

# Afghanistan at a Crossroads: Transnational Challenges and the New Afghan State

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## Key Findings

- Afghanistan faces existential transnational threats such as cross-border militancy and weapons smuggling, smuggling and trafficking of both licit and illicit goods—including opiates and refined heroin—and ethnically based extremist ideology.
- Though the movement of militants across Afghanistan's border is of concern, it is important to remember that insurgency is fuelled by the movement of goods, including arms, drugs, and smuggled goods such as timber, gems, and precious metals.
- The center of gravity for these threats remains the Afghan-Pakistani border, though important trends show an increase in the movement of guns and drugs across the northern border with Central Asia.
- Improving local governance, with a view to accommodating local power structures where possible, will be key to strengthening border security and increasing Afghans' stake in the viability of the Afghan state and its institutions of governance.
- The spectrum of activities undertaken by the US-led coalition will have no lasting result if the activities are not locally adopted in a sustainable manner. Only by strengthening the Afghan state can the coalition ensure that Afghanistan is no longer vulnerable to manipulation and exploitation by outside state and nonstate actors.

Afghanistan is not a country that suffers from transnational problems, Afghanistan is a transnational problem. A failed state in every sense of the word, a lawless Afghanistan mired in war for almost three decades has been the cradle for transnational problems that continue to plague the Central Asian region. Militancy, arms transfers, smuggling, narcotics trafficking, and the spread of transnational ethnic and religious ideologies deployed against established states are only the most urgent of these. This

analysis will consider these problems under three wider headings: militancy (including arms transfers), smuggling and trafficking (with an emphasis on the latter), and the poor governance of Afghanistan's multiethnic polity, contributing to state weakness. These challenges are considered the most important in terms of the dangers they pose for the Afghan state and its population; they are by no means exhaustive.

In Afghanistan, transnational challenges are more than an academic diversion from traditional national security concerns. Indeed, the Afghan government's ability to effectively address these problems will determine the success or failure of the post-9/11 Afghan state.

### **Fluid Battleground: Transnational Militancy**

There is a widespread myth that Afghanistan is unusually resistant to foreign domination. An unromanticized view of the history of this troubled country cannot but vigorously refute this. Even if we discount the major movements of foreign armies and establishments of great imperial regimes over Afghan people in the premodern period, a cursory examination of Afghanistan since 1747 shows that it has been consistently victim to foreign intrigue and the overwhelming presence of foreign players, whether political or military. Most recently, Afghanistan has been vulnerable to the interest of a range of external players: Pakistan, the United States, Saudi Arabia, India, the Soviet Union, and Iran, but also the Central Asian states and the North American Treaty Organization (NATO). Each of the named states has provided funds, arms, or military forces to effect political change in Afghanistan. Of course, the domestic interests of Afghans themselves have shaped and guided modern Afghanistan. The Taliban was an Afghan movement (or at least, a Pashtun one) with Afghan political goals. It was sustained, however, with considerable outside intervention, both financially and in terms of equipment and men in arms. In fact, the majority of Afghan governments have been enabled by foreign support, including both the celebrated mujahidin and the current Karzai government. The domestic political environment in Afghanistan has been heavily influenced by the transnational movement of funds, arms, and militants. Stemming the tide of arms and militants flowing into Afghanistan from neighboring states, primarily Pakistan, presents a continuing challenge to the current Afghan government.

### ***Focus on Pakistan: The Pashtun Connection***

Though the movement of troops, arms, and financing for insurgency flows into Afghanistan from each one of its neighbors, the widest and most reliable stream has come from Pakistan. It is well known and undisputed that today Taliban forces make generous use of Pakistani territory for staging posts and logistical rear bases, recruitment and rest and recuperation. Though as late as 2007 this circulation of men, arms, and money seemed to affect only Afghanistan, developments in Pakistan demonstrate that the free movement of militant groups in the Afghan-Pakistan border area presents a grave threat to both Islamabad and Kabul in equal measure.

Pakistan has much to gain by pursuing a regional strategy against the movement of militants and arms across its shared border with Afghanistan. While Pakistani leaders, beginning with Zia ul-Haq, believed that an Islamist Afghanistan would provide strategic depth to Pakistan vis-à-vis India, exactly the reverse has happened: Pakistan's provincially and federally administered territories have provided strategic depth to the Taliban. Decades of policies, nurturing first a refugee-based insurgency, an arms pipeline, and an extremist Islamist regime next door, have seriously threatened not only Pakistani democracy but also the integrity of the Pakistani state.

