effort is always required.
Figure 3. Example of combining the elements of full spectrum operations in a notional campaign.\textsuperscript{61}

As figure 3 depicts, from a purely military stance, conducting a notional full spectrum operation that involves more than just simultaneous execution of all its elements. In addition, it requires commanders and staffs to consider their own particular capabilities and capacities relative to each element. This is true of all nongovernmental organizations and other government agencies involved across the stabilization and development continuum, and not just for the military.

Conditions are fluid in any counterinsurgency campaign, and actors at all levels should consider the concurrent conduct of each element. As is shown in figure 3, the offensive, defensive and stability (or civil support) combinations are weighted differently across the phases of a campaign. The phases in the notional example will necessarily be tailored differently for every

unique scenario, and it is in the application of operational art in full spectrum operations that determines when, and if, simultaneous combinations are appropriate and feasible.

Incorporating stability operations into full spectrum operations in a counterinsurgency environment needs the United States military to embrace the comprehensive approach and seek the expertise of nongovernmental organizations and other government agencies whose partnership will be the enabler for success. One example of how the army can use these other elements of national power is in the understanding of the operational environment and how to best administer economic developmental aid to facilitate stabilization within full spectrum operations. A thorough conceptual understanding of this theory will lead to a hesitation to identify specific doctrinal solutions to a given counterinsurgency environment. For example, the economic aid that is necessary in Iraq, differ greatly from that of Afghanistan. The degree of free market economic principles that can allow for fulfilling the maximum potential of rational economic actors need different forms of governance in order to address different host country challenges.

One such example is the foreign exchange position of Afghanistan, which differs from Iraq; export industry is nonexistence in the former, save for the illegal opium and poppy market. To industrialize an economy, the host nation has to reform its economic structure and develop an export-orientated market that is labor intense, and focused on manufacturing. Entrepreneurial private sector expansion may be needed more in Afghanistan than is the case in Iraq, where economic structures already focus on export led growth. Conversely, the government in Afghanistan may have to employ more Keynesian style economic principles to facilitate growth, and develop state owned enterprises, especially as there is no current significant tax income for the government, or residual accumulated wealth. Although Afghanistan necessarily relies upon the private sector and entrepreneurial expeditionary economics that lead to prosperity, Afghan government led control will also facilitate meaningful economic development.
Riegg accurately portrays the situation by drawing attention to the interrelationship of development and security.

"Whether Afghanistan will be able to follow an entrepreneurial path to development will depend on a couple of noneconomic factors, as well as the usual needs of good property and commercial law, functioning labor markets, a stable currency, and so on. In particular, society, its tribes and clans, will have to end their fighting and establish real peace and adequate security. Society will also have to embrace factory culture, probably including the legitimacy of young, unmarried women working in factories where occasionally male supervisors might check on the quality of their work. The alternative may be to develop and rely on women supervisors, possibly brought from other cultures where they are permitted to interact with men. If these societal issues can be worked out, Afghanistan will still have to compete with other countries to attract investment capital. Investors will need a reason to choose Afghanistan versus, for example, Kenya, Nicaragua, or Bangladesh."{62

Conclusion

Reigning in an Isolated Concept

A full-scale push to implement expeditionary economics, not just by the military, but also by nongovernmental organizations and other government agencies, will limit the type of Keynesian response to governing the economic backdrop that long-term growth demands. Far from a rejecting the conceptual premise of expeditionary economics, there is a realization that weaknesses arise in both the conceptual realm and the practical reality of the entrepreneurial model as the driver for developmental change in counterinsurgency operations. These weaknesses occur in time, space, and thought. Entrepreneurial firms, many of whom fail, need a great amount of time in order for large-scale production to develop and tangible influence on the wider economy is realized; time creates a vacuum, with little external control to prevent unethical and unproductive economic governance of the economic environment, and an opportunity for the insurgent to dominate. This lack of governance, if remained unchecked, will increase the

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monopolization of firms in the market place, and drive barriers to entry, which dampens subsequent entrepreneurial activity, and weakens the competitive market.

The successes in Iraq to build an entrepreneurial economy, led to the privatization of many state-owned enterprises. This effort combined with building infrastructure, has not seen many positive signs of rousing an entrepreneurial revolution. Notwithstanding the obvious limitation to successful entrepreneurial developmental aid within the midst of an insurgency, far too much developmental aid has been given away unattached to any form of conditionality. This has created a degree of dependency and dampened the conditions for a successful entrepreneurial economy to flourish.

So too in Afghanistan, where there are seldom links between good governance and economic developmental aid; consequentially, this has inhibited the capacity and capability for the entrepreneurial environment. Unquestionably, Iraq and Afghanistan, and many other counties too, would benefit from adopting more entrepreneurial approaches to development, and the effects of neglecting this necessary approach to developmental aid permeates not only in the economic realm, but also into the political and social environment. An exclusive concentration on entrepreneurial expeditionary economics as a concept, and the rate of entrepreneurial growth as a judgment of success, has a most damaging effect. Entrepreneurial expeditionary economic growth offers the opportunity to improve people’s lives in a counterinsurgency environment, but single-minded emphasis on developmental aid from the United States military has limitations that need clear understanding.

In seeking an answer to whether the military is the right actor to deliver the policy of entrepreneurship in a post-conflict environment, this work acknowledges the benefits of expeditionary economics in a post-conflict environment, but raises concerns over whether the military should be the actor to deliver this policy. If a whole-of-nation strategy is to be realized, then other government agencies must become serious about employing their expertise and resources to complement the military. The development community posses the necessary
intellectual and authoritative capability to engage upon expeditionary economics, but must avoid giving the military reason to doubt this capacity. In addition, both military and civilian actors must not seek to blur the distinction between military and civilian roles. Although complex counterinsurgency environments will challenge the ability to impart a military-civilian divide, expeditionary economics is a concept that can help to ensure the appropriation of agencies that allows for the military to do less than they imagine they can do, and for the development community to do more than they fear.

In trying to build a bottom-up approach to spurring economic growth, expeditionary economics (regardless of whom the actor) must avoid a fundamental approach through top-down implementation. Cognizant of a top-down approach to governance and security reforms such as building military capacity, judicial systems, and police forces in Iraq and Afghanistan, the approach to expeditionary economics must invert current capacity building thought to encapsulate the bottom-up approach to effect entrepreneurial activity and capacity.

Furthermore, the absence of specific literature that affirms the success of implementing the broad themes of expeditionary economics within a post-conflict or counterinsurgency environment, should provide the United States military with the good judgment to be cautious about embracing an unknown, in a field they are, as yet, ill-equipped to encounter.

In sum, the question of whether expeditionary economics is the right task remains unanswered, amongst the backdrop of insufficient literature and statistical analysis of the environment. Whether the military, by default or not, is the right tool to implement expeditionary economics, is cautiously refuted.
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