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# Opium And Insurgency: Development And Decay In Southern Afghanistan

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WASHINGTON UNIVERSITY

University College

Department of International Affairs

**OPIUM AND INSURGENCY: DEVELOPMENT AND DECAY IN  
SOUTHERN AFGHANISTAN**

By

Adam Munir Ebrahim

A thesis presented to the  
Graduate School of Arts and Sciences  
of Washington University in  
partial fulfillment of the  
requirements for the  
degree of Master of Arts

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## ***Introduction***

The collapse of the Soviet Union and the system of bipolarity was attended by an increased attention toward the “failed state” phenomenon. Peace-building and reconstruction of states that have been torn by decades of conflict has become a central theme of world development institutions. The events of September 11<sup>th</sup> and the consequent Global War on Terror (GWOT) have demonstrated the immediate relevance of crumbling hinterlands to the first world order. Spaces absent state control have increasingly become liminal zones of opportunity where counterhegemonic forces are able to build their capacity and project their agendas. The necessity of intervention by the developed nations was piqued by self-interest and security concerns as opposed to humanitarian considerations. This has had, however, the unintended consequence of forcing a sustained look at how state failure is produced by, and reproduces, conditions of conflict and civil war, reifying the need for strong governance in fostering peace and pursuing reconstruction.

Development literature and practice is replete with examples of state building and reconstruction in countries with existing institutions. However, policy and strategies related to rebuilding state capabilities under the conditions of persistent conflict and war remain nascent. The question of how rebuild effective governance in countries like Afghanistan, which has been host to three decades of war, resulting in political, economic and social decay, is the central concern of this thesis. The scope of investigation will be limited by examining two reinforcing and persistent variables in state failure, opium and insurgency, limited to how these dynamics interact with state

building efforts in the Kandahar Province. The experience of the Canadians in Kandahar Province provides a focused look at the interactions between the dynamics of failed state spaces and the interests that wish to see these spaces closed. Before the required background is presented to provide context for the study, it is important to discuss the notion of “state failure” more explicitly.

It is fairly easy to recognize the images associated with failed states. Toyota trucks loaded with young irregulars carrying Soviet-made Kalashnikov rifles and Rocket Propelled Grenades commonly appear in states considered failed. Extreme poverty and suffering appear in the form of emaciated children and endemic disease. The landscape of failed states is clapboard, unpaved, harsh and littered with waste. Well-intentioned Europeans and Americans wearing cargo pants and mesh vests, are seen next to Land Rovers with tinted windows. However recognizable, it is important to begin with a working definition of the characteristics of failed states. For the purposes of this paper, a state is considered failed in the presence of three general conditions: 1) The breakdown of law and order, where the state institutions no longer maintain a monopoly on the legitimate use of force to protect their citizens. 2) The incapacity of the in state institutions to provide for citizens needs, provide basic services and assure human security, and support normal economic activity. 3) The territory lacks viable and credible representation at the international level. (Brinkerhoff 2005)

This definition is broad and can encompass a variety of states across different shades of “failure.” To locate Afghanistan more clearly on a map of failed states, the World Bank’s Low Income Countries Under Stress (LICUS) “severe” grouping is

used. This places Afghanistan in the company of Angola, the Central African Republic, Equatorial Guinea, Haiti, Liberia, Myanmar, Solomon Islands, Somalia, Sudan and Zimbabwe. (World Bank 2005) There is ambiguity and slippage with regard to classification. However, it remains important in prioritizing the efforts of donor countries. By any measure, Afghanistan's place and rank with regard to the degree of peace and prosperity a nation enjoys is extremely low. Many of these countries share similar obstacles to development that stem from the role conflict plays within their territories.

Given the amount of violence that occurs in Afghanistan, it can be confusing to refer to it as a "post-conflict" environment of reconstruction. "...most post-conflict reconstruction efforts take place in situations where conflict has subsided to a greater or lesser degree, but it is ongoing or recurring in some parts of the country." (Brinkerhoff 2005, 4) This is important in understanding the nature of conflict in Afghanistan for the purposes of this paper. An examination of the localized variables that produce and reproduce conflict in Afghanistan's south against the relative peace of other regions is central to this paper's argument. Afghanistan is a post-conflict environment with specific pockets of ongoing violence. These pockets in turn threaten the larger project of state-building in Afghanistan.

The notion of governance also needs to be delimited. The variety of definitions of governance in state-building and reconstruction literature is broad. Each agency or organization defines governance differently. The Department for International Development (DFID) bases its notion of governance on capability, responsiveness and



accountability, stating that, “Good governance is about the capacity of governments to ensure safety and security for their people, to be able to get things done, to give people the chance to be heard and to respond to what they want.” (DFID, 2006, 4) The United States Agency for International Development’s (USAID) notion of governance is inextricably tied to democracy, in the absence of which,

“No amount of resources transferred or infrastructure built can compensate for or survive bad governance. Predatory, corrupt, wasteful, abusive, tyrannical, incompetent governance is the bane of development. Where governance is endemically bad, rulers do not use public resources effectively to generate public goods and thus improve the productivity and well-being of their society. Instead, they appropriate these goods for themselves, their families, their parties, and their cronies. Unless we improve governance, we cannot foster development.” (USAID 2003, 33)

The United Nations Development Program, (UNDP) answering their own question of what good governance is states, “Governance can be seen as the exercise of economic, political and administrative authority to manage a country's affairs at all levels. It comprises the mechanisms, processes and institutions, through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences.” (UNDP 1994, 6) These understanding of governance and the absence of governance serve to frame further discussions about development and state-building.

Reconstructing a viable state is more difficult than conducting elections or naming figureheads. Any concerted effort to reconstitute a state must do so with close concern for the consent of the people to be governed. Any government or regime that is to be supported and its capabilities enhanced must be perceived as legitimate. Often this task is complicated in multi-ethnic societies and even more so given the presence of a

colonial past. Afghanistan's legacy of ethnic rivalries and its experience with external powers creates a host of obstacles to the perceived legitimacy of a government sponsored from without. Democratic forms of governance are held as the most effective form of representation by international institutions. "Yet in numerous countries the path to democratization has proven tortuous; traditional and informal sources of power and authority vie for legitimacy, sometimes constituting an alternate 'state' within a state." (Brinkerhoff 2005, 7) The Bonn Process initiated after fall of the Taliban sought to enfranchise Afghanistan's multi-ethnic population in an equitable system of representation. However, this process has encountered debilitating problems, including factions attempting to form a state within the state. Another obstacle, intimately tied to legitimacy, is that of state efficacy.

Failed states and post-conflict states are often gutted by years of war and internal strife. The mechanisms that provide for basic human services—education, sanitation, health, electricity, water—are often in a state of disrepair. This is the source of extreme stress for populations, leading to disease, forced migration, humanitarian crises, and a variety of other forms of human suffering. Any effort seeking to reconstruct effective governance and derive legitimacy from the governed must prove its ability to restore the basic infrastructure and institutions that provide for human welfare and encourages economic growth. "Good practices involve sound macroeconomic and fiscal policymaking, efficient budget management, promotion of equitably distributed wealth-creating investment opportunities, and an adequate regulatory framework." (Brinkerhoff 2005, 8) Effective economic governance is often problematic in post-conflict reconstruction. Domestic elites that come into power have

a penchant for strengthening their position and siphoning funds intended for right purposes.

The development experience in Afghanistan following the fall of the Taliban has a mixed record. The creation of the political institutions necessary for democratic governance has faced the challenges of entrenched tribal politics and corruption. These challenges are common to underdeveloped nations, even more in the case of a post-conflict society. The social arrangements that existed prior to the introduction of a constitution and the holding of elections do not disappear instantaneously. It is a process that takes time. The major threat to development in Afghanistan has undoubtedly been the persistence of violence. The Taliban is resurgent. The greatest determinant in the success or failure of Afghanistan development will be whether or not it can dissolve the insurgency by addressing the root causes that allow it to thrive. The insurgency is largely dependent on the production of opium in southern Afghanistan to survive. However, the livelihoods of many Afghans depend on the income and credit they are able to obtain through the production of opium. The central argument of this thesis is that given the main obstacle to political and economic development is insurgency, and the insurgency, as well as many Afghan people, depend on opium production for their existence, the future of development in Afghanistan hinges upon supplanting the opium economy with alternate livelihoods that disrupt the cycle of insurgency, allow farmers to capture a greater share of profits and enfranchise them in the national licit economy. This paper will trace the development of Afghanistan following the fall of the Taliban in 2001 and analyze the role insurgency and opium production play in undermining development. Special

attention will be given to the Afghan Province of Kandahar as this region is the heart of opium production as well as insurgency. While the development of Afghanistan may pay a dividend of increased security in the global north, this study was conducted with the central focus of exploring ways to improve the lives of Afghan people.

### ***Post-conflict State-building in Afghanistan***

The fall of the Taliban in October of 2001, closed one of the darkest chapters in Afghanistan's history. The country had been ravaged by three decades of war and its social, political and economic infrastructure was devastated. The Bonn Agreement, organized by the United Nations (UN) in December of 2001, sought to begin the gradual process of reconstructing the national institutions of Afghanistan. "The first and immediate question was the formation of an interim government, which would be representative of all social groups (including women), to be in place before a permanent structure could be created." (Rais 2008, 126) Hamid Karzai was appointed as the head of the interim government, placating Pashtun worries over ethnic minority control, and ensuring that the United States would maintain due influence. The ethnic representation in the national ministries included eleven Pashtun, eight Tajiks, five Hazara and three Uzbeks. The Tajiks held the important ministries of defense, interior, intelligence, and foreign affairs. A preponderance of state power was delegated to the Tajiks because of the role of the Northern Alliance in battling the Taliban. (Rashid 2008) In addition, although there was a majority of Pashtun representation, Hamid Karzai was the only Pashtun from southern Afghanistan. (Rashid 2008) Ethnic politics

played and continues to play a central role in the politics of state-building in Afghanistan.

The Bonn Agreement was coordinated by the United Nations in December following the Taliban's removal of power. The purpose of the Bonn agreement was to initiate a process of repairing Afghanistan's devastated national infrastructure and provide for the reconstruction of the Afghan state. The Bonn Agreement provided for the creation of an interim authority, composed of a chairman, a special independent commission for the convening of a Loya Jirga, and a supreme court of Afghanistan. The interim authority was contracted to expire following the convening of an emergency Loya Jirga that, "...shall decide on the a Transitional Authority, including broad-based transitional administration, to lead Afghanistan until such time as a fully representative government can be elected through free and fair elections..." (UNSC 2001) The Bonn Agreement reinstated Afghanistan's Constitution from 1964 until a Constitutional Jirga could be convened to draft a new one. The Bonn Agreement also went far to enfranchise the groups that opposed and helped Coalition Forces defeat, the Taliban.

"Expressing their appreciation to the Afghan mujahidin who, over the years, have defended the independence, territorial integrity and national unity of the country and have played a major role in the struggle against terrorism and oppression and whose sacrifice has now made them both heroes of the jihad and champions of peace, stability and reconstruction of their beloved homeland, Afghanistan." (UNSC 2001)

The Bonn Agreement clearly denotes the winners, and by omission the losers, in the post-conflict state-building process. The question of representation in the new Afghan state was further defined in the new constitution.

