4 May 2003

MEMO TO: Secretary Rumsfeld
FROM: Ambassador Bremer
SUBJECT: Nation-Building: ~~lessons~~ learned

Saturday I mentioned the new RAND paper on lessons learned from the US efforts at "nation building". They studied seven cases from the past half-century--Germany, Japan, Somalia, Haiti, Bosnia, Kosovo, Afghanistan. The summary is attached.

Several key points bear on our efforts in Iraq.

- We succeeded when we had a very substantial troop presence (either US or coalition). We took and inflicted more casualties when we were under-strength. If in Iraq one sought the same ratio of troops per capita we had in Bosnia, we would need about 250,000 for at least two years. The Kosovo model would suggest a need for twice that many. Naturally, this would include non-American forces.

- Another major variable was the amount of external assistance per capita. The Kosovo model would yield the need for about $19 billion over two years.

- Neighboring countries can exert decisive influence on the outcome. "It is nearly impossible to put together a fragmented nation if its neighbors persist in trying to tear it up."

- Staying a long time does not guarantee success. Leaving early assures failure. "No effort at democratization has taken hold in less than five years".

While we are certainly not condemned to repeat history, we will want to bear these points in mind as we work through issues such as:

- The CENTCOM draw-down plan we touched on briefly Saturday;

- Keeping a close eye on Iranian objectives and activities; and

- The need to stress to all concerned that this will be a long process.

Attachment: As stated.

CC: Paul Wolfowitz, Doug Feith, Ryan Henry

# 1. INRODUCTION AND SUMMARY

This report contains the results of a study on best practices in nation building. The purpose of this study was to analyze U.S. and international military, political, and economic activities in post-conflict situations since the Second World War to determine key principles for success in these types of operations and to draw implications for future U.S. military operations, including Iraq. This report contains the results of this analysis, including the lessons learned from each of these operations, and then applies these lessons to the case of Iraq.[1]

## RATIONALE FOR STUDY

During the 1990s and continuing into the current decade, the United States has invested significant amounts of military, political, and economic capital into operations conducted in the aftermath of conflict or civil unrest. All these post-conflict operations have been closely analyzed. Countless studies, articles, and reports have been published on various aspects of these individual operations. For the most part, these studies have also focused on the post-Cold War period. This is the first effort of which we are aware to review each of the major American experiences in nation building exercises going back to 1945, to compare and contrast the results of these various operations, to determine how lessons learned and best practices evolved over time, and then to suggest how those lessons might be applied to the current challenges facing American policymakers in Iraq.

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[1] The preponderance of this research was conducted prior to the March 19, 2003 commencement of Operation Iraqi Freedom, but the project team was focused on the near-term implications of our effort throughout the course of our work. To that end, this study served as the point of departure for a RAND conference on nation building and the future of Iraq that was held in Arlington, Virginia on May 6-7, 2003 and the results of that conference were factored into the final version of this study. A list of conference attendees is included in Appendix A of this report.

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| SWNCC | State, War and Navy Coordinating Committee |
| TBD | Thousand Barrels per Day |
| TMK | Kosovo Protection Corps |
| UN | United Nations |
| UNAMA | United Nations Assistance Mission in Afghanistan |
| UNHCR | United Nations High Commissioner for Refugees |
| UNITAF | Unified Task Force |
| UNJLC | United Nations Joint Logistics Center |
| UNMIBH | United Nations Mission in Bosnia and Herzegovina |
| UNMIK | United Nations Interim Administration in Kosovo |
| UNRRA | United Nations Relief and Rehabilitation Administration |
| UNSCR | United Nations Security Council Resolution |
| USFORSOM | United States Forces Somalia |
| UXO | Unexploded Ordnance |

**METHODOLOGY**

First we developed a working definition for nation building. We then identified cases for research based on that definition. Then we established a template for examining each of the cases. Once we had analyzed the individual cases, we made cross-comparisons in areas where comparable statistics were available, for instance as regards the levels of external military and police forces, of economic assistance and of democratization and economic growth. Finally, we then turned to Iraq to see how such lessons might be applied there.

