

**STATEMENT OF JOHN A. GASTRIGHT
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SOUTH AND CENTRAL ASIAN AFFAIRS
BEFORE THE
HOUSE BUDGET COMMITTEE**

JULY 31, 2007

INTRODUCTION

Mr. Chairman, Members of the Committee, almost six years after September 11, 2001, Afghanistan remains at the forefront of efforts to combat global terrorism. Make no mistake: we are winning, but this effort is going to require many years of intense U.S. engagement. And with the continued strong support of the United States Congress our strategic goal of a democratic Afghanistan that is never again a haven for international terrorism will be achieved.

The integrated strategy we are pursuing melds together security, governance, and reconstruction. Each line of effort reinforces the other. The focus of our security efforts is training the Afghan military and police forces and we are making real progress. To complement these efforts, we are strengthening Afghan national institutions and improving Afghan governance throughout the country. We continue to make excellent progress on road construction, which improves Afghan economic viability, and also intend to extend the availability of electricity. We are re-building the rural infrastructure, enabling agricultural production to take place in vast areas of the country until recently out of bounds because of lack of irrigation or the presence of land mines.

Since 2001, with this Committee's support, the United States has invested more than \$22.7 billion into rebuilding Afghanistan, and we have made great progress on many fronts. The Congress has appropriated \$10.1 billion for assistance in Fiscal Year 2007 alone, which includes over \$2 billion of foreign operations assistance for reconstruction. Economic growth remains high, and major reconstruction milestones in health, education, and infrastructure development have been reached.

Despite these successes, renewed attacks, particularly in the south, by the Taliban and other groups opposed to the legitimate Government of

Afghanistan, as well as the continued menace of narcotics production remind us that our efforts are far from complete and that our commitment needs to be strong and steady.

RECONSTRUCTION

Our military efforts are helping to create a secure environment, while our reconstruction activities are laying the foundation for a functioning Afghan economy by constructing roads, building power generation capacity, expanding rural development opportunities, and working with the Afghan Government to extend good governance to the Afghan people.

In 2001, after the fall of the Taliban, there were only 50 kilometers of paved roads in the entire country. Construction is complete on over 5,825 kilometers of highways and provincial roads. The Ring Road is fully subscribed; routes to neighboring countries are under construction; and provincial and district roads are knitting together the country, particularly in the south. Not only are these roads transforming the rural landscape of Afghanistan and providing the foundation for a sustainable economy, they are also providing construction jobs and help to extend the writ of the central government. The Pyanj River Bridge, constructed by the U.S. Army Corps of Engineers, will link Afghanistan and Tajikistan. Once it is dedicated in August, it will draw Central and South Asia closer together by permitting the flow of goods and travelers that will help to re-establish Afghanistan as the transportation focal point for the region. We have also recently completed crossing facilities on the Turkmen border at Imamnazar. Allied to such physical infrastructure upgrades, the United States supports mentoring of customs and border police units in order to improve Afghanistan's ability to sustain itself.

Access to reliable, affordable power is also critical to the stabilization and development of Afghanistan. Today, roughly ten percent of Afghans have access to electricity. We are working with the Afghan Government and other donors to build a power generation network that can serve as an engine of development. The goal of the Afghan government is to provide power to 40 percent of its population by 2011. In recent months, success in security operations in the Sangin District of Helmand Province has permitted the resumption of construction on the Kajaki Dam project, which will provide electricity for Helmand and Kandahar Provinces to close to two million Afghans. In the north, with our international partners, we are assisting

Afghanistan in its efforts to secure power purchase agreements with neighboring countries and to build transmission lines to Kabul.

In addition, we are working to harness the power of markets. To ensure that people have opportunities for employment and a chance to develop sustained alternative livelihoods, President Bush announced his support for the establishment of Reconstruction Opportunity Zones (ROZs) in Afghanistan and the border regions of Pakistan. By allowing certain goods manufactured in ROZs to enter the United States duty free as part of a comprehensive strategy of support for the Afghan private sector, this initiative can serve as a catalyst for increased trade and economic stability. The Administration is working with Congress, American industry, and the Afghan government to implement this initiative and to give these people, who need jobs and hope for the future, an opportunity to join the world economy and build sustainable livelihoods.

GOVERNANCE

Improved governance is essential to laying the foundations of a stable society. Widespread incapacity and corruption together with traditional patronage networks impede efforts to deliver government services. Afghans deplore the continued presence of corrupt officials at all levels. Regrettably, the central government has been slow to remove even those involved in some of the most egregious cases. However, the attorney general has launched efforts to hold corrupt officials accountable, and we are beginning to see progress on this front. Good governance is key to maintaining and reinforcing long-term stability, preventing the return of the Taliban and winning in Afghanistan.

At the July 2007 Rome Conference on Rule of Law in Afghanistan, the international community pledged approximately \$98 million in new contributions to support justice sector reform efforts in Afghanistan, and they developed a plan to coordinate justice assistance programs in the provinces.

Where governmental authority is weak and provincial governors uncommitted, poppy cultivation has grown. Farmers must have alternative livelihoods; security forces (army and police) must enforce the law; and government officials need to provide the necessary leadership. Preliminary poppy cultivation figures this year show a distinct north-south split. In the

North, where our five-pillar strategy (alternative development, eradication, interdiction, judicial reform, and public information) is working in synergy, poppy cultivation is down. In the South where our five pillars have a more difficult environment, poppy cultivation will likely be up significantly.

Mr. Chairman, we have made much progress in Afghanistan, yet the international community must persist in supporting the Afghan people until they are able to stand on their own two feet. We must ensure that Afghanistan never again becomes a safe-haven for those who wish us harm

Thank you Mr. Chairman, I look forward to responding to your questions.