The Constitutional Loya Jirga met on January 4<sup>th</sup> of 2004 to approve the new constitution for the “Islamic Republic of Afghanistan.” The purpose of the constitution was to further elaborate the process of state-building and reconstruction, and provide a framework for elections. The constitution provides for a strong presidential executive branch. The president must be a Muslim, an Afghan citizen and is the commander-in-chief of the armed forces. It creates a bicameral legislature composed of the Wolesi Jirga (House of the People) and the Meshrano Jirga (House of Elders.) The Wolesi Jirga is composed of delegates elected through a system of proportional representation. Article eighty-three requires that of the 250 members, sixty-four must be women. The Meshrano Jirga is composed of local dignitaries and experts appointed by provincial councils, district councils and the president. The constitution also addressed the role Islam was to play in the new state.

Given the gross atrocities committed in the name of Islam by the Taliban, the place of religion in the new constitution was a central concern for international observers, as well as religious minorities within Afghanistan. The constitution recognizes the Hanafi School of jurisprudence, in line with dominant Pashtun beliefs, but also recognizes Shia interpretations of jurisprudence in cases involving Shia. The constitution also defines the role the state is to play in promoting religion. “Under Article 17, the State shall adopt all necessary measures for promotion of education at all levels,

development of religious education, organizing and improving the conditions of mosques, madrassas and religious.” (Singh 2004, 548) While this may seem undue mingling of Mosque and State, it is more accurate to see such provisions as the government’s attempt to control the religious center of gravity in Afghanistan. In Article fifty-four of the Afghan constitution, the State is also charged with the responsibility of ensuring the physical and psychological security of Afghan families that in part involves the elimination of influences challenge Islamic principles. Similarly, Article thirty-five provides for the freedom to form political parties and social organizations provided the purposes are not contrary to Islamic principles. Two other issues of central importance in the Afghan constitution are the provision for gender equality and ethnic minority rights.

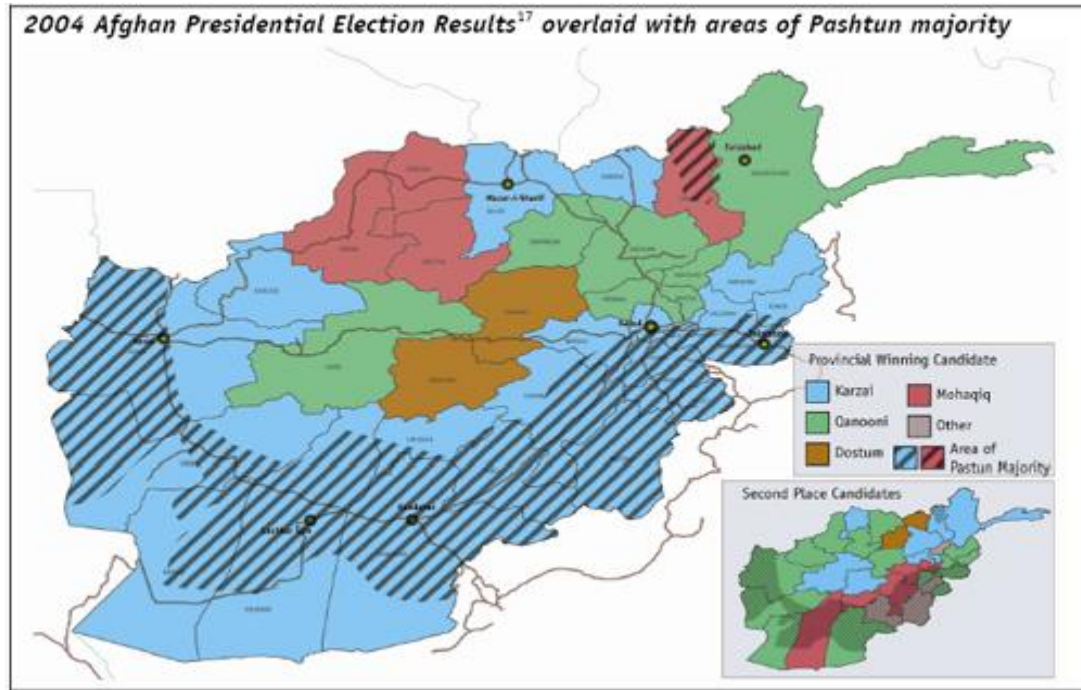
The constitution goes further than the 1964 constitution in recognizing the ethnic pluralism of Afghanistan. Article sixteen of the constitution recognizes Pashtuns, Tajiks, Hazaras, Uzbeks, Turkmans, Baluchis, Pashais, Nuristanis, Aymaq, Qirghiz, Gujurs, Brahwuis and Arabs. And while Pashtu and Dari are the official languages of Afghanistan, Uzbeki, Turkmen, Baluchi, Pashai, Nuristani and Pamiri are recognized as the official languages in the regions where the majority speaks them. There are no restrictions on publishing or broadcasting in these languages and the constitution encourages the development and teaching of the languages in the regions where they are spoken. How the new constitution dealt with the protection of women in Afghanistan was also a development closely watched given the horrors perpetrated by the Taliban.

The new Afghan constitution goes far to provide for the legal protection of women in Afghanistan. Article twenty-two states that “men and women have equal rights and duties before the law,” and that “any kind of discrimination and privilege between the citizens of Afghanistan is prohibited.” Women are often the victims of punishment meted out by local actors, the most infamous example being honor killings. The new constitution stipulates that no person be punished outside of courts of law. The right of women to own property is also guaranteed and protected by the Afghan legal system. During the Taliban rule of Afghanistan, women were disallowed from attending school. Article forty-three of the new constitution charges the state with the responsibility of providing a free education to every Afghan citizen up to a secondary level. There does seem to be potential contradiction between rights afforded women and the primacy of Islam in the constitution. “In Islam, a man has the unilateral and extra-judicial power to divorce his wife, whereas, to get a divorce, a woman has either to return her dower to buy release (mubarrah) or go through the ordeals of litigation to get the marriage dissolved (khul).” (Shah 2005, 252) This contradicts Article 16, which provides for equal rights and protection for men and women in the family sphere. Potential contradictions aside, the constitution goes far in creating legal protection and enfranchisement of minority groups and women. The degree to which the State is able to enforce these rights is another matter which will be taken up further into the study.

The date of the Afghan presidential elections was originally set for July 5, 2004, but was postponed twice until October. Hamid Karzai was the early frontrunner, who ran as an independent but had the backing of several political parties. His main



challengers were Abdul Rashid Dostum, ethnic Uzbek and veteran of both sides of the war with the Soviets, Yunus Qanuni, a leader of the Northern Alliance and claimant to the mantle of Ahmed Shah Masoud, Mohammed Mohaqiq, the leader of the Islamic Unity Party of Afghanistan, and Ahmed Shah Ahmadzi, a representative of the religious right and veteran Mujahid and Talib. (Rais 2008) The elections were held on October 9, 2004, with approximately 7.5 million voters turning out, including ballots cast by refugee voters in Iran and Pakistan. Much like the recent election in Afghanistan, there were widespread accusations of fraud pertaining to multiple votes being cast by individuals and irregular closing times at polling places. Hamid Karzai won easily with 55.4% of the popular vote, followed by Yunus Qanuni, Mohammed Mohaqiq and General Dostum. "...the Free and Fair Elections Foundation of Afghanistan that deployed 2,300 monitors observed that there was a 'fairly democratic environment' in polling centers." (Rais 2008, 130) The results of the election revealed that ethnic affinities played an important role in determining voter choice.



Map 1: 2004 Afghan Presidential Election Results overlaid with areas of Pashtun majority.

Source: International Council on Security and Development

The election of Hamid Karzai largely depended on support from the majority Pashtun regions of Afghanistan. Ethnic affiliation proved to be a deciding factor in determining who Afghans voted for. None of the candidates receive significant support outside of their ethnic group. Qanuni received most of the Tajik vote, Dostum the majority of Uzbek votes and Mohaqiq the majority of Hazara vote. (Johnson 2006)

The ethnic fault lines that cut through Afghanistan were apparent in the national elections, calling the viability of a national Afghan identity into question. This trend was further elaborated in the 2005 Parliamentary elections and most recently in the 2009 Presidential elections.

Parliamentary elections were conducted on September 18, 2005. The initial enthusiasm and participation in the first presidential election flagged and voter turnout was very low. This was compounded by threats of violence against voters in the south and voting system that left many Afghans confused. The seats of the Wolesi Jirga won by Pashtun candidates was 47%, Tajik 21%, Hazara 12%, and Uzbek 8%.

Furthermore, while 40% of Pashtun and Tajik Wolesi Jirga members were aligned with the government, and 46% and 30% non-aligned respectively, 68% of Hazara and 95% of Uzbek members opposed the government, with 12% and 5% non-aligned respectively. (Wilder 2005) This paints a picture that corresponds with the architecture set forth in the constitution. Hanafi Sunni's who speak Dari or Pashto are the center of Afghanistan and the Shia and other minorities are peripheral. The 2009 Elections again demonstrated this same trend, with votes cast according to tribal affiliation, although popular support for Hamid Karzai dropped significantly.

The creation of the modern facets of democratic governance in Afghanistan produces a mixed picture. While for the first time in modern Afghan history power is changing hands through elections rather than violence, the emergence of an Afghan national identity remains elusive. This is completely understandable. The institutions of governance have been in place for a short time in Afghanistan. Important gains have been made in instituting rights for groups that have experienced a history of disproportionate oppression in Afghanistan. While legal writ and legislation cannot change the attitudes of Afghan men overnight, women have full protection under the law. They have an available recourse that simply has not existed in the past. This combined with a mandate to educate the women of Afghanistan can provide for a

powerful teleological effect. The prospects for an Afghan woman born twenty years ago are different than those of an Afghan woman born today. In addition, while the practice of enfranchisement of ethnic minorities in Afghanistan hasn't resulted in due representation in the legal power structures, they too are protected under the law in Afghanistan. Again, it is a matter of time and gradient. The strength of affiliations that exist now is subject to change. Refugees that return to Afghanistan and the trend toward urbanization too play a large role in determining the character of the political landscape. Afghanistan's experiment with modern constitutional democracy has had problems, but it is certainly a step in the right direction. However, the threats of economic, political and social regression live violently in Afghanistan. Insurgency and incumbent warlord interests serve to undermine the state's monopoly on the legitimate use of force. The creation and provision of Afghanistan's security apparatus is central to Afghanistan's further development.

### *Afghanistan's Security Apparatus*

The relative ease of the invasion of Afghanistan and the toppling of the Taliban gave way to complex and difficult question as to how to rebuild the state and economy such to ensure the Taliban and Al-Qaeda could not regain control. The Afghanistan inherited by international forces was gutted by decades of war. State-building in Afghanistan would require equipping the government with, at minimum, the ability to control its territory and maintain a monopoly on the use of violence within its borders. (Tilly 1975) In order to achieve this, security would have to be maintained on behalf of the Afghan government while it had the chance to accumulate strength. In effect

this meant fighting remnant Taliban and Al-Qaeda forces, wresting control from provincial warlords, maintaining peace, and creating a national army, police force, government and administration.