Various terms have been used over the past fifty-seven years to describe the activities we are seeking to analyze. The German and Japanese operations were referred to as occupations. The operations in Somalia, Haiti, Bosnia and were generally termed peacekeeping or peace enforcement. The current U.S. administration has preferred to use the terms stabilization and reconstruction to refer to its post conflict operations in Afghanistan and in Iraq. In all these cases the intent was to use military force to underpin and in some cases to actually compel a process of democratization. Occupation, peacekeeping, peace enforcement, stabilization and reconstruction do not fully capture this idea. Neither does the term nation building, but we believe it comes closer to encompassing the full range of activities and objectives involved.

We chose seven historical cases for this study: Germany, Japan, Somalia, Haiti, Bosnia, Kosovo, and Afghanistan. These are the most important instances in which American military power has been used to underpin efforts at democratization. We did not include the American colonial experience in the Philippines because the societal transformation there attempted spanned several generations. We did not include the post WWII occupation of Austria because we felt its lessons would largely parallel those of Germany and Japan. We did not include the Cold War interventions in the Dominican Republic, Lebanon, Grenada and Panama because these were shorter lived and more limited in their objectives.

Once we identified the cases, we developed a structure for examining each. First, we described the nature of the settlement which terminated the conflict in question. We next addressed the security, humanitarian,

administrative, political, and economic challenges that were present at the outset. We then described the roles that the United States and international organizations assumed during the intervention. This included discussion of the military mandate for the operation and the type of civil administration, if any, that would be set up in the country. We next examined how each operation developed over time: how the security environment stabilized or grew more fragile; how the humanitarian situation evolved; how the civil administration interacted with the appointed or elected government; how the process of democratization developed and how reconstruction progressed across the country.

**FROM GERMANY TO AFGHANISTAN**

The post WWII occupations of Germany and Japan were America's first experiences with the use of military force in the aftermath of a conflict to underpin a comparatively rapid and fundamental societal transformations with the objective of rendering any repetition of that conflict less likely. The success of these endeavors established that democracy was transferable; that societies could, under certain circumstances, be compelled to transform themselves, and that such transformations could prove enduring. These two operations set a standard for post conflict nation building that has not since been matched.

For the next forty years, from 1950 to 1990, there were few attempts to replicate these early successes. In the bipolar world of the Cold War, faced with the threat of nuclear destruction, American policy emphasized containment, deterrence and maintenance of the status quo. Efforts were made to promote democratic and free market values, but generally without the element of compulsion, even with the most recalcitrant of students. American military power tended to be employed to keep things as they were, not to improve them; to preserve the equilibrium, not alter it; to manage crises, not to resolve the underlying problems. Germany, Korea, Vietnam, China, Cyprus and Palestine remained divided. American and international forces were used to maintain these and other divides, not to compel resolution of the

underlying disputes. American interventions in places like the Dominican Republic, Lebanon, Grenada or Panama were intended to displace unfriendly regimes and reinstall friendly ones, rather than to bring about fundamental societal transformations.

The end of the Cold War created new problems for the United States and opened new possibilities.

Prominent among the new problems was a rash of state failures. During the Cold War many weak or artificial states had been propped up by one side or the other (and in some case by both) for geopolitical reasons. For instance, Somalia, Yugoslavia and Afghanistan had each been regarded as important pieces on the Cold War chessboard. Regimes there had received extensive external support as a result. With the disappearance of the Soviet Union, Moscow lost its capability and Washington its geopolitical rational for sustaining such regimes. Denied such support, these and other states disintegrated.

After 1989, a balance of terror no longer impelled the United States to preserve the status quo. This meant that Washington was free to ignore regional instability when it did not threaten American interests. On the other, this freedom also meant that the United States now had the option of using its unrivaled power to actually resolve, rather than to simply manage or contain international problems of importance to it.

From 1990 onward the United States has felt able, when it chose, to intervene not simply to police ceasefires or restore the status quo but to bring about the democratic transformation of conflicted societies, much as it had those of Germany and Japan four decades earlier. And after 1989 the United States was also more able to secure broad international support for such efforts when it chose to mount them.