### ***Equipping Militants: Transnational Arms Flows***

Transnational militancy in Afghanistan is multiplied by the immensity of transnational arms flows in the same region. The ubiquity of small and light weapons in Afghanistan, particularly in the border region, means that rival power centers are well armed and easily mobilized against the central government. Afghanistan is neither a producer nor an exporter of small weapons but is awash in illegally imported weaponry as a legacy of the campaign against the Soviet Union. During this period, the United States and Saudi Arabia financed the largest known transfer of small and light weapons into any single country. The structural design of this covert arms-smuggling operation probably made the creation of an illicit, transborder weapons market inevitable. Because the militants conducted training and recruitment on one side of the border and insurgent operations on the other, both rural Afghanistan and Pakistan became irreversibly weaponized. Following the withdrawal of the Soviets and the fall of the Najibullah government in 1992, considerable stockpiles of weaponry were

redistributed to competing Afghan forces. Mujahidin-era weaponry remains the single largest category of weaponry in use in Afghanistan. The presence of these weapons has presented a decades-long transnational challenge for both Pakistan and Afghanistan.

Today, Pakistani weapons bazaars, in the North-West Frontier Province (NWFP) in particular, are the site of the sale of both Afghan and Pakistani weapons to both Afghan and Pakistani nationals. Since the US-led invasion of Afghanistan in 2001, prices of small and light weapons in Afghanistan and Pakistan have undergone significant fluctuations, telling us something about the forces of supply and demand. In 2002, for example, weapon prices inside Afghanistan appeared to collapse while the same weapons were sold for three times as much in the Pakistani border area. This resulted in a net outflow of weapons from Afghanistan into illegal Pakistani markets. More recent anecdotal reports suggest that weapons prices have again increased inside Afghanistan. A report published in 2006 by the *Christian Science Monitor* alleges that weapons prices in northern Afghanistan in particular were on the rise, suggesting that communities were re-arming in anticipation of increased Taliban activity. This price increase will no doubt be reflected in an increased flow of weapons into Afghanistan from Pakistani markets.

Although the scale of the problem is of a different order, there is evidence that some arms flows originate from Central Asia as well. An academic quantitative study conducted by Michael Bhatia and Mark Sedra identifies the border area around Kunduz in particular as a transit point for “specialized and rare” light weapons coming from Russia. Weapons enter Afghanistan from both its northern borders with Turkmenistan, Uzbekistan and Tajikistan, as well as from the western border with Iran, although the center of gravity for the transfer of weapons continues to be the Afghan-Pakistani frontier.

### **Illicit Economy: Smuggling and Trafficking**

Afghanistan is often described as the ancient transit hub of Eurasia. Today, Afghanistan continues to exploit its comparative advantage as a transit route linking South Asia, Iran, Russia, the Central Asian Republics, and China by acting as a lucrative conduit of smuggled and trafficked goods. Some of these goods transit through the country, illegally and without the payment of custom or duty; some of this contraband—notably opium, refined heroin, timber, gems, and precious stones—is produced

inside Afghanistan and trafficked elsewhere. Both the smuggling of licit goods and the trafficking of illicit ones are important revenue streams for nonstate actors seeking to control Afghanistan.

Contrary to some literature on this subject, smuggling and the reemerging narco-economy in particular are not new phenomena to the Afghan economic landscape. The narco-economy, though disrupted by the Taliban’s eradication campaign in 2000 and the international invasion in 2001, has long been a pillar of Afghanistan’s real economy. But there have been changes in the last five years to the structure of Afghanistan’s smuggling problem. These changes reflect shifts occurring in the global economy of the post–Cold War world. Traditional smuggling routes out of Afghanistan have been across the southern and western borders, through Iran and Pakistan. Analysts believe that Iran remains the primary route for drug traffickers, because of the relative ease with which contraband can be moved through Iran and then to Turkey and Western Europe. Iran also provides an important consumer market for heroin, with the number of addicts estimated in the millions. Tehran has consistently waged an aggressive and sometimes violent border campaign against smugglers and traffickers, but the movement of goods continues nonetheless. Pakistan also has seen a lot of illicit activity across almost the entire border, for several reasons. First, the administrative freedoms granted by Islamabad to the NWFP and the Federally Administered Tribal Areas (FATA) have facilitated an illicit economy out of the view of national authorities. Second, the existence of transborder kinship groups in the Pashtun community provide built-in commercial relationships across the border. Third, until a crackdown in the late 1990s, Pakistan itself was a significant global producer of opium, and though cultivation was successfully eliminated before 2000, trafficking by transport mafias in that area continues to operate with Afghan opiates alone. Finally, the so-called “arms pipeline” that was established to move small and light weapons to the mujahidin in their campaign against the Russians meant that an illicit transport corridor linking Afghanistan and Pakistan was well established by the mid-1980s and could be adopted for dual use.