The United Nations assumed responsibility as the primary peacekeeping and reconstruction force in Afghanistan, but success of such efforts hinged on the magnitude and form of U.S. involvement. The UN-mandated ISAF achieved early success in maintaining order and fostering goodwill in the capital of Kabul. In 2002, the U.S. Secretary of State Colin Powell proposed that the ISAF be supplemented with additional American soldiers and expanded into the provinces to assume control from the warlords on behalf of the Afghan government. Then Secretary of Defense Donald Rumsfeld and Deputy Secretary of Defense Paul Wolfowitz, rejected the plan in favor of continuing to pay warlords to maintain provincial security while drawing down American forces and funding in preparation for the war in Iraq. (Rashid 2008) This effectively shifted the domestic balance of power from the central government to the provincial warlords, not only undermining the government monopoly on the use of force, but denying it the ability to capture the substantial provincial revenue stream from cross-border trade. The head of U.S. forces in Iraq, Lieutenant general Daniel McNeill sought a middle road, moving Coalition Forces into the provinces while not committing to a substantial investment of soldiers and financial resources. (Rashid 2008)

The United States took responsibility for building Afghanistan's army. The Afghan National Army (ANA) was to be apportioned according to the ethnic makeup of

Afghanistan. When the initial policy of recruiting soldiers through warlords produced a predominantly Pashtun force, the United States began to directly recruit from the different ethnic groups. The United States has invested billions of dollars in training and equipping a national army of eighty-thousand soldiers. While the creation of a capable army, representative of the national makeup, was successful, the implementation of the ANA as the legitimate administrator of force was problematic. Desertion rates remain high and the cost of supporting the ANA cannot be realistically met by the Afghan government. (Jalali 2006) The United States failed to support the disarming of warlords and militiamen during the creation and deployment of the ANA. It also continued to hire militiamen to protect its bases, essentially expanding the number of militiamen to be disarmed by the under the Japanese Disarmament, Demobilization and Reintegration program (DDR). This dynamic played out with the Canadians in Kandahar Province as well.

During the DDR in Kandahar, many tribal groups were able to circumvent disarmament by securing contracts to provide private security. In Kandahar, the militias of Agul Agha Sherzai, who aided in the re-taking of Kandahar City from the Taliban, were rewarded with lucrative contracts from international security forces. Sherzai and his family and tribal affiliates secured contracts to protect the Kandahar airfield, the Canadian PRT, and to protect UN missions in the region. His family was also awarded lucrative construction contracts. (Fosberg 2009) The degree of profitability of the private contracts awarded by Coalition Forces produced competition among the local tribal networks. As will be discussed in greater depth further on in the study, Ahmed Wali Karzai, half-brother of President Hamid Karzai

played a key role in manipulating these tribal dynamics in an attempt to secure his own interests. The policies of the U.S. and coalition forces allowed tribal power structures to remain in place. They further created a system of tribal winners and losers that served to isolate, not incorporate, tribes. The consequences of these policies are a key factor in the creating the violent situation that exists today. However, the ANA can be considered a success story and example of what gains can be made with proper investment, especially in comparison to creation of the Afghan National Police Force (ANP).

The creation of an Afghan police force distinct from the ANA and a justice system were fundamental to the establishment and enforcement of law by the Afghan state. Germany was tasked with the responsibility of training and equipping the ANP force throughout the country. While the United States spent more than two billion dollars equipping and training the ANA, the Germans spent eighty-nine million equipping and training the police force. (Rashid 2008) Units lacked basic training, uniforms, radios and weapons. In addition, due to their limited operational presence, could not train ANP forces in the provinces The United States had to assume responsibility for the training and contracted Dyncorp to carry-out the task. This occurred with paltry success. An understaffed, underpaid, undertrained, underequipped police force cannot adequately enforce the rule of law. As a result, the police force is currently rife with corruption and colludes with, rather than constrains warlords. (Perito 2009) Failure to devote adequate resources to the creation of an honest, professional security apparatus in Afghanistan that transcends local tribal politics has fomented an atmosphere of mistrust in the provinces, and left Afghanistan

without the ability to maintain its territorial integrity. This created ripe conditions for the Taliban to slip back across the border from Pakistan into Afghanistan. The degree to which the Taliban has been successful in moving back into Afghanistan is rooted in how they arrived in the first place.

### ***The Taliban Movement***

The Taliban have a well earned reputation for violent oppression and noxious fundamentalism. Their practice of power over the people of Afghanistan has been a meditation on and conceptual expansion of the grotesque. However, the Taliban movement was also one of the most successful social movements in modern Afghan history, bringing ninety-percent of Afghanistan under their control within five years. They managed to displace warlords, tax rural agricultural production and foreign trade, remove barriers to internal trade, assume adjudicative functions, and maintain a monopoly on the use of force. Understanding why the Taliban succeeded where others have failed is a first step in distilling a set of lessons to be applied to the current nation-building effort. The Taliban as a movement must be analyzed and understood in order to synthesize lessons learned with a sincere concerted effort by the U.S. and Coalition forces in recreating an Afghan state that is a relevant alternative to entropic factions.

During the Soviet occupation of Afghanistan, waves of refugees and exiles washed up in the cities of Pakistan's Federally Administered Tribal Areas (FATA) and the North Western Frontier Province (NWFP). The traditional social structures that emanated from associational life in the towns and rural areas of Southern Afghanistan



were disrupted and drastically re-altered. One of the refuges available for the orphaned and dispossessed boys in the frontier areas was within one of the many madrassas. As time passed a generation of displaced youth would come to age within these madrassas. A decision driven by security and necessity was purchased with adherence to an ideology that fused Islamic motifs within Pashtunwali, set against the backdrop of ongoing war. “Here they studied the Koran, the sayings of the Prophet Mohammed and the basics of Islamic law as interpreted by their barely literate teachers.”(Rashid 2000, 88) Within this system, boys were also raised outside of traditional family structures restricting the role of mothers and sisters in their upbringing. The brutal treatment of women at the hands of the Taliban is colored by this experience. The reformulation and consolidation of this new Taliban Pashtun identity within the incubators of the frontier would also allow it to maneuver between, and close, historic Pashtun cleavages. While the interests of external factors are subordinated here in explaining the Taliban movement, they do play a role as demonstrated in the initial push outward from the NWFP.

In the 1980’s a transportation system, using hundreds of trucks, was developed to funnel aid from Karachi to Peshawar to support the Mujahideen against the Soviets. This circuit became vastly lucrative once the trucks began returning from Peshawar to Karachi with opium. The transportation system was supervised and administered by the Pakistani military under the direction of General Nasirullah Babar. (Nojumi 2001, 102) Following the withdrawal of the Soviet Union and their proxy leadership in Kabul, the volume of trade within Afghanistan and between Pakistan and other Central Asian states swelled. The stream of wealth that was generated through the increase in

trade aligned the interests of all flavors of economic actors with the political and military establishment in Pakistan. However, Afghanistan remained lawless and checkpoints quickly sprang up around the country to extract duties from the movement of goods and people through their territory. In August of 1994, Gulbuddin Hekmatyar, former ISI and U.S. client, seized a thirty-truck convoy accompanied by Pakistani Army officers and an ISI field agent along the road between Spin Boldak and Kandahar. With the support of the merchants along the border region, the Pakistani Army and government, a group calling themselves the “Taliban” led by Mullah Omar, moved against Hekmatyar’s forces in Spin Boldak, where they were rewarded with a sizable weapons cache.

The Taliban caught up with the captured convoy on November 3<sup>rd</sup>, twelve miles outside of Kandahar where it was being held by Amir Lali and Mansur Achakzai. The Taliban attacked and the commanders fled only to be caught and hanged from the barrel of a tank. The Taliban moved into Kandahar encountering little resistance. “Mullah Naquib, the most prominent commander inside the city who commanded 2,500 men did not resist... The Taliban enlisted his men and retired the Mullah to his village outside Kandahar.” (Rashid 2000, 83) Within the patchwork of local commanders some chose to defect and others chose to fight the Taliban. Abdulkader Sino attributes the pattern of defection and resistance among local commanders to the conscious manipulation by the Taliban. The Taliban shape their message of broad Pashtun unification, a return to order through the re-instatement of Sharia law to undercut the transient bonds between a local commander and their militia. In addition, as evidenced in the quiescence Mullah Naquib, the Taliban also targeted key

commanders to prevent the formation of a coalition. (Crews 2008) Ahmed Rashid emphasizes the role of Pakistan. In re-capturing the convoy of trucks he notes the when "...the Taliban moved in to attack those holding the convoy. The commanders, thinking this was a raid by the Pakistani army, fled." (Rashid 2000, 82) He also suggests that Naquib negotiate terms with the ISI whereby he would surrender in exchange for the provision of his return. (Rashid 2000, 83) The Taliban victory in Kandahar prompted students from the madrassas to move north from the frontier to join the movement. This influx was supplemented by the massive arms caches captured in Kandahar. Three months after capturing Kandahar, the Taliban controlled twelve of Afghanistan's thirty-one provinces.

The Taliban faced a different, more established, power structure as they marched toward Herat. Ismail Khan, an ethnic Tajik, assumed control of Herat following the collapse of Najibullah's government on April 19, 1992. He stocked the administrative apparatus with his fellow Mujahideen. He also began to disarm local militia and organized a "city council comprised of the popular nongovernment individuals with different ethnic, religious, and political backgrounds who could bring greater civic support for the administration." (Nojumi 2001, 141) Law and order was established, allowing the UN and NGOs to operate and the economy to recover. Education for both genders resumed. Herat's location as a corridor to Iran and Central Asia drew the attention of regional interests. Pakistan disapproved of Ismail Khan's alliance with Ahmed Shah Masoud and Rabbani against their client, Hekmatyar and Iran pushed for a larger share of power for pro-Iranian groups. Ismail Khan was also an active proponent for the reestablishment of a national government, Loya Jirga, and military.

Herat had a degree of durability that presented a serious challenge to the Taliban advance.

The Taliban exploited the gaps that had opened within Ismail Khan's front. He had disarmed civilians and implemented conscription, an unpopular policy made worse by inconsistent pay. He also did not possess enough control to ensure that civilians were treated equitably. Corruption was rife and taxes on commerce were extremely high, thus making him an enemy of the transport mafia. Ismail Khan overstretched his forces, pushing the Taliban back towards Kandahar. When the Taliban began to resurge with fresh troops and supplies, Ismail Khan's force retreated, eventually yielding Herat. "...the main reason for the fall of Herat can be rooted in a secret operation of the Ikhwanis (Maktabis) of Jamiat-e-Islami within Burhanadin Rabbani's regime. This secret operation coincided with the military operation of the Taliban against Ismail Khan."(Nojumi 2001, 147) Rashid again leans on exogenous factors in explaining the loss of Herat. "...the Taliban had spent their summer rebuilding their forces with arms, ammunition and vehicles provided by Pakistan and Saudi Arabia and a new command structure created with the ISI." (Rashid, 106) There was no doubt help from outside forces, but the pattern that is emerging is one in which the Taliban erode the regional and local power structures from within based on an acute understanding of vulnerabilities. Control of Herat, and her strategic and economic benefits, allowed the Taliban to focus their forces on Kabul.