The rest of the international community also became more interventionist. Of the 54 peace operations the UN has mounted since 1945, 41 (or nearly 80%) have been initiated since 1989. Fifteen are still underway.

Despite this more supportive international environment, the costs and risks associated with nation building remained high. Washington consequently has not embarked on such endeavors lightly. It withdrew from Somalia in 1993 at the first serious resistance. It opted out of

international efforts to stem genocide in Rwanda in 1994. It resisted European efforts to entangle it in Balkan peace enforcement for the first four years of Yugoslavia's violent breakup. Even after intervening in Bosnia, it spent three more years seeking a non-military solution to ethnic cleaning in Kosovo.

Nevertheless, despite this reticence, throughout the 1990's each successive American led intervention, from Somalia to Haiti to Bosnia to Kosovo, proved wider in scope and more ambitious in intent than its predecessor. In Somalia the original objective was purely humanitarian, subsequently expanded to democratization. In Haiti the objective was to reinstall and renew a preexisting regime. In Bosnia, it was to create a multiethnic state. In Kosovo it was to establish from the ground up a democratic polity.

As a candidate, George W Bush criticized the Clinton Administration for this expansive agenda of nation building. As President, he adopted a more modest set of objectives when faced with a comparable challenge in Afghanistan. The Bush Administration's efforts to reverse the trend toward ever larger and more ambitious American led nation building operations has proved short lived, however. In Iraq the United States has taken on a task comparable in nature to the transformational attempts still underway in Bosnia and Kosovo, and in scope to the earlier American occupations of Germany and Japan.

**CROSS-CASE TRENDS**

Following the seven individual country studies, we sought to extract data that was broadly comparable across the cases. Although each case was unique, we attempted find areas where comparisons could prove useful. In particular, we attempted to quantify and compare measures of nation building input, that is to say peacekeeping—troops, police and economic assistance—and output, in the form of democratic elections and economic growth.

Military force levels varied significantly across the cases. They ranged from the 1.6 million U.S. forces in the European Theater of Operations at the end of the Second World War to the approximately 14,000 U.S. and international troops currently in Afghanistan. Looking at gross

numbers, however, does not allow for useful comparison across the cases because the size and populations of the countries being analyzed was so disparate. We therefore decided to look at the number of U.S. and international military soldiers per thousand inhabitants in each of the cases. In addition, we thought it important to look at how force levels changed over time. Figure S.1 shows the number of troops per thousand inhabitants for each of the cases at the outset of the intervention and at various intervals over time:

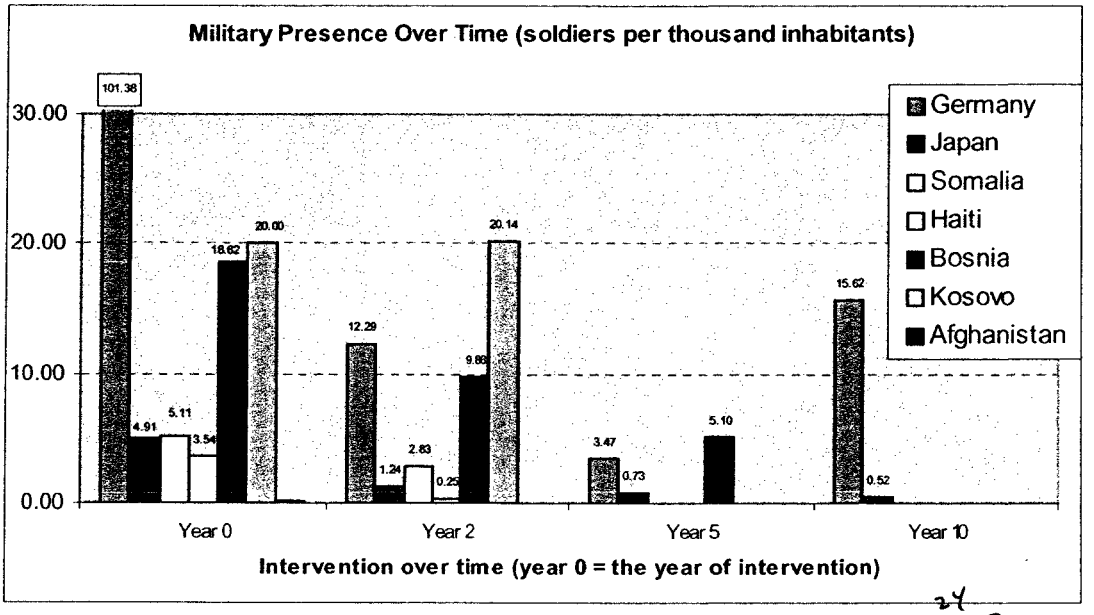


**Figure S.1: Military Presence Over Time**

As the data illustrates, force levels varied widely across these operations. Bosnia, Kosovo, and particularly Germany started with substantial numbers of military forces while the initial levels in Japan, Somalia, Haiti, and especially Afghanistan were much more modest. These levels (with the partial exception of Germany) all decreased over time, but by varying degrees. Overall, the differences across the cases had significant implications for other aspects of the post-conflict operation.

We conducted similar analysis on external assistance in these seven cases. Cumulative figures are useful to some degree, but to assess the true impact of assistance on individuals in post-conflict situations, it is important to look at how much assistance was provided on a per capita

basis. Figure S.2 captures how much per capita assistance was provided to each person during the first two years in the various cases (in 2001 U.S. dollars):

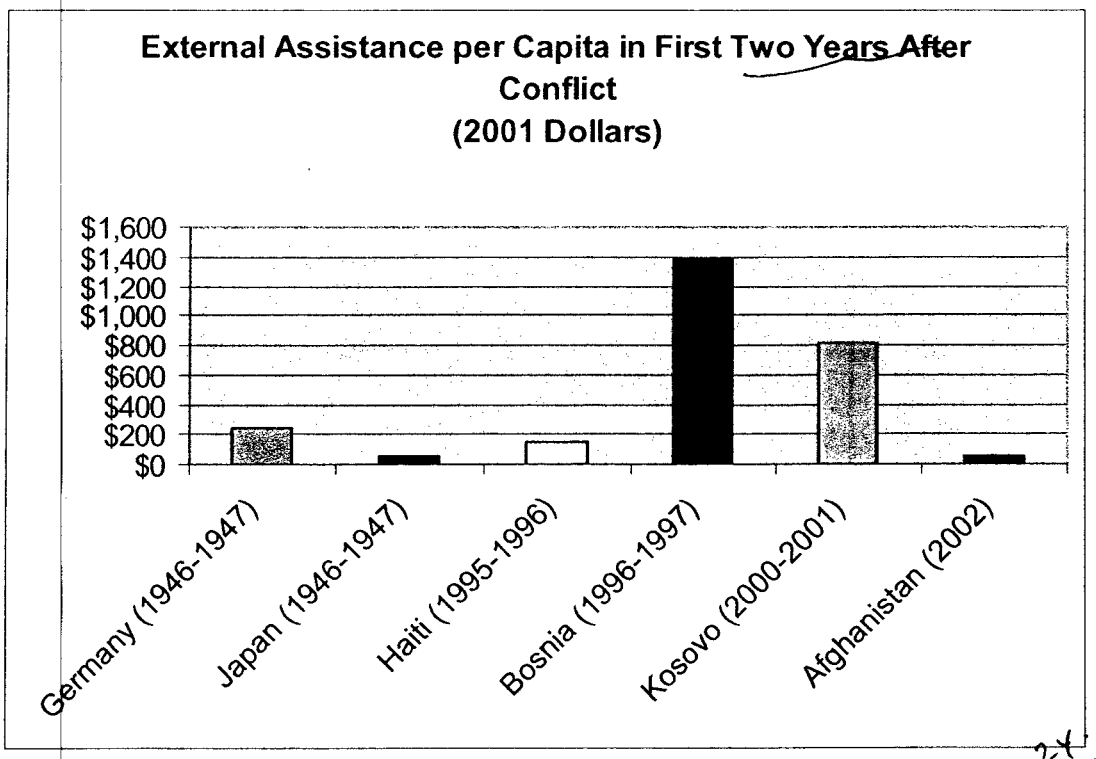


**Figure S.2: Per Capita External Assistance**

Due to varying populations, comparable sums of money can have drastically different effects on the residents of a country. For example, although Germany was granted by far the most assistance in monetary terms ($12 billion), the amount per citizen came to only a little over $200. Meanwhile Kosovo, which ranked fourth in terms of total assistance, was granted over $800 per resident. In a recovering economy, these discrepancies are quite significant.

