



NATO Plan Ties Afghan Economy to Growth of Forces

By Ian Graham, Emerging Media, Defense Media Activity

WASHINGTON -- The economic power of military-fueled industry has been illustrated throughout history, and it looks like the growth of the Afghan National Security Forces will be a boon to developing industries in Afghanistan.

U.S. Army Col. John Ferrari, deputy of programs for NATO Training Mission-Afghanistan, Combined Security Transition Command-Afghanistan, discussed how NATO and coalition forces have worked to build Afghan forces while focusing on Afghan industry to support military growth during a June 4 DoDLive Bloggers Roundtable.

Ferrari said his program will have spent about \$40 billion by 2011 to recruit, train, equip and sustain the Afghan army, as well as the Afghan National Police. This year, Ferrari's group has focused on an initiative called "Afghan First," which promotes the participation of Afghan manufacturers, rather than purchasing imported equipment.

Their most-heralded success has been with Afghan boot manufacturer Kabul Milli, who not only received a contract to make the boots used by Afghan police and soldiers, but also received assistance to improve manufacturing techniques to make the boots more durable.

"In the past, we used to think we were buying boots here in Afghanistan, but it turned out that they were manufactured outside of Afghanistan and imported," Ferrari said. "Now in our contract we specify that we're only going to buy boots that are manufactured in Afghanistan."

Initially, the manufacturer was the only such business in the country. Since Kabul Milli won the contract and NATO said it would only buy Afghan-made boots, local competition has emerged, Ferrari said.

"A few other companies heard we wanted to buy locally manufactured boots, and just two weeks ago I went out and visited two new factories rising from the ground, where nothing existed before, to make boots," he said. "And so there's an example of the economy and the private sector reacting to a known market demand."

There have been similar recent spikes in growth for other industries to support military needs. Afghanistan-based clothing manufacturers are making uniforms, though no textile factories exist there yet, so fabric still is imported. Blankets, poncho liners, and other items issued to Soldiers will soon be made by Afghans, as well, Ferrari said.

"We're also about a week or two away from awarding a multiple-award contract for individual Soldier equipment to women-only-owned businesses," he said.

A new company has been created to build furniture for Afghan security forces in Policharki, near Kabul. Another company is learning to build facilities out of connexes - the metal shipping containers one might see stacked on a barge.

"As we're buying furniture for the Afghan security forces, we can go to them," Ferrari said. "And then, another place we've recently been to is learning how to make facilities ... so instead of importing those connexes, we will look at getting them up to the quality that we need and they will be able to do that."

Paper is another burgeoning industry, Ferrari said. Because of the near-constant state of turmoil in Afghanistan for the past 30 years, there are virtually no areas where trees can be harvested to make paper. Though paper still is imported, both civilian and government printing companies have popped up in recent years, he said.

"The ministry of defense has its own print plant, and we have a contract with local Afghan companies to do our marketing or our recruiting and retention," the colonel said. "There's a vibrant local industry and a state-owned industry that the MOD owns. But, I think it will be years before they're actually making their own paper here in Afghanistan."

For now, he said, there won't be any drop in demand. The U.S. government spent \$20 billion from 2003 to 2009 building the 200,000-man strong Afghan security forces, and plans to spend the same amount in 2010 and 2011 to recruit, train, and retain another 100,000 troops.



"In addition to generating and sustaining the security forces, we spend a lot of effort to make sure that what we're doing here is sustainable in the long term and that the Afghan people feel that they have an impact on their security forces," Ferrari said. "And so we want to make sure that we develop manufacturing capabilities, jobs and literacy training."

Ferrari said he hears a lot of questions regarding NATO's economic plans for post-war Afghanistan, and he compares its mission to the post-World War II Marshall Plan to rebuild Europe.

"We're investing hundreds of millions and billions of dollars into the local economy to jump-start manufacturing," he said of the training command. "We're taking hundreds of thousands of Afghans who had no formal education, who are not literate; we're bringing them into the security forces."

Source: <http://www.army.mil/-news/2010/06/08/40491-nato-plan-ties-afghan-economy-to-growth-of-forces/>