Then Taliban faced a tactical dilemma in approaching Kabul. The Nangahar Shura was the beneficiary of the largest concentration of abandoned Soviet arms in the

country. They were Pashtun and shared ethnic, religious, and linguistic affinity with the Taliban base, but had remained neutral during the Civil War, opting to wait and form part of a coalition with whichever side won. The Taliban needed to prevent any alliance between the Nangahar Shura and Rabbani from forming. To accomplish this, the Taliban pushed to Paktia, a region controlled by Hekmatyar. The successful offensive yielded the largest Hezb-e-Islami arms depot in Afghanistan. The Taliban then moved toward the Nangahar Province where they assumed control with little resistance and disbanded the Shura. (Rashid 2000) The Taliban had sapped the resistance in Nangahar by promising a degree of autonomy for the local groups. The willingness to resist was exhausted with diplomacy and a projected image of momentum, strength and legitimacy. The Taliban recognized the local power formation, tailored its strategy accordingly. They magnified their capacity to attack while minimizing the ability and will of rivals to resist. The degree to which the ISI provided intelligence is unclear, but the pattern highlighted above persists. The Taliban marshaled the resources provided by external patrons, absorbed resources and resistance, and manipulated the regional and local power tapestries to consolidate 90% of Afghanistan under its control. The Taliban entered Kabul on September 27, 1996 extracted Najibullah from within the United Nations compound and executed him. A similar treatment was to be the fate of those under Taliban control.

The Taliban made haste in repairing Afghanistan's religious infrastructure and inserting pro-Taliban religious authorities within the mosques. Put another way, the Taliban reified the primacy of the Masjid as the nucleus of Afghan communities. In a physical sense, the Masjid became the place where the Taliban ethos was transmitted

and reinforced. “The Taliban are poorly tutored in Islamic and Afghan history, knowledge of the Sharia and the Koran and the political and theoretical developments in the Muslim world in the twentieth century.” (Rashid 2000, 231) It is important to note that the policies and practices of the Taliban were constructed with reference to Islamic motifs, but what emerged was a selective, malformed interpretation of Islam combined with Pashtunwali, or the customary law of the Pashtuns. The monastic “discipline” imbued in the border madrassas was replicated across the Taliban territories.

Taliban assumption of control in an area was typically followed by a flowering of beards. Men were ordered to grow their beards one hands length within six weeks to adhere to Hadith describing the appearance of Prophet Muhammad. Men were also ushered into prayers five times per day where social norms and expectations were transmitted and reinforced. The enforcement was also delegated to the members of one’s community. Men that chose to deviate could evade the Taliban bludgeons, but not the notice of their neighbors. In addition to the disciplined ordering of subject’s movements, the stamp of Taliban power began to emerge on the bodies of Afghans. “Public beatings of men and women, executions, stonings, and the amputation of hands and limbs became routine practice.”(Nojumi 2001, 109) The Taliban also made extensive use of brutal spectacles to reinforce their rule. With television banned and a large portion of the population illiterate, the decrees floating through the radio waves had to be reinforced through demonstration. The Olympic sports stadium in Kabul became the site of weekly public floggings, amputations, and executions.

“They bring Zarmina to the arena, sitting in the rear of a van they had found, escorted by two other women. Taliban women. All three were covered in blue burqas. They lead her to a site of the execution, on the green of a soccer field. They order her to crouch. Zarmina turns her head back and through the burqa, which at the movement covers her entire body, says something to her executioner, who is leaning against large cannon. Her head bends again and they shoot her in the nape of the neck. Her body collapses. The lower part of her burqa parts and displays her legs openly, covered in wide checkered trousers. The Taliban women hasten to cover back up the lifeless cadaver with the burqa.” (Cole, 150)

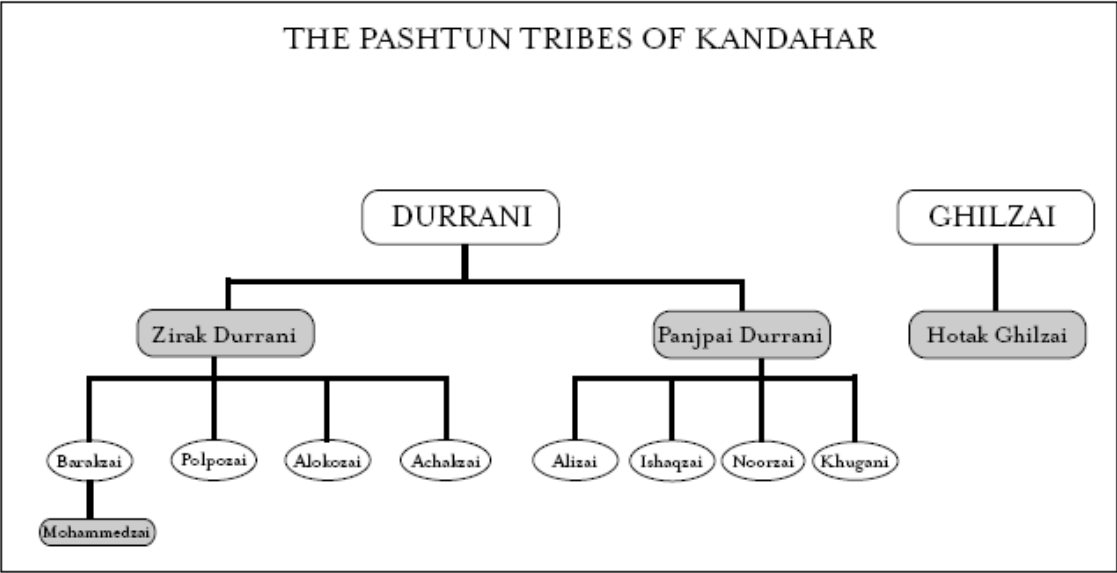
The disproportionate suffering borne by women in Afghanistan is obscene and deserves a more full treatment than the scope of this study affords.

The Taliban movement was a Pashtun movement that appropriated Islam as a vehicle and common reference point used to extend their control beyond their historic power base. It was also a departure from traditional Pashtun practices and values. The initial support of the Afghan people for the United States invasion demonstrates that they wanted an alternative, unfortunately, the United States, under President George Bush was not to provide the sort of change they envisioned. The Afghan support of the Taliban is a choice between lesser evils. The Taliban appreciation of the local social structures, and their ability to manipulate tribal and religious politics in order to erode the resistance of forces that stood in their way, led to an impressive campaign in Afghanistan. This strategy was to be repeated with a great deal of success against U.S. and Coalition forces in Afghanistan.

### *The Karzai Family Plays Politics in Kandahar*

The Taliban asserted control over Kandahar Province beginning in 1994, easily crushing the poorly organized and unpopular local militias. The Taliban had key support in the region from Mullah Naquib, the head of the Alokzai tribe and Bashir Noorzai, leader of the Noorzai tribe and principal of a large narcotics operation. Whereas the Taliban encountered resistance in other parts of the Afghanistan, due to ethnic, economic and political contention, Kandahar Province was relatively welcoming. (Davis 2007) The Taliban brought a degree of order to an area that had been fractured by lawlessness and competing warlords. The Taliban removed the system of roadblocks and tolls throughout the region and wholeheartedly supported the opium trade, except for in the year 2000. Kandahar Province, more than any other Province, experienced a period of development during the Taliban rule. Much of the Taliban were from the region, including Mullah Omar and the majority of the Taliban's Supreme Shura. (Rashid 2007) Also, the brand of Islam the Taliban instituted resonated with the poor rural Pashtun tribes of the region. However, by the time the United States invaded Afghanistan, portions of the population in Kandahar City and province began to resent the Taliban's increasingly onerous rule.





Map 2: Subtribal Grouping Among the Pashtun Tribes of Kandahar  
 Source: Institute for the Study of War

In 2001, the United States began preparations to invade Afghanistan and solicited the help of Gul Agha Sherzai, who reconstituted his militia. Along with Hamid Karzai and U.S. Special Forces, Sherzai took control of Kandahar City. Mullah Naquib and Bashir Noorzai both acquiesced to Karzai and U.S. forces, in a move characteristic of Afghans with vested interests that have seen power shift many times. Hamid Karzai consolidated his power in Afghanistan, was named interim Prime Minister, and returned to Kandahar to try and garner support by creating a coalition of Durrani tribes. “Tribalism once again asserted itself as a dominant force in Kandahari politics. Within the tribes, an uneasy relationship existed between westernized Durrani aristocracy, who returned after the fall of the Taliban and the strongmen who filled their places during the Mujahideen era.” (Fosberg 2009, 17) Even though the returning aristocracy had the backing of international forces, they soon discovered that the local strongmen held the preponderance of power. Karzai and his family remained

powerful in the region due to their political office and the support of Coalition Forces as well as his recognition of the place of local powerbrokers, such as Gul Agha Sherzai. As the state-building projects commenced, this power structure was reflected in the institutions of the state.

The creation of the ANA reorganized the existing tribal militias of Kandahar into the service of the State. The 2<sup>nd</sup> corps of the ANA was composed largely of local units and was headed by one of Mullah Naquib's deputies. Hamid Karzai's tribe was incorporated within the 466 Airborne Brigade, Sherzai's men into the "Special Order" unit posted at Kandahar's airfield and Habibullah Jan's into the 530<sup>th</sup> Brigade stationed near the main transportation route. (Guistozi and Ullah, 2007) This pattern of incorporating local militias continued with the ANP, who became notorious for serving themselves rather than the people of Kandahar. The UN's DDR program's goal was to demobilize Afghan militias and organize a new Afghan Army. This policy rearranged the power structure of local strongmen in Kandahar. Popolzai and Alizai strongmen transitioned from militia strongmen into new careers as politicians in the Wolesi Jirga. The Alokozai tribe was the biggest loser in this process, losing key posts of the command of the 2<sup>nd</sup> Corps and the chief of police. Conversely, "...the Achakzai militias remained robust and integrated into the Afghan State through the Afghan National Border Police, where they fought under the command of the charismatic Achakzai leader General Abdul Razik." (Forsberg 2009, 20) The disenfranchisement of local powerbrokers continued under the political maneuvering of Ahmed Wali Karzai, Hamid Karzai's younger half-brother.