**CASE CONCLUSIONS**

The German and Japanese occupations set standards for post-conflict transformation that have not since been equaled. One of the most important questions an inquiry such as this must to address, therefore, is why those two operations succeeded so brilliantly while all those that

have come after have fallen short, to one degree or another. The easiest answer is that Germany and Japan were already highly developed, economically advanced societies. And this certainly explains why it proved easier to reconstruct the German and Japanese economies than it has to fundamentally reform those underdeveloped economies in our other five case studies.

Economics is not a sufficient answer, however. Nation building, as we have defined it, and more importantly, as those who launched the seven interventions studied herein defined American objectives, was not primarily about working economic, but rather political transformations.

The spread of democracy in Latin America, Asia, and parts of Africa suggests that this is not uniquely an artifact of Western culture or of advanced industrial economies: that democracy can, indeed, take root in circumstances where neither obtains. No post conflict program of "reconstruction" could turn Somalia, Haiti or Afghanistan into thriving centers of prosperity. But the failure of American-led interventions to install substantial democracies in those countries has other than purely economic explanations.

All three of those societies are divided ethnically, socio-economically and/or tribally in ways that Germany and Japan were not. So homogeneity helps. But again, it is not essential. For the kind of communal hatreds that mark Somalia, Haiti and Afghanistan are even more marked in Bosnia and Kosovo, where, nevertheless, the process of democratization has made some progress.

What distinguish Germany, Japan, Bosnia and Kosovo, on the one hand, from Somalia, Haiti and Afghanistan on the other, are not their levels of Western culture, of economic development, or of national homogeneity. Rather what distinguishes these two groups, one where democratization has or is taking hold, and the other where it has not, is the level of effort the United States has put into their democratic transformations. Nation building, as this study illustrates, is a time and resource consuming effort. The United States and its allies have put twenty five times more troops and money into post conflict Kosovo than into post conflict Afghanistan. This higher level of input accounts, at least in part, for

the higher level of output in terms of democratic institutions and economic growth.

In the late 1940's, while it was shouldering all the burden of Japans transformation and most of that for West Germany, the United States produced some 50% of the world's GNP. By the 1990's, when nation building again came into vogue, that figure was down to around 22%. International burden sharing had become commensurately more important.

Throughout the 1990's the United States wrestled with the problem of how achieve wider participation in its nation building endeavors while also preserving adequate unity of command. In Somalia and Haiti, the United States experimented with sequential arrangements by which it organized, led, largely manned and funded the initial phase of the operation itself, but then quickly turned responsibility over to a more broadly representative (and more widely funded) United Nations force. These sequential efforts can not be deemed a success. In Bosnia the United States succeeded in achieving unity of command and broad participation on the military side of the operation through NATO, but resisted the logic of achieving a comparable arrangement on the civil side. In Kosovo, the United States achieved unity of command and broad participation on both the military and civil sides, through NATO and the UN respectively. While the military and civil aspects of that operation remained under different management, the United States assured that the mandates and capabilities of the two entities, KFOR and UMMIK would overlap thereby preventing a gap opening between them.

None of these models proved entirely satisfactory. Arrangements in Kosovo, however, do seem to have provided the best amalgam of American leadership, European participation, broad financial burden sharing and strong unity of command. Every international official in Kosovo works ultimately for one of two people, the NATO commander or the Special Representative of the Secretary General. Neither of these is an American, but by virtue of its credibility in the region and its influence in NATO and the UN Security Council, the United States has been able to maintain a fully satisfactory leadership role, while paying only 16% of the reconstruction costs and fielding only 16% of the peacekeeping troops.