In recent years, however, smuggling routes have been increasingly a problem across Afghanistan’s northern border as well, with large surges in drug trafficking reported. UN studies allege that Central Asia is now the destination for as much as 65 percent of Afghan opiates, with Tajikistan and Turkmenistan identified as the primary northern routes. Some of the contraband travels to Russia and Europe, but much of it is consumed in

Central Asia. Today, Central Asia provides the largest single market for opiates and heroin, with more users of these substances identified there than in all of Western Europe. Tajikistan in particular has seen a substantial increase in opiate-related crime, whether consumption and addiction, or cross-border or local trafficking. Like Pakistan, Tajikistan has a recent history of border porousness with northern Afghanistan. Cross-border Tajik ethnic communities meant that militants found sympathy and refuge in each others' territory (e.g., Afghan Tajiks during their campaign against the Taliban; Tajik Islamist militants in their campaign against the post-Soviet government). Turkmenistan found itself vulnerable because of President Niyazov's conciliatory policy toward the Taliban, which facilitated both licit and illicit trade. All of the Central Asian republics can attribute at least part of the explosion in drug trade across their borders to the fact that the Russian mafia was already active in this region. Organized criminal elements from Russia successfully acted as a bridge linking Central Asia to Russian and Western European markets, encouraging a surge in drug flow. In sum, an unfortunate mix of preexisting communities of interest, working supply routes, and criminal elements conspired to ensure that Afghanistan's northern boundary witnessed the movement of a healthy share of Afghanistan's heroin exports.

Poppy production centers have shifted to reflect this change in supply routes to favor the northern border. For instance, Badakhshan in northeastern Afghanistan is now among the most productive Afghan provinces with respect to poppies. From Afghanistan's northern border opiates are moved through Central Asia to Russia and on to Europe. Today, almost all of the heroin consumed in Russia originates in Afghanistan, as does almost all of that consumed as far west as the United Kingdom.

### *Agents of Change*

Not surprisingly, the first impetus to act against the drug trade in Afghanistan was prompted by an outcry by Afghanistan's northern neighbors. Relatively unaffected by militancy in Afghanistan, Russia and the Central Asian states succeeded in convincing both the US administration and its client administration in Afghanistan that measures needed to be taken to curb the exploding drug trade. By 2004, opium production in Afghanistan had reached unprecedented levels, and new transit routes across Afghanistan's border were causing harm to the

national interests of Afghanistan's northern neighbors. Thus, responding to Russian and Central Asian concerns, the Bush administration identified the drug trade as a priority for US operations there in that year.

Still, this was not viewed primarily as a transnational challenge. Rather, the US administration viewed the drug trade through the lens of domestic militancy; i.e., its interest in combating drugs trafficking was based on the fact that the drug trade was financing insurgent operations in Afghanistan. This narrow concern for insurgency and terrorism within Afghanistan alone meant that the energies of the administration and its allies were immediately focused on domestic approaches only: crop eradication, crop substitution, and law enforcement. This policy was pursued in the following years with a variety of agencies—including the Afghan National Police, US forces, the US Drug Enforcement Administration, and Afghan provincial governors—but was limited to activity within Afghanistan itself and not in the administrative in-between spaces of Afghanistan's border control strategy. Such an approach ignores the important transnational nature of the problem.