Ahmed Wali Karzai worked to undermine the most powerful strongmen in the region by elevating the status of weaker factions that would then be forced to depend on him. His handling of Bashir Noorzai is a prime example of this. The Noorzai tribe had been closely affiliated with the Taliban during their rule and Bashir was an important financier and opium dealer. (Peter, 2009) A weaker member of the tribe, Arif Noorzai, formed an alliance with Ahmed Wali Karzai and together they provided proof to Coalition Forces that Bashir remained deeply involved in opium production and trafficking. This led to his designation as a narcotics kingpin and subsequent arrest. (Guistozzi 2008) Ahmed Wali Karzai in essence replaced Bashir Noorzai with Arif Noorzai in an attempt to install a leader of the Noorzai tribe that was indebted to him and also to gain influence in the Noorzai opium trade. However, the tactics used by Ahmed Wali Karzai did not secure the degree of influence over the Noorzai tribe he expected. Noorzai tribes around Kandahar would provide safe haven for the Taliban upon their return home to Kandahar. The Karzai family focused on undermining the power of key tribal leader in the region instead of enfranchising them within the new Afghan state. Their inability to secure the support of key tribes and leadership greatly diminished the region's ability to resist the resurgence of the Taliban.

### ***The Taliban Return Home***

The Taliban melted back into communities in southern Afghanistan and into Pakistan's borderlands following the U.S. and Northern Alliance assumption of control in Afghanistan. Initially they were in a state of disarray following the heavy

losses suffered at the hands of the most powerful military in the world. (Rashid 2008) The United States did little to capture or pursue the Taliban leadership instead focusing on capturing members of Al-Qaeda. The CIA was after Arabs not Afghans. (Rashid 2008) Pakistan also did nothing to pursue or capture Taliban pouring over the border. Mullah Omar remained in Afghanistan, hiding in Helmand Province far from U.S. military forces. The state of disarray did not persist.

Within a year, Taliban leadership had regrouped in the frontier city of Quetta, the exile home of Hamid Karzai. Mullah Omar arrived in late 2002 and appointed new leadership to organize and execute campaigns in Uruzgan, Helmand, Kandahar, and Zabul. “These were Mullah Barader Akhund, the former deputy defense minister; Mullah Akhtar Mohammed Usmani, former army chief; Mullah Dadullah, a famed one-legged crops commander; and the interior minister Mullah Abdul Razzaq.” (Rashid 2008, 242) This initial meeting morphed into the Quetta Shura Taliban (QST). The QST became the nerve center for Taliban operations in Afghanistan. The strategy of Taliban operations was formulated by the Rahbari Shura (leadership council) and the Majils al-Shura (consultative council). (Fosberg 2009) The senior leadership consisted of Mullah Akhtar Mohammed Osmani, Mullah Dadullah, Mullah Obaidullah and the only member currently alive today, Mullah Hafiz Majid, a Noorzai tribal leader from Kandahar. (Fosberg 2009) Of the thirteen members of the Rahbari Shura in 2004, eight members were Durrani, four Ghizali, two Khalrani and one Ghurghusht. (Giustozzi 2008) Taliban commanders were placed on rotation, and regularly cycled back to receive updates to their orders. The Taliban was successful in reforming and

recruiting in Kandahar partly due to the disenfranchisement of tribal leaders by the Karzai government.

The reconstituted Taliban began to employ a strategy that involved infiltrating rural areas of Afghanistan to identify which elements were sympathetic to their cause and which were government collaborators. The limited range of their cross-border raids beginning in spring of 2002 prompted the Taliban to identify and secure footholds to increase the operational range of their activities. (Guistozzi 2008) The Taliban would approach local power structures and secure their consent for operating within their territory. Leaders in rural areas that were far from the effective security umbrella of the ANA or coalition forces faced a daunting choice in this regard. They could either acquiesce or face violent reprisals by the Taliban. The Taliban would deliver “night letters” to villages they wished to integrate into their support network. These letters served a number of functions; they solicited recruits, intimidated potential resistance and also encouraged the cultivation of opium. Once the Taliban secured an area of compliant villages, they setup a network of weapons stockpiles that could be easily accessed by troops. The Taliban further created an atmosphere of terror by targeting government collaborators.

The Taliban used assassination as a way to weaken state power and demonstrate the costs of working with the government. They also targeted foreigners in order to curtail the range of operations for international organizations. On March 27<sup>th</sup>, a jeep convoy of the International Committee of the Red Cross (ICRC) was held up by Taliban gunmen. After consulting with the chain of command, the gunmen executed

Ricardo Munguia, a hydraulics engineer from El Salvador. “Every Afghan knew that the ICRC had continued to provide medical care to Afghans during the Taliban regime when other Western NGOs had left....the Taliban had delivered the uncompromising message that they had no compunction about terrifying the local population and westerners.” (Rashid 2008) The Taliban also assassinated twenty-eight officials in the Ghazni Province within a six month time period. (Guistozzi 2008) The Taliban targeted schools, which were often the only functional state service in the rural areas. When the threats circulated in night letters failed to achieve the desired effect of closing down local schools, the Taliban killed teachers and students. Between 2005 and 2006 more than one hundred teachers and students were killed by the Taliban, sometimes involving decapitation. (Guistozzi 2008) The Taliban strategy of infiltrating the countryside, establishing a support network, intimidating local populations, and assassinating government collaborators succeeded in build the capacity to mount frontal assaults on Coalition Forces.

### ***Canadian Forces in Kandahar***

Canadian forces deployed to Kandahar Province in February of 2006. The Canadian forces were comprised of a combat battalion, three mechanized companies and a PRT. The Canadian strategy was to establish three forward operating bases throughout the province. (Charters 2008) Shortly before the arrival of the mass of Canadian forces, the head of the Canadian PRT, Canadian diplomat Glyn Berry was killed in a suicide attack in Kandahar. (Forsberg 2009) The attack set the tone for what was to become one of the most durable and destructive conflicts between Coalition

Forces and the Taliban, furthermore, the Canadian experience illustrates the effectiveness of the strategy the Taliban pursued in regaining footholds in rural areas of the Provinces in order to allow for the flexible production and projection of force against government and coalition forces.

The ethnic makeup of the Taliban forces found them easy friends in the Panjwai Peninsula of Kandahar Province. The area was dominated by Noorzai and Ghilzai Pashtun, which reflected the leadership of the QST. In part due to the affinity, the Taliban moved their base south of the Arghandab River into Zhari to shift the locus of conflict away from certain villages in the area. (Wattie 2008) The Canadian forces in the region attempted to check the infiltration of the Taliban by launching attacks against their strongholds in Zhari towns of Bayanzi and Payendi. While the Canadians were successful in pushing Taliban forces back, they were unable to hold the land and the Taliban regained control after their departure. The division that existed during the Taliban rule in Kandahar, namely between poor rural Kandaharis and their urbanized, wealthier counterparts, persisted. While the Taliban enjoyed support in the rural districts, the Canadian Forces were widely supported in Kandahar City. Following their first attacks against the Taliban, Canadian forces were greeted by cheering residents of Kandahar City upon their return. (Wattie 2008) The embedded ethnic rivalries caused the situation to further deteriorate.

Asadullah Khalid, the governor of the Kandahar Province, directed the leader of the Achakzai militia to move into the Panjwai Peninsula and clear the area of Taliban forces. The Panjwai Peninsula, as mentioned before, is home to Noorzai and Ghilzai

tribes, who have a contentious history with the Achakzai. The presence of the Achakzai created grassroots support for the Taliban in the area prompting volunteers to help push the militia from the area. “The Taliban took care to appoint a Noorzai as their field commander in Panjwai, facilitating the incorporation of the disgruntled villagers.” (Guistozi 2008, 56) The Taliban demonstrated an ability to infiltrate rural areas as well as seize opportunity to exploit regional tribal politics. The Taliban increased their operational tempo and expanded their repertoire of tactics in 2007.

The Taliban exploited the thinly stretched Canadian forces in Kandahar Province by initiating a series of Improvised Explosive Device (IED) attacks in 2007. The goal of the IED attacks was to further limit the operational range of Canadian forces, specifically to disrupt the support and communication lines along Highway One, between Canadian forces in Panjwai and the Kandahar Airfield, as well as limit the ability of the Canadian to reinforce ANP outposts. In addition to IED attacks, the Taliban began using more sophisticated roadside bombs. Explosively Formed Projectiles (EFPs) are much like IEDs, except that copper cones are placed over the front of the munition, creating a shape charge. The explosion liquefies the copper, hurtling it toward the target, and effectively slicing through any of NATO’s up-armored vehicles. (Weinberger 2008) These explosives wreaked havoc on the lightly armored Canadian vehicles. The Taliban also strengthened their hold in the region by developing new bases in the villages of Nakhonay and Belandy, both dominated by Noorzai and sympathetic to Taliban forces. When Canadian forces moved into Nakhonay, they discovered, “...not only a bomb-making factory, but also a Taliban infirmary with IVs, sterile fluids, syringes, painkillers, and stockpiles of food



supplies.” (Forsberg 2009, 30) The Taliban had reached a remarkable level of sophistication in their operations.

The Taliban furthered their push toward Kandahar City in their campaign against the Arghandab district. The local power structure of Alokzai tribal leadership was greatly weakened following the death of Mullah Naquib in October of 2007. His son, twenty-six year old Karimullah Naquibi was named by Hamid Karzai as the new head of the Alokzai tribe. (Smith 2007) The Taliban exploited this weakness by stepping up their campaign against government collaborators in the region. Beginning in early 2008, a series of assassinations targeted Alokzai leaders. Abdul Hakeem, Arghandab Police Chief, was killed in a suicide bombing on February 12, 2008, and Mohammed Kharkrezwal, a trusted advisor of Karimullah Naquibi was killed months later. Thirteen officers in the ANP were also killed when a member of the Taliban infiltrated their ranks, drugged the officers and slit their throats. (Forsberg 39) The inability of Afghan government forces and Coalition Forces to control their area of operations was most dramatically demonstrated in the Sarpoza prison break.

Sarpoza prison is a key piece of the legal infrastructure of the national government of Afghanistan within Kandahar Province. In June of 2008, the Taliban warned the people in the area surrounding the prison to evacuate. They then created a diversion by firing rockets at the German Police Barracks near Dand Chowk. A driver then pulled a fuel tanker up to the main gate while a second person fired a rocket propelled grenade into the tanker. The Taliban quickly subdued the forces within the prison, which were unable to find adequate cover in the unfinished guard towers. The Taliban then moved

directly into the national security wing of the prison, securing the Taliban captives, and then release the inmates in the criminal wing. (Smith 2008) Roughly four-hundred Taliban prisoners fled to waiting buses where they were transported out of the area. The prison break was a disaster for Canadian forces and an incredible victory for the Taliban insurgents. The Taliban was able to demonstrate decisively that they enjoyed operational freedom within government and Coalition areas of operation. In addition, the logistical complexity of the attack dismissed any notions that the Taliban insurgency was itinerant, disorganized and weak. The Taliban continued to pursue their strategy of intimidation, assassination and IED attacks and were able to gain important strategic footholds within Kandahar City by the August of 2008.