The efficacy of the Kosovo model for managing a large scale peace operation depends very heavily upon the ability of the United States and its principal allies to attain a common vision of the enterprises objectives and to then shape response of the relevant institutions, principally NATO, the European Union and the United Nations, to those agreed purposes. Where the principal participants in a nation building exercise have such a common vision, the Kosovo model offers a viable amalgam of burden sharing and unity of command.

More recently, in Afghanistan, the United States opted for parallel arrangements on the military side, and even greater variety on the civil. An international force, with no US participation, operates in Kabul, while a national, mostly US force operates everywhere else. The UN has responsibility for promoting political transformation while individual donors coordinate economic reconstruction (or more often fail to do so). This arrangement is a marginal improvement on Somalia, since the separate US and international forces are at least not operating in the same physical space, but represents a clear regression from what was achieved in Haiti, Bosnia or, in particular Kosovo.

Another aspect in which these seven cases differ is that of duration. Some were begun with clear departure deadlines which were adhered to--Haiti. Some began with very short time horizons but saw those amended - Germany, Japan, Somalia and Bosnia. And some were begun without any expectation of an early exit - Kosovo and Afghanistan. The record suggests that while staying long does not guarantee success, leaving early assures failure. To date, no effort at enforced democratization has taken hold in less than five years.

And if democratization takes hold, is that the ultimate exit strategy? These case studies suggest not. American forces have left clear failures behind - Somalia and Haiti—but remain present in every successful or still pending case - Germany, Japan, Bosnia, Kosovo and Afghanistan. These five interventions were motivated by regional or global geopolitical concerns. Democratization alone may not fully address such concerns. Germany and Japan were disarmed and consequently required American help in providing for their external security long after they became reliable democracies fully capable of looking after their own

internal affairs. Bosnia, Kosovo and Afghanistan also may well require American (or perhaps, in the case of Bosnia and Kosovo, European) assistance with their external security long after their internal peace is established. Whether this help will take the form of an external troop presence, an external security guarantee, or external leadership in forging new regional security arrangements remains to be seen, but some American and or European security commitment is likely to continue long after the democratic transformation is completed. Indeed, if Germany and Japan are any guide, the more thorough the democratic transformation, the more deeply forged may be the residual links. The record suggests that building a nation in ones image creates ties of affection as well as of dependency that persist long after the successful birth.

With these considerations in mind, we came to the following general conclusions in addition to those associated with specific operations:

- Many factors influence the ease or difficulty of nation building - prior democratic experience, level of economic development, national homogeneity. Another important determinant of success, however, is the level of effort, in time, men and money, ~~invested in the process~~.
- Multilateral nation building is more complex and time consuming than unilateral. It is also considerably less expensive for any one participant.
- Multilateral nation building can produce more thoroughgoing transformations and greater regional reconciliation than unilateral efforts.
- Unity of command and broad participation are compatible if the major participants share a common vision and can shape international institutions to their needs.
- Neighboring states can exert decisive influence, for better or worse. It is near impossible to put together a fragmented nation if its neighbors persist in trying to tear it apart. Every effort should be made to secure their support.
- Accountability for post injustices can be a powerful component of democratization. It also tends, however, to be among the most difficult and controversial aspects of any nation-building

endeavor and should, therefore, be attempted only if there is a deep and long term committeemen to the overall operation.

- There is no quick route to nation building. Five years seems the minimum required to enforce an enduring transition to democracy.
- Successful nation building can create ties, affection and a long-term dependence for external security long after the need for assistance in building democratic forms and maintaining internal security is past.

**APPLYING THESE LESSONS TO IRAQ**

Finally, after reviewing these experiences and seeking to draw the resultant lessons, this study suggests how these best practices might be applied to future operations, and, in particular to Iraq.

Although the military phase of the war against Iraq went better than could have been hoped for and the regime collapsed much faster than many expected, the U.S. has been left with an unenviable task in seeking to nation build in Iraq. The British spent several decades forging an Iraqi state out of remains of the Ottoman empire but neither they nor their Iraqi successors succeeded in forging a real Iraqi nation; none really tried to build a democratic, pluralist polity.