This domestic strategy appears not to have borne results. The manual eradication that formed the backbone of coalition antidrug campaigns resulted in only a mild drop in the number of hectares cultivated. For much of 2002 to 2008, critics alleged that international policy on what to do about Afghanistan's emerging narco-economy was stagnated by disagreements within NATO itself about the appropriate use of military force and the lagging enthusiasm from the Afghan government. This latter problem is most often attributed to the fact that key players in the international trafficking business in Afghanistan are also key government officials. Many of them are local strongmen or warlords who were offered attractive government posts as part of the reconstruction of the Afghan state. Some argued that the situation was unavoidable: the participation of drug lords in government was a means of increasing local loyalty to the new central government and co-opting potential rival sources of power in the Afghan countryside. In other words, the counternarcotics agenda was sidelined in favor of a counterinsurgency and counterterrorism agenda. By 2008, it seemed clear that this was a false dichotomy. The revenue streams provided to terrorist and insurgent groups in Afghanistan meant that counter-narcotics and counter-insurgency campaigns needed to be simultaneously pursued.

Responses to other forms of smuggling also have been made subordinate to other mission goals. Though the movement of precious

metals, timber, and semiprecious stones across the border is a known source of Taliban financing, action taken against smugglers seems to have been taken only on an as-needed basis. Piecemeal and locally driven responses have been enacted recently, including the setting up of checkpoints in Kunar province by US military forces. The checkpoints are intended to hinder the steady flow of illegal timber exported out of Kunar into Pakistan. Local officials say the timber trade is used to finance arms purchases to further the insurgency. The primitively equipped but surprisingly effective smugglers move their contraband largely by river and pack mule, keeping their operation outside of the usual day-to-day sight of coalition forces. However, according to US Army Public Affairs material, a request by the governor of Kunar Province to US forces operating in the region prompted the establishment of checkpoints along the riverine routes in use by smugglers. The action has not resulted in confrontations with smugglers thus far; smugglers have chosen to abandon their shipments en route rather than face stiff coalition resistance.

Recent statements made by top US envoy to Afghanistan, Richard Holbrooke, suggest that, at least with respect to the drugs trade, a major policy overhaul will replace this ad hoc strategy with something more coherent. Holbrooke told G8 foreign ministers at their meeting in Italy in the summer of 2009 that the United States was abandoning its crop eradication campaign, previously a central element to its strategy. Holbrooke maintains that the United States, using data collected from the United Nations Office on Drugs and Crime, now recognizes that the eradication campaign has not reduced the revenue stream that the drug trade brings to Taliban elements inside Afghanistan. Though the contours of a new drug policy for Afghanistan were not made clear, Holbrooke did confirm that the United States intends to increase its funding for crop substitution programs tenfold. Holbrooke also noted that the United States will take steps to improve interdiction and rule of law. Perhaps already indicating a shift in priorities, US and other NATO forces have, since late 2008, focused military operations not only on Taliban positions, but also on known or suspected Taliban drug labs and opium storage sites. Clearly, NATO has made important shifts in drug policy, though these shifts have not been made public thus far.

## **The Idea of State and the Problem of Governance**

In considering Afghanistan's substantial transnational challenges, it is

important to recognize that at its core, Afghanistan suffers from weakness as a cohesive state. Afghanistan is challenged by inhospitable terrain, a multiethnic, multilinguistic population base, poor infrastructure, weak economic indicators, and an almost total lack of established national institutions. All of these factors contribute to the weakness of the Afghan state as a source of social organization among Afghans themselves. This is not simply a legacy of colonialism or a problem of a multiethnic polity, although it is often framed this way by the Afghan-Pakistani Pashtun community in particular; it cannot be remedied by redrawing the borders of the modern Afghan state. There is no reasonable way to draw borders that will make Afghanistan less multiethnic, less mountainous, more institutionally developed or better economically endowed. The more logical solution to Afghanistan's political fractiousness is to improve governance in real and tangible ways. This is the only way local communities, of whatever ethnicity, will feel vested in the Afghan state and its future.