The Taliban capitalized on their string of successes pushing their influence into Senjaray, a suburb located ten miles west of Kandahar. The Taliban presence was marked publicly when they held prayer services for Eid al-Fitr. (Blackwell 2009) The suburb became a site for the manufacture and deployment of IEDs. This important staging area allowed the Taliban to move supplies and fighters into city limits of Kandahar. District Nine is a poor area of Kandahar City that has been the recipient of the larger urbanization trend in the region. It is a complex of slums that is drastically under policed by the ANP. “As of December 2008, the 90,000 person neighborhood was policed by sixty-three members of the ANP, making the police ration 1 to 1,400.” (Forsberg 2009, 43) The lack of security forces and the concentration of newly urbanized Afghans make the area prime for Taliban operations. Major raids in District Nine repeatedly found caches of IEDs, which accounted for nearly 90% of all IEDs

found within Kandahar City in 2008. (Marlowe 2008) The return of the Taliban in Kandahar has been marked by a host of violence.

The effective fall of Kandahar to Taliban forces ushered in a new era of violence in the city. In addition to IED attacks against Coalition and government forces, the Taliban resume acid attacks against women. (Filkins 2009) The Taliban have also continued to target aid workers killing one British woman, who worked for an organization that helped disabled Afghans, and two Canadian members of the International Rescue Committee. (Deveau 2008) On August 25th of 2009 a massive explosion rocked Kandahar, targeting the offices of foreign organizations working in Afghanistan. The blast killed thirty-one people and wounded forty-six. On April 15, 2010, a pair of explosions killed twenty people and blew out the windows of the surrounding buildings. Among the buildings damaged was the home of Ahmed Wali Karzai, perhaps causing him to lament his approach to politics in the Kandahar Province. As of today, April 26, 2010, the UN has closed its mission in Kandahar and begun to evacuate foreign workers, and the United States, Canada and the ANP are preparing for a surge of 23,000 troops into the Province. (Sameem 2010)

The responsibility for the loss of Kandahar Province can be attributed to a combination of factors discussed in this study. In 2001, the United States failed to follow the fleeing Taliban into the region and instead chose to focus on pursuing Al-Qaeda operatives. The Pakistani government took an active part in harboring the fractured insurgency and turned a blind eye as it rebuilt its strength. The failure of U.S. and Coalition Forces to provide for a viable security presence in the region

guaranteed that the insurgency could spread without an adequate check. The Canadian forces in the region did the best with the little resources they could bring to bear. Popular resistance to the Canadian mission in Afghanistan, and the high percentage of casualties further sapped the will of the Canadian people to support the investment of the resources necessary to pursue a functional security and reconstruction program in the region. The Karzai family's approach to tribal politics in the region has come home to roost. The exclusion and enfranchisement of groups based on tribal affinities, as opposed to power realities, created the conditions for the Taliban to enjoy widespread support in the rural areas. As a result, the people of Kandahar face a rapidly deteriorating environment. The most proximate cause is the insurgency and method of Taliban rule. Up until now, little has been said about how the Taliban fund their operations. The next section will discuss the role the opium economy plays in undermining national development and fomenting the insurgency.

### ***The Place of Opium in Afghanistan's Economy***

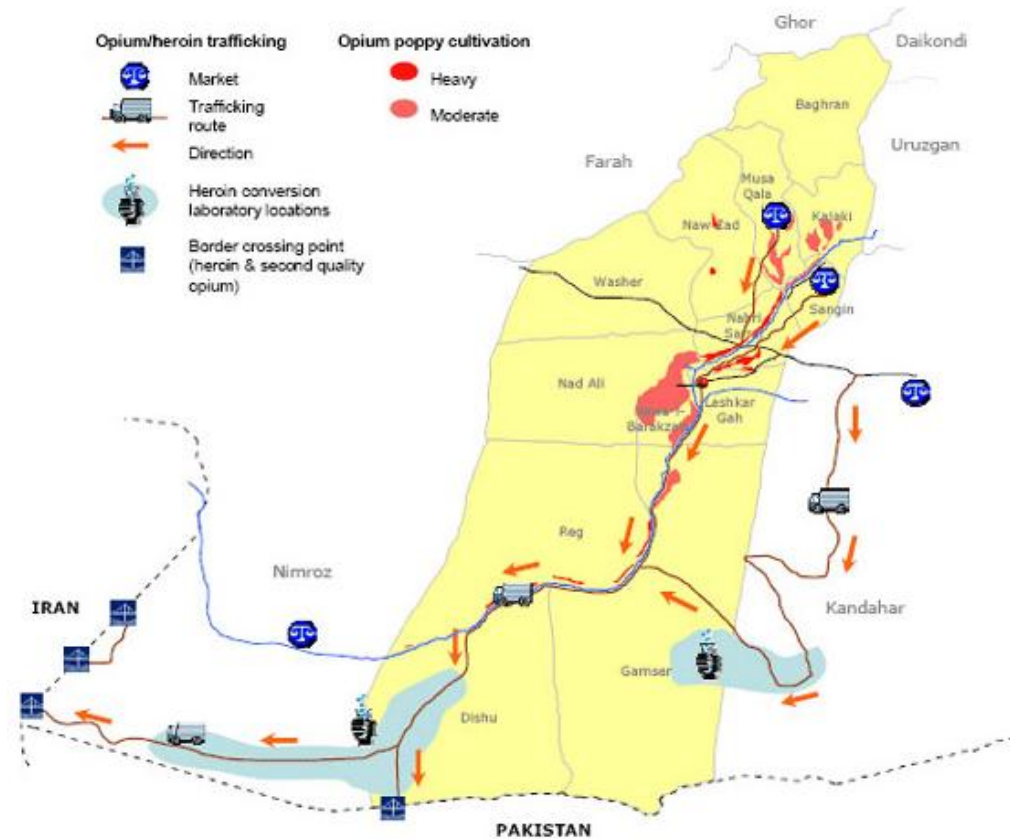
The magnitude and dispersion of opium production in Afghanistan places it at the core of social, economic and political impediments to national development. As of 2005, opium inhabits 7% of all arable land, accounts for 36% of Afghanistan's GDP, which in turn accounts for 87% of global opium production. (World Bank 2004) The profit generated by opium production is a vital source of income and employment, especially in peripheral areas, and supports Afghanistan's balance of payments indirectly through customs assessed on drug-financed imports. (UNODC 2005) Far from empowering rural Afghan farmers, opium production and distribution reinforces

a structure of social inequality, with a minority of actors accruing the majority of profits. As will be discussed later, this inequality presents an opportunity for transitioning rural farmers to legal crops with more equitable returns. Drug addiction is a further unintended consequence. Afghanistan's narcotics economy also generates corruption reaching into the highest levels of the state. It is the lifeblood of the Afghan insurgency. The Rentier fiefdoms also inhibit the broader economic development of Afghanistan, particularly in the south. The myriad social, political and economic consequences of thriving opium production enshrine this attractive flower as a hub of developmental paralysis.

The story of opium production in Afghanistan is inextricably linked with Pakistan and the United States, who has acted as both inhibitor and catalyst. The Afghan Transit Trade agreement, signed in 1965, allowed certain products to be imported through Pakistan duty free. The intent was to provide land-locked Afghanistan access to resources without having to pay a host of middlemen. Instead, goods imported into Afghanistan were smuggled back into Pakistan and sold. (Goodhand 2003) Afghani and Pakistani transportation merchants developed a thriving smuggling network that was attended to by Pashtun tribesman in Afghanistan and Pakistan. This network grew with the expansion of transportation infrastructure in the 1970s. The network persists and functions to this day. In addition to the development of a "transportation mafia" (Rashid 2008) in 1970's, South Asian production of opium slowed and Afghan farmers stepped in to pick up the slack. Opium use and production was banned in Iran following the 1979 Revolution. Harsh measures were introduced to ensure the ban enjoyed more than notional consent. Consequently, "Many of the Iranian traffickers

sought refuge in Afghanistan and began supporting local drug production chain to supply the addict population in their country through smuggling.” (Rais 2008, 157)

The expansion of Opium production continued into the Soviet era.



Map 3: Opium Refinement and Trafficking Routes in Helmand Province  
Source: International Council on Security and Development

The Soviet invasion devastated the Afghan state. Soviet troops terrorized rural areas and initiated massive depopulation campaigns. Food production fell by two-thirds as agricultural infrastructure became the target of Soviet destruction. (Goodhand 2003, 197) The border areas between Afghanistan and Pakistan became a liminal space where refugees were absorbed, weapons markets flourished, and the resistance

to the Soviet occupation was set in motion. The Mujahideen resistance, while not initially directly engaged in the production of opium in Afghanistan, was able to tax the middlemen that were responsible for transporting the opium to international markets. The United States' CIA and Pakistan's ISI created an arms pipeline that provided a massive amount of support to the Afghan resistance. The Mujahideen were only marginally engaged in the opium business while the supply of weapons from the Americans and Pakistanis was abundant. However, the commanders were forced to finance their weapon purchases with opium and by the mid to late 1980's, the transportation network had shifted from duty-free goods to bringing truckloads of weapons into Afghanistan and returning filled with opium. The trucks passed through Pakistan with the protection of the military and into Afghanistan under the protection of the local warlords, all under the umbrella of the CIA and U.S. "In 1985 31 per cent of the global share of opium production came from Afghanistan. In 1989 the seven major Mujahideen groups were responsible for a total production of over 800 MT" (Cooley 1999, 13) The confluence of transport infrastructure, opium, CIA and ISI aid, helped the Mujahideen sap the Soviet Union of its strength and led to its eventual withdrawal, ushering in a new era of opium production in Afghanistan.

The Mujahideen assumed control of Kabul in 1992 but the vacuum created by the withdrawal of the Soviet Union from Afghanistan led to inner-fragmentation. The Cold War system of client-patron relationships dissolved requiring warlords to seek alternative funding. "Politically, there was a fragmenting of central power—reversing -building processes over the last century—with the emergence of regionalized politico-military groups, back by neighboring powers." (Goodhand 2003, 5) Between

1992 and 1995 cross-border opium trade and smuggling flourished, placing Afghanistan on par with Burma as the world's largest opium producers. The destruction of Afghanistan's licit economy further entrenched opium as a vital source of income and medium of exchange.

The expansion of opium production during the Soviet and early post-Soviet era was attended by a decline across all social and economic indicators. Between 1980 and 1990, the agricultural sector declined by 29% and the GNP per capita fell from \$226 to \$164, giving Afghanistan the third lowest GNP per capita in the world, ahead of only Ethiopia and Mozambique. This figure takes into account that roughly 9% of country's population was killed during the decade and one-third fled. "In rural areas where about 85% of the population lived before the war...the amount of livestock fell by 70%. Between a quarter and a third of the country's irrigation systems were destroyed. About one-third of all farms were abandoned." (UNODC 2003, 90) Afghanistan's countryside was devastated. Opium production thrived in the conditions of widespread economic destruction, the collapse of a central government, and severely fractured social structure.