Nation building in Iraq faces a number of deep-rooted challenges. Iraq has no tradition of pluralist democracy; instead politics has always been about authoritarian rule and the settlement of disputes by force. Although a sense of Iraqi national identity does exist, this does not override communal forms of identity along ethnic, geographic, tribal or religious grounds. The majority of the population, the Kurds and Shia, have no real tradition of representation as communities in national Iraqi politics but will now have to be brought into the polity. To make matters worse, organized crime and banditry are strongly rooted. Furthermore, the past decade of sanctions and Saddam Hussein's dictatorship have denuded Iraq of its once strong middle class, who had a stake in development of a civil society.

In addition to these particular Iraqi problems, the country faces the familiar challenges of a society emerging from a long period of

totalitarian rule. The military, security services and bureaucracy need to be radically reformed and purged. Justice needs to be achieved for victims of human rights abuses. The economy needs a major overhaul to make it competitive in the global market.

These challenges would have faced any attempt to achieve transformation in Iraq. Due to the diplomatic circumstances of the conflict, the U.S. also has to cope with unsympathetic neighbors - Iran, Syria and Turkey all have an interest in shaping Iraqi politics and perhaps in destabilising a smooth transition. At the international level, the pre-war splits in the UN Security Council make it much harder for the U.S. to adopt the burden sharing models adopted in Bosnia, Kosovo and Afghanistan. At the same time, the U.S. was unable to undertake pre-war preparations that would have eased post-war transition, such as coordinating humanitarian relief with the UN and NGOs, organising international civil police forces and establishing an international political authority to rebut Arab suspicions of American imperialism.

Nonetheless, Iraq does have some advantages for nation-builders. First, it has a nation-wide civil administration, which is relatively efficient. This administration needs to be rebuilt but not reconstructed from scratch. This administration, staffed mainly by Iraqis, will reduce the need for direct international intervention and facilitate security and development across the country. Second, the civil administration and the extensive links with UN agencies means that the humanitarian issues should be soluble. Third, Iraq's oil means that the country will not remain dependent on international aid in the medium term.

As it embarks on its most ambitious programme of nation-building since 1945, the U.S. must learn important lessons from the case studies examined in this report. The U.S. has staked its credibility on a positive outcome in Iraq. This will require an extensive commitment of resources (financial, personnel and diplomatic) over a long period of time. The U.S. cannot afford to contemplate early exit strategies, nor can it afford to leave the job half done. The real questions for the U.S. are not how soon it can leave but rather how fast and how substantially to share power with Iraqis and with the rest of the world

while retaining enough itself to oversee an enduring transition to democracy.

## 2. GERMANY

The Second World War was the bloodiest conflict in European history. Millions of soldiers and civilians were killed in battle or in concentration camps operated by Nazi Germany. In May 1945, Germany surrendered unconditionally to the United States, the Soviet Union, and Great Britain. The allies had already decided to occupy Germany militarily. The United States, Great Britain, and, it was later decided, France would occupy zones in the west while the Soviets would occupy the east. The capital of Berlin was also partitioned among the four occupying powers. Common allied policy was developed in a series of summit meetings, most notably at Casablanca in January 1943, Yalta in February 1945, and at Potsdam in August 1945. At Casablanca, British Prime Minister Winston Churchill and American President Franklin Roosevelt had decided to accept only unconditional surrender from Germany. This decision was reiterated in subsequent meetings that included Soviet leader Josef Stalin. The Yalta declaration called for unconditional surrender; the destruction of Nazism; the disarmament of Germany; the speedy punishment of war criminals; reparations; and an economy able to sustain the German people, but not capable of waging war. The Potsdam agreement elaborated on these political and economic principles and included agreements about occupation areas, the disposition of eastern German borders, population transfers, and the treatment of war criminals.[2]

**CHALLENGES**

Germany was utterly defeated by the end of the war. The last years of the war had damaged the state's physical infrastructure, in some cases severely, although later analysis found that the damage was not as extensive as first thought.[3] The more immediate problem was the collapse

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[2] The United States Department of State, *Occupation of Germany: Policy and Progress 1945-46* Publication 2783 (Washington: GPO, 1947), p. 3.

[3] John Killick, *The United States and European Reconstruction: 1945-1960;* Keele University Press, Edinburgh, 1997, pp. 61, 88.