Thus, the development of institutions of governance—though a domestic endeavor—will be an important step to addressing Afghanistan's transnational challenges. The immensity of the governance challenge in Afghanistan becomes clear when one considers the predominance of what Afghan scholar Amin Saikal terms Afghanistan's "microsocieties" vis-à-vis successive central governments. Though these microsocieties have long been a feature of Afghan society, their "ancestral" nature should not be overstated. In modern Afghanistan, local leaders are largely legitimated by their ability to distribute patronage and provide security, not simply by their ethnic, religious, or tribal credentials. The bases of power in Afghanistan's microsocieties are highly localized and cannot be approached with a general view as to whether they are competitors or allies of the new Afghan state. This complicates NATO's nation-building efforts in Afghanistan, because it means that policymakers cannot exploit economies of scale with respect to governance. Governance will need to be implemented locally on a case-by-case basis. Community by community, the success of nation-building in Afghanistan will be largely dependent on the central government's ability to co-opt these microsocieties and institutionalize a stable working relationship between local autonomy centers and Kabul. It will be crucial that nation-builders in Afghanistan pay particular attention to local dynamics, working with local partners where possible and taking on competitors where necessary. This will require an immense store of local knowledge, patience, and

persistence. Without all three assets, the NATO-led Afghan nation-building project, like so many before it, may not survive beyond the international patronage that supports it.

### **Final Thoughts: Avenues Forward**

This abbreviated look makes it clear that the Afghan-Pakistani frontier is the center of gravity for Afghanistan's most urgent transnational problems. Still, the challenge is more easily identified than met. Several obstacles to increased border security between Pakistan and Afghanistan are immediately apparent. First, the terrain makes full border control difficult, if not impossible. Second, the existence of a single ethnic community straddling the border strengthens local resistance to attempts to tighten security. Third, historical antipathy between local communities and national governments in the border region make national border security strategies seem incompatible with sound local governance. Fourth, the relationship between Afghanistan and Pakistan has been unstable and often disrupted by diplomatic breaks (most recently in 2007).

Thus, few meaningful initiatives have been launched to improve border security and stem the movement of fighters, arms or other illicit materials across the border. What progress has been made has been facilitated by outside powers. For instance, in May 2009, a bilateral announcement was made by Interior Minister Rehman Malik of Pakistan and his Afghan counterpart, Minister Abdul Hanif Autaf, that border security would be enhanced. The announcement was the result of a meeting facilitated by US officials in Washington. With third-party facilitation, Afghan officials and their Pakistani counterparts signaled an intention to take important first steps in bringing law and order to their shared border. This includes the introduction of a new system of documenting expatriates living in each other's countries who have, until now, routinely crossed the border unregulated. This task of identifying border-crossers is not a small one; the number of expatriates crossing the Afghan-Pakistani border annually without any validating documentation is estimated at fifty thousand. Most of these undocumented travelers are likely Pashtuns who may have commercial interests, friends or family on either side of the border. The introduction of government control to their movements in this historically Pashtun territory will excite opposition by many locals. This is particularly the case on the Pakistani side of the border, where many Pashtuns currently reside in territories that have been historically administered at arm's length from Punjabi-dominated

Islamabad.

Another example of externally facilitated bilateral progress is seen in the Canadian-sponsored Dubai Process. Following the launch of the G8 Afghanistan-Pakistan Initiative at the 2007 Potsdam G8 conference, Canada took the lead in establishing a series of workshops in which Afghan and Pakistani officials could dialogue about their shared concerns. Before its suspension in 2008, the Dubai Process yielded five documents recommending further action on customs, counternarcotics, managing the movement of people, law enforcement, and connecting government to the people through social and economic development. In November 2007, Afghan and Pakistani officials agreed to develop a Memorandum of Understanding (MOU) that will allow the opening of their three legal crossing points seven days a week (up from five) and discussed the development of an MOU on a Customs-to-Customs agreement. Following a suspension of the process in 2008, Canada says that it is now committed to "revitalizing" the process. No workshops or facilitations are currently publicly scheduled.

All of these initiatives are embryonic and largely dependent on the success of the greater NATO reconstruction mission in Afghanistan as a whole. Training of border police and capacity-building across the Afghan security sector need to go hand-in-hand with bilateral cooperative policy changes in Afghanistan and Pakistan. Furthermore, evidence suggests that badly needed Afghan-Pakistani bilateral cooperation will materialize only with third-party facilitation. In a sense, NATO players active in the Afghan border regions will need to build capacity in diplomacy and transnational border policymaking. Despite the urgency of the problem and its centrality to the successful establishment of a viable Afghan state, this process of capacity-building is likely to be slow and incremental.