The Taliban emerged from this chaotic environment in 1994 and succeeded in bringing the majority of Afghanistan under their control by 1996. The rise of the Taliban is inextricably linked with the Pakistani government. Pakistan saw the Taliban as a strategic hedge against Indian aggression. In addition, the Taliban was able to clear Afghanistan's transportation infrastructure of roadblocks which significantly harmed Pakistan's trade with other Central Asian countries. The political and



economic backing by Pakistan's transport mafia was instrumental in building the capacity of the Taliban to exert its authority over the majority of Afghanistan. (Rashid 2000) The Taliban was able to accomplish that which all other Afghan governments had failed to do. It effectively taxed cross border trade and opium production. In 1996 and 1997, the Taliban was able to extract \$75 million dollars from cross-border trade volumes estimated to approach \$2.5 billion. They were also able to extract \$30 million dollars per year from opium production and control 96% of the land under production. (Goodhand 2003)

### ***Social and Economic Effects of Opium Production***

Afghanistan's primacy in global opium production is attributable to several factors. The yields in Afghanistan are consistently greater than other opium producing countries. "Over the 2000-04 period, and despite adverse weather, yields in Afghanistan were more than twice those in Latin America, more than three times those in Myanmar and more than four times this in other Asian countries." (UNODC 2005, 26) Opium produced in Afghanistan also yields higher morphine content when compared its competitors. Only six to seven kilograms of Afghan opium is required to produce one kilogram of opium whereas Southeast Asian varieties require ten kilograms or more. Opium is a very drought resistant crop with low costs associated with storing and transporting it, making it more attractive than licit crops such as wheat, which fares less well in a country with devastated agricultural infrastructure. Along with the natural, favorable conditions to produce opium, the political conditions have also been ideal. The withdrawal of the Soviet Union led to the collapse of what

little governmental infrastructure remained in Afghanistan. The end of Cold War also meant the end of external patronage, forcing warlords to secure alternative methods of funding. The expansive statelessness and established narco-logistical infrastructure allowed opium production to flourish. Finally, the general condition of rural poverty within this broader context makes the production of opium a matter of course.

“...the gross income farmers may expect from opium production far exceeds what they would get from cereal production. Moreover, traders/traffickers often provide farmers with the necessary inputs (seeds, fertilizers) and financing, and take delivery of opium at the farm gate, relieving farmers from transportation or storage. While some other products (nuts, orchards) may generate higher revenues, they require substantial multi-year investments and infrastructure that many farmers cannot afford.” (UNODC 2006, 27)

The narcotics economy is produced by and reproduces systemic chaos in Afghanistan. It thrives in the void of statelessness, is expanded and maintained by warlords and drug traffickers that are both producers of and stewards of anarchy, leeches into the state apparatus affecting corruption, and finally places its yoke squarely on the back of Afghanistan’s people who have no other options. However, in the short-terms, given the real conditions on the ground in Afghanistan, opium does provide some benefits.

The production, refinement, and transport of opium in Afghanistan produced some short-term benefits. It accounts for roughly one-third of total economic activity. Opium creates a large portion of the national aggregate demand for goods and services as well as employs millions of Afghan citizens. “In recent years Afghan farmers have received in the range of half a billion dollars annually from opium production, with another several hundred million dollars probably going to wage laborers.” (World Bank 2004, 15) In a place like Afghanistan that has endured decades of war,

destruction and displacement, this magnitude of cash infusion into the economy cannot be overlooked. Opium production is also very labor-intensive compared with other agricultural products. Thus production of opium thus employs far more workers than would be the case with a licit alternative. It also allows for Afghans to draw credit, based on their projected production. The benefits of this facet are mixed and will be discussed in greater detail further on. It buoys Afghanistan's balance of payments in the range of 500 million to 1 billion dollars annually, and generates significant sources of customs duties on imports financed with drug money. (World Bank 2004) There are a number of negative macroeconomic consequences as well.

In addition to the natural climatic volatility involved in producing agricultural products, Afghan opium producers are beholden to price volatility in the international market. With regard to the volatility introduced by natural conditions, opium production in Afghanistan decreased by 9% after gross income per hectare dropped by 45% due to a pervasive drought. Alternatively, in 2002 gross income from poppy cultivation doubled from 2001, and the area under cultivation increased ten-fold, due to increasing access to irrigated land for cultivation. (UNODC 2003) In 1995, declines in the price paid for opium led to a 25% reduction in the area devoted to poppy cultivation. Afghanistan produces opium according to their natural comparative advantage. Like many other developing countries producing primary products for export, they are subject to price volatility in the international market.

Having such a larger portion of the economy organized around the production of one product with such high returns vis-à-vis other products produces an effect in the

larger economy akin to that experienced by primary oil exporting countries. Dutch disease is an economic concept associated with “Rentier States” or primary oil exporting countries. The sharp increase in the revenues from the exportation of a natural resource raises a country’s real exchange rate, which makes manufactured goods less competitive. “Afghanistan’s real exchange rate appreciated by an estimated 24% in 2001/02, 0% in 2002/03, and 13% in 2003/04.” (World Bank 2004) This volatility in exchange rates serve to discourage a diverse economic base and can cause deindustrialization. Absent any viable financial infrastructure, opium production also steps in to provide credit services to the poor.

Afghanistan has lacked any formal financial institutions since the 1990’s. This limited the ability of Afghans to deposit and invest their savings, especially since the Taliban prohibition of riba or interest. With the lack of any viable means of savings, Afghans in opium growing areas often turned to opium as a form of household savings. Opium was the most stable form of currency in Afghanistan. It can be stored for long periods of time, typically up to eight years and can be quickly converted into cash to supply for immediate needs. (Pain 2008) In addition, opium can be held as an investment, allowing the owner to buy and sell according to price fluctuations in the market. By all accounts, opium was the most stable medium of exchange in Afghanistan following the withdrawal of the Soviet Union. It also underpins the informal credit markets in Afghanistan.

Opium also serves as the basis for credit in the opium producing areas of Afghanistan. Poor Afghan farmers can borrow money against their future crops. In an

Islamic system it is perhaps more appropriate to say that they sell their future crops at a reduced rate. This places opium traders in a very powerful position vis-à-vis farmers. With opium as the only source of credit available, traders are often able to dictate prices to farmers that are 50% or more less than the actual market value of the crop. “The system facilitates distress sales which allow traders to acquire opium at prices significantly less than harvest price, but for the poor it may be their only source of credit during the winter months when food shortages are most acute.”(Goodhand 2003, 14) This places the farmer at the mercy of the trader. In addition, the farmer is faced with the risk of compounding debt, should the harvest not return the agreed upon quantity, further indenturing him to the trader. The farmer is forced to produce opium to survive and has limited ability to participate in arbitrage whereas the traders and landowners are able to enjoy the benefit of purchasing opium from farmers well below market value while also having the capacity to sell when prices are higher, such as in the winter months.

The most common form of credit is the salaam system. This is the type outlined briefly above. In this scheme, a farmer is advanced a fixed amount based on their expected harvest.

“The payments received as part of the salaam arrangements for opium turned out to be, on average just 42% of the value of opium at harvest time. In other words, if a farmer received \$42 as an advance, he actually lost \$58. This is equivalent to an interest rate of 138% for a loan obtained for just a few months. The average length of a salaam contract was 3.2 months. This means that the interest rate on an annual basis, amounted to 517% in 1998.” (UNODC 2003, 19)

If the crop that the farmer borrowed against becomes damaged, farmers are forced to reschedule the terms of their loans. In 1998, many farmers in the Nangarhar province

were unable to meet their loan obligations due to a poor harvest. The terms they were forced to take in rescheduling their debts were extremely unfavorable. The loan value often doubled or tripled, forcing the farmer to expand the total area devoted to opium production. This trend was reflected in a 20% expansion of the area under opium production nationally. “Almost 70% of the total increase in areas under poppy cultivation occurred in the provinces of Helmand and Nangahar.” (UNODC 2003, 120) The lack of any accessible financial infrastructure forces many agricultural communities to draw credit based on commodities. Opium as collateral is capturing a larger and larger market despite the high cost of borrowing when compared to other commodities. Furthermore, fluctuations in opium yields often forces farmers to reschedule the terms of their loans, forcing an expansion of the percentage of land they devote to opium cultivation. The opium-back salaam contracts produce a system of indebtedness and inequality that reinforces hierarchical power structures. It also reproduces and expands the very commodity that underpins this system of inequality.

### ***The Taliban and Warlords: Partners in Statelessness***

The Taliban retreat into the borderlands of Pakistan following the U.S. invasion did not create a massive power vacuum. Tribal leaders in the Afghan South that persisted during the Taliban rule remained in place. The Taliban ban on opium cultivation in 2000 led to a large spike in opium prices. It also led to widespread debt in the countryside due to unfulfilled salaam obligations. The increase in the price of opium and the necessity for farmers to fulfill the terms of their agreements led to a surge in opium production following the defeat of the Taliban. According to the UNODC 2003

Afghanistan opium survey, between 2001 and 2002 the area under opium cultivation jumped from 8,000 to 66,000 hectares, reifying Afghanistan's place as the largest opium producer in the world. As the Taliban moved back across the border into Afghanistan beginning in 2002, they formed key alliances with strongmen that controlled the trade in opium. The Taliban were able to siphon the revenue streams produced by opium through extracting taxes from the local farmers and providing protection for the traffickers. The Taliban exploited the durability of opium as a form of currency and built stockpiles, which could be accessed as needed. Much as the Taliban deposited caches of weapons across the countryside in order to broaden the range and flexibility of their operations, so too they placed strategic reserves of opium. Further evidence of the entrenchment of Taliban forces within the opium economy is demonstrated every year when a lull in combat operation coincides with the opium harvest. (Norton-Taylor 2010) The evolution of the Taliban retrenchment in the opium economy of the southern Provinces makes vital the need to disrupt the cycle of insurgency and opium that indentures rural farmers and undermines state formation.

Area of intense opium cultivation for 2008 and Taliban presence in Afghanistan



Map 4: Area of Intense Opium Cultivation for 2008 and Taliban Presence in Afghanistan  
Source: International Council on Security and Development

The opium ban instituted by the Taliban is often misunderstood and lauded as a Taliban achievement in governance. In fact, the Taliban ban on opium production was a strategic policy decision to rehabilitate the price of opium, which had dropped during subsequent years due to oversupply. When the Taliban issued the ban, they possessed a stockpile of over 300 metric tons of refined heroin. (Rais 2008) The ban reduced the area of land under opium cultivation from 82,000 hectares to 8,000 hectares driving the price of opium in the Afghan-Pakistan border region from roughly \$28 per kilo to \$375 per kilo. (Peters 2009) The Taliban made no effort to pursue the networks that produced and reproduced opium in Afghanistan, did not destroy their



holdings and continued to collect refineries on a product that had experienced a ten-fold increase in price. (Peters 2009) As the Taliban fled oncoming U.S. Forces, coinciding, with the opium growing season, farmers busily went about replacing their crops.

The Taliban retreated into the border regions of Pakistan, mainly Quetta and Peshawar, and into the Afghan countryside of Helmand and Kandahar Provinces. It became clear early on that opium production and trafficking was going to become a large problem. Absent any viable economy, stable currency or credit, involvement in opium became a matter of course. The new government was not immune to this trend. Ahmed Wali Karzai's involvement Noorzai politicking in order to gain a share of the opium trade is already documented within this study. Furthermore, "...the governor of Helmand, Sher Mohammed Akhunzada –who accompanied Karzai into Afghanistan on a motorbike in 2001 and remained a close friend of the president--was generally believed to profit from drug involvement." (Rashid 2008, 322) While the new power structure devised ways to both remain in the good graces of the legitimate government and profit from the opium boom, the Taliban were began encouraging farmers to increase production in the south.

The Taliban used opium as a source of income and also as a wedge between the people in the regions they controlled and the government. An email from David Kilcullen, who was travelling in southern Afghanistan, to George Packer of the New Yorker captures the dynamic well.

“One good example of the Taliban information strategy is their use of “night letters” They have been pushing local farmers in several provinces (Helmand, Uruzgan, Kandahar) to grow poppy instead of regular crops, and using night-time threats and intimidation to punish those who don’t and convince others to convert to poppy. This is not just because they need more opium—God knows they already have enough—but because they’re trying to detach the local people from the legal economy and the legally approved governance system of the provinces and districts...Get the people doing something illegal, and they’re less likely to feel able to support the government.” (Packer 2008)

The interests of the resurgent Taliban in southern Afghanistan coincide with the warlords in reproducing a system that distances the population from the legal government and licit economy. They received a lot of help in this regard from the government itself as well as the US and Coalition forces that failed to provide the resources and support necessary to vest Afghans in government structures. The connection between opium production, insurgency and tribal warlords are strong. In order to repel the encroachment of the Taliban, and undermine the grip they have over rural Afghans, The U.S., Afghan and Coalition forces must develop a strategy that addresses the root causes of poverty in the rural Afghanistan.

### ***Addressing the Problem***

The process of rehabilitating the Afghan state and economy will be difficult and require the sustained effort and support by the international community with a careful and considered approach as to how to dismantle the opium economy without causing further harm to rural Afghans. A policy that places the eradication of opium through the destruction of crops will fail. It will not produce the desired effect of curtailing insurgent funding and pushing Afghan farmers into legal alternatives. This strategy would only serve to further marginalize rural Afghans, particularly in the south, and

strengthen the Taliban grip on the countryside, not to mention fulfilling their recruitment quotas for the foreseeable future. Any counter-narcotics strategy must be gradual. Moving farmers from opium production into licit activities will take years of commitment by international stakeholders. This requires that a degree of trust be built with rural populations. Vital to the development of this trust is improving the quality of governance in the Provinces. This requires that the U.S. and Coalition Forces exert pressure on Kabul to reign in political elites that operate either within the drug trade or according to their narrowly defined interests. Rural populations should also be shielded from price fluctuations in the global market. The transition to alternative crops should be accompanied by a guaranteed price and income, on the basis of which Afghans can draw credit. Counter-narcotics pursued properly have the potential to disembed the Taliban and drug traffickers from Afghanistan's countryside and restart political and economic development within Afghanistan.

Crop eradication involves the destruction of the crop in the field, before it reaches distribution. This method is most often carried out in Afghanistan by ANA and ANP manually, literally ripping the poppies from the ground. This method attacks the problem of opium production at the lowest level and consequently affects those at the lowest levels disproportionately to actors higher up the value chain. This study has demonstrated, in the examination of the Taliban opium ban of 2000, that immediate forced eradication not only disproportionately harms the farmers, but can provide benefit to actors that are able to engage in price arbitrage. The indebtedness of farmers to providers of credit based on future opium production is further deepened in the case of forced eradication. The reduction of supply of opium and the consequent rise in

demand can also serve to transmit the problem to other Provinces that are not being targeted by eradication efforts. (UNODC 2003) Eradication efforts can only be successful where an alternative to opium cultivation is provided.

The degree of economic entrenchment of opium production and trafficking in the larger Afghan economy means that any effort to dismantle the opium economy must take care to mitigate the macroeconomic effects. The 2009 Afghanistan National Development Strategy estimates that about 14% of the population of Afghanistan involved in some facet of the opium trade, so achieving this would be difficult. As previously discussed, opium production and trafficking affects the exchange rate, balance of payments, and the national aggregate demand for goods and service in the national economy. Transitioning from opium production to licit economic activity would have to be carried out with special attention to macroeconomic stability. In 2004, the Finance Minister of Afghanistan, Ashraf Ghani, proposed a plan to phase out opium cultivation over a twelve year period. He concluded that in order to offset the harmful effects, the licit economy would require a sustained growth rate of 9%. The situation since then has only become worse. It is therefore likely that the government be required to help ease the shock of transition through maintaining an equitable distribution of wealth. The United States, also, must play a role in making markets for licit Afghan goods, such as cotton. Incentives that function at a grassroots level must be instituted to solicit community participation in determining the shape of transitioning from an opium economy. Afghans must be given another option.

*USAID, Alternative Livelihood Programs and Politics*

Alternative livelihood programs (ALPs) are an approach to supplanting illicit economies with legal economic activity while seeking to minimize the effects of transition upon the economic agents. In Afghanistan this means inducing opium producers, traders and traffickers to participate in legal economic activity. This recognizes that actors produce opium out of necessity due to the absence of any alternative form of economic activity and attempts to enfranchise them rather than target them as criminals. The programs that have won the most favor with Afghans are those which not only provide alternative forms of economic activity but also provide job security, income support, cash advances and access to cheap credit. (Rubin and Sherman 2008) There are programs operating in Afghanistan. Inter-governmental organizations (IGOs), Non-governmental organizations (NGOs), both international and local, as well as U.S. government programs are operating with varying degrees of success in Afghanistan. It is important to examine the U.S. role in rural development in Afghanistan. The United States is responsible for, and the entity with the financial and institutional capacity to fix, the situation on the ground in Afghanistan.

A transformation in the U.S. approach to rural development as a means to counter narcotics trafficking has begun to take place with the change in leadership. According to the 2010 Congressional Budget, USAID funding for field missions in Critical Priority Countries (CPCs)—Iraq, Afghanistan, Pakistan and Sudan-- has increased from \$296,048,000 in 2008 to \$477,106,000 in 2009. This represents a step in the right direction. “In FY 2009 alone, USAID trained more than 160,000 farmers across

Afghanistan on improving crop yields, financial management and business skills, and produce storage.” (USAID 2009) It also made 52,300 agricultural loans between \$200 and \$200,000,000 to small businesses, with a 94% repayment rate, half of which have gone to women. The Islamic Investment and Finance Cooperative (IIFC) is a community development organization funded by USAID in which farmers purchase shares in the cooperative and are paid proportional shares of profit. This allows farmers producing different crops a degree of diversification and allows for more stable income. The program also provides access to credit facilities to begin their operation. Unlike programs in the past that simply hand out seeds and cash, programs such as this create social capital, and enfranchise Afghans in the licit economy. In the south, the Kandahar Orchards project provides credit, expertise on production techniques, and secures international buyers for pomegranates. Even as the battles discussed in this study carried on violently in the Arghandab District, trucks filled with pomegranates moved out of orchards at night to Kandahar airfield. USAID also has a mandate to provide a proportionate share of development funds to women.

Women in Afghanistan have experienced a disproportionate degree of suffering during the past three decades of war. In support of their legal enfranchisement of women in Afghanistan, a lot of foreign and domestic development projects have been targeted at empowering women in Afghanistan. USAID in partnership with the Afghan Ministry of Public Health has instituted a program to train midwives in Afghanistan to help reduce the one in six maternal mortality rates. “As of May 2009, nearly 2,000 midwives had graduated from the program and 85 percent are now working in a hospital or health facility.” (USAID 2010) USAID has also focused on encouraging

female economic activity in the public sphere. Programs that provide foot-powered spinning wheels, classes that teach embroidery and the construction garment production centers have all been successful in educating women and providing the initial means to earn a livelihood. This all does not mean that USAID programs are without flaws.

In a report analyzing the effectiveness of aid agencies in Afghanistan, the Oxford Committee for Famine Relief (OXFAM) singles out USAID for sustained scrutiny. USAID allocates close to seventy-five percent of the total funds to international contractors and nearly fifty percent of its funds to five contractors, specifically. Furthermore, the United States funding of development activities is directly tied to counter-insurgency, with more than half of all USAID funds focused on the most insecure provinces. “In 2006 USAID allocated less than 4% of total funding for Afghanistan to agriculture, and planned spending for fiscal years 2007 and 2008 is 4% and 3% respectively.”(OXFAM 2008, 10) This reflects the disastrous policies instituted by George W. Bush who further gutted an already underfunded institution and used it to funnel money to favored contractors as well as Christian NGOs operating in the Muslim world. (Rashid 2008)

There are signs that the new administration plans to turn this trend around. The President’s proposed FY 2011 budget for USAID and the Department of State shows a \$4.9 billion increase with 3.6 billion of the increase directed toward CPCs. His appointment of Rajiv Shah as the Administrator of USAID is also encouraging. However, Obama’s appointment of Craig Mullaney, a former 10<sup>th</sup> Mountain infantry

officer and veteran of Operation Enduring Freedom, could signal that USAID is being brought further under the Department of State's umbrella, rather than gaining a greater degree of operational freedom. This would mean that the aid agenda would continue to disproportionately focus aid in Afghan Provinces with heavy insurgent penetration rather than pursue a more equitable national strategy.

The USAID programs demonstrate remarkable innovations and sophistication in structuring incentives for Afghans to participate in the licit economy. The focus on gender equality has been another promising development. The ideas work and Afghans are eager to distance themselves from opium production. The problem is one of scale. USAID and other development organizations need to step up the resources and commitment to the region. The United States must also prevent USAID from becoming solely a tool of local localized counter-insurgency. In order for the United States to retake the countryside, Afghanistan must be rehabilitated as a whole.

### ***Conclusion***

The project of state building in Afghanistan has been marked by a string of successive failures due to inadequate commitment by coalition forces, corruption in the government, and the reappearance of the Taliban. The United States failed to seize the opportunity presented following the collapse of the Taliban. It was the ideal time to provide for a surge in state-building. The decision by U.S. policy makers to pursue an expedient policy, in effect simply legitimizing existing power structures, instead of helping structure a government that represented the diverse interests of Afghan people, headed by honest leadership, doomed the state-building process from the beginning.



The result of ineffective State institutions is widespread poverty, which now kills more Afghans than violent conflict. (United Nations 2010)

The Taliban have proven that they are masters in navigating the complex political and social landscape of Afghanistan. The tactics they used in successfully seizing Afghanistan from the warlords and have re-emerged. The current incarnation has been strengthened by opium. The Taliban have been able to use opium as a means to fund their insurgency as well as a tool to secure strategic partnerships with powerbrokers in the provinces as well as the cities. They have also been able to use it to control the population, forcing rural farmers into a cycle of poverty and indebtedness. The United States purchased a quagmire, but is also in a position to do a lot of good. Successfully dissolving the insurgency and helping regular Afghans transition to sustainable livelihoods would put Afghanistan on a road to recovery. The successful rehabilitation of Afghanistan would pay the security dividend but also create a model for pursuing post-conflict reconstruction elsewhere in the world. Crucial time has been lost and the United States and Coalition forces must act decisively in order to secure Afghanistan's